

NEW FORWARDING COMPANY.

A very important meeting, as affecting the commercial interests of the Province, was held at Toronto on the 28th ultimo, "for the purpose of establishing a line of Freight Propellers between Toronto and Oswego." The necessity of building a different class of vessels for the navigation of the St. Lawrence has frequently been urged in the columns of this paper, and we are glad to find that steps are now being taken to effect it. At the meeting in question, after Mr. Ridout had been called to the chair, and the objects contemplated explained, a gentleman named Taylor was introduced, who submitted a proposal for building a propeller of certain dimensions for the Oswego trade, the building of which he offered to superintend, and also to take stock in her. The cost of the vessel he estimated at £5000. In answer to questions, Capt. Taylor stated that a vessel of the description he proposed would go through the canal—that the tonnage would be about 250 tons—that she would carry about 2800 barrels, and be as fit to encounter storms as a regular steamer. He imagined that about 8 miles an hour would be the speed obtained.

Mr. Ridout.—What is your opinion as to the fitness of such a vessel for the Montreal trade?

Captain Taylor.—I think she could be admirably suited for it. She could carry 2500 barrels, and draw 6 feet 6.

Mr. Ridout.—What rate of freight would she pay?

Captain Taylor.—I have not entered into any calculation as to Montreal; but I estimated that at 7d. per barrel of flour to Kingston—two trips a week—her gross receipts would be £175 per week.

Mr. Brunskill.—That is too much,—you must be content with 5d.

Capt. Taylor further estimated the monthly expenses of such a vessel at £270, and calculated on three trips per month.

These enquiries having been satisfied, Mr. Whittemore moved the first resolution. In doing so, he stated that he had taken some pains to ascertain the amount of freight received at the Port of Toronto from Oswego, during the season of navigation that had just closed; and, from the result of his inquiries, he had no hesitation in asserting that propellers on that route would pay. The amount of tonnage was as follows—About 2340 tons merchandize, 1566 tons coals, 13,000 barrels salt, and 1000 barrels plaster. The freight on the above, at a reasonable rate, would be sufficient to pay the expenses of a propeller, and leave a handsome surplus—not taking into consideration the amount that would be received from passengers, and also on way-freight; that is, freight from this port to Windsor Harbour, Bond Head, Port Hope, Cobourg, &c. But in case there should not be business sufficient to engage one or more propellers during the season on that route, they could find plenty of employment for their craft by taking in produce say for Montreal and Quebec, and if they built vessels they ought to be adapted to the trade of the whole Province, and not to one particular section.

Mr. Brunskill said that any vessel built for the Oswego trade should be constructed with an ultimate view to her plying between Toronto and Quebec. He had no doubt that the forwarding trade by the St. Lawrence would ere long receive a great impulse—and the recent change in the sugar duties at home, he thought, would immediately divert a large portion of the Oswego trade by Montreal. He felt quite sure that if a proper class of vessels were placed on the Canadian Lakes and the St. Lawrence, that we could safely compete with the Erie Canal, not only in forwarding of our own merchandize, but as the carriers of the vast commerce of the Western States. The freight charges had heretofore been a monstrous grievance—but it could easily be shown that a proper class of vessels could do the business more efficiently at greatly reduced rates, and yet yield a profitable return. If our Government would but take all duties off the larger articles of freight—commodities of which the freight charges constitute a large part of the value—such as pig-iron, earthenware, &c., he was convinced we could supply all the Western States with such articles, and create a vast forwarding business. Supposing a vessel such as Captain Taylor proposes, costing £5,000, to be placed on the route between Toronto and Quebec, let us look at her probable returns. She would at any rate make two trips per month and her down freight would be for both, 5000 barrels, we shall say at 1s. 6d. per barrel (and at that rate I am authorized to say that one horse in town will guarantee us 15,000 barrels per annum, and take £500 stock) giving £375 per month; and from the great facilities which an association of merchants would afford her, no difficulty could be had in insuring a large amount of back freight at 1s. per cwt. which would yield £300 per month. Her gross receipts would thus be £675 per month, which with 8 months' season—[A Voice, You can only calculate on seven.]—Well, possibly so, but his estimation was made on eight, which would give a gross annual income of £5,200. Let us say in round numbers £5000; ten per cent. for wear and tear, or £1600 per annum; expenses for the season £1,600—and canal dues £100, and we will still have remaining a clear margin of £2,000. Ten vessels of this class would cost £50,000, and the expenses of an establishment divided among them, would be £250 for each propeller—still leaving a net profit on each of £1750 per annum. He thought that with such a favorable prospect before them, the Montreal trade should not be lost sight of, and as regarded the Oswego trade, it was doubtful in his mind whether it would not be better to place a steamer on that route. The Transit could be purchased at a low price, and her expenses would not exceed £12 10s per day.

Mr. George Brown (of the *Globe* newspaper), expressed his surprise that the merchants of Upper Canada had submitted so long to the exactions which were levied from them by grasping monopolists, or by an inefficient or expensive system of doing business; and he gladly welcomed the present meeting as the harbinger of a better state of things. He regretted, however, to observe the very limited scale of their present scheme; when he saw around him so many gentlemen who could readily establish such a line as that to Oswego, on their own responsibility—he felt that the aim of the meeting ought to be much higher and more extensive. How the merchants of Upper Canada can be content to allow the present system to continue, when they could so readily protect

themselves—how they could pay 1s. 6d. per barrel for forwarding flour from Kingston to Montreal (the proposed scale for 1847), when, by the clear statement of Mr. Brunskill, they could carry it themselves from Hamilton to Quebec for the same sum, and derive a profit from the trade—he could not imagine. It was quite clear that the rapid approach of Free Trade warned us to prepare for the future. The value of our great staples must come down, and unless the charges of transport are brought to the lowest point, and vigorous and united efforts are made to conduct the business of the country on the most efficient and profitable manner, we will be but ill prepared to meet the emergency. He thought there was but one course open to the meeting,—to resolve to establish a broad joint-stock company for placing the forwarding trade of the Canadian waters on the most economical and efficient scale, and to call on their brother merchants in the other cities and towns to unite with them in the effort. Mr. Brown referred to the injury done to the country by the exorbitant steamboat fares, which shackled business, confined knowledge, and were felt as a grievous burthen by the whole of the community. He trusted that the present movement would be extended to the passenger traffic,—that it would be considered as a national effort, and that all classes would come cordially forward to sustain it.

These opinions were responded to by Mr. Sheriff Jarvis.

Similar opinions were expressed by other gentlemen, and the meeting broke up with a unanimity of feeling which, if persevered in, must lead to a satisfactory conclusion, and give a new impetus to the trade of the country.

SKETCH OF THE HISTORY AND PRINCIPLES OF THE NAVIGATION LAWS.

[CONTINUED.]

(From McCulloch's Commercial Dictionary)

It is extremely easy to show, that to have continued to enforce the provisions of the old navigation law, in the present state of the world, would have been among the most efficient means that could have been devised for the destruction of our commerce. The wealth and power to which Britain has attained, has inspired other nations with the same envious feelings that the wealth of Holland formerly generated in our minds. Instead of ascribing our commercial and manufacturing superiority to its true causes,—to the comparative freedom of our constitution, the absence of all oppressive feudal privileges, the security of property, and the fairness of our system of taxation,—our foreign rivals contented that it has been entirely owing to our exclusive system; and appeal to our example to stimulate their respective governments to adopt retaliatory measures, and to protect them against British competition. These representations have had the most injurious operation. In 1787, the American Legislature passed an act, copied to the very letter from our navigation law, with the avowed intention of its operating as a retaliatory measure against this country. The Northern powers threatened to act on the same principle; and would have carried their threats into effect, but for timely concessions on our part. The same engines by which we laboured to destroy the trade of Holland were thus about to be brought, by what we could not have called an unjust retribution, to operate against ourselves. Nor can there be a doubt that, had we continued to maintain our liberal and exclusive system, and refused to set a better example to others, and to teach them the advantage of recurring to sounder principles, we should have run a very great risk of falling a victim to the vindictive spirit which such shortsighted and selfish policy would have generated.

For these reasons, it seems difficult to question the policy of the changes that have recently been effected in the navigation laws, partly by the bills introduced by Mr. (now Lord) Wallace in 1821, and Mr. Huskisson in 1825, and partly by the adoption of what has been called the *Reciprocity System*. Under the existing law, (6 Geo. 4, c. 109, see *post*.) the ancient enmity between all European countries in amity with Great Britain is placed on the same footing. The memorials of our former animosity, and of our jealousy of the prosperity of certain of our neighbours, have thus been abolished; and the same law is henceforth to regulate our commerce with the Continent.

The distinction between enumerated and non-enumerated goods is still kept up under the new regulations; but, instead of confining the importation of the former into the United Kingdom, either to British ships or to ships belonging to the country or place where the goods were produced, or from which they were originally exported, the new regulations permit that they may be imported either in British ships, in ships of the country of which the goods are the produce, or in ships of the country or place from which they are imported into England. This is a very important alteration. Under the old law, when a number of articles, the products of different countries, but all of them suitable for importation into England, were found in a foreign port, they could not be imported except in a British ship, or separately in ships belonging to the different countries whose produce they were. This was obviously a very great hardship on the foreigner, without being of any real advantage to our own ship owners. When the foreign merchant had vessels of his own, it was not very probable he would permit them to remain unoccupied, and freight a British vessel; and there were very few ports of any importance in which foreign bottoms might not be found, in which the articles might not be legally imported. The real effect of the old law was not, therefore, to cause the employment of British ships, but to oblige foreigners to assort their cargoes less advantageously than they might otherwise have done, and thus to lessen their intercourse with our markets. The new law obviates this inconvenience; while, by restricting the importation of European goods to ships of the build of the country of which they are the growth, or of the build of the country or port from which the goods are shipped, and which are wholly owned by the inhabitants of such country or port, it is rendered very difficult for the people of a particular country to become the carriers of the produce of other countries to our markets.