

REPORT.

COMMITTEE ROOM,

Legislative Assembly.

The Select Committee appointed to enquire into and report from time to time on the Trade and Commerce of this Province, with power to send for persons, papers and records,

BEG LEAVE TO REPORT:

That the attention of your Committee has been directed to the various subjects recommended by them at the close of last session.

I.—POSTAL SUBSIDY.

During the past Session of the Legislature, the Committee on Trade and Commerce submitted to the Legislature an address to Her Majesty, praying that the same amount of postal subsidy would be granted by the Imperial Government to a line of steamers between Liverpool and Quebec, as had been paid to a similar line between Liverpool and New York, and although the address had the unanimous approval of both Houses, time did not admit of its being formally adopted.

During the present session the Provincial Government submitted an address, praying for the same amount of subsidy to Quebec as is paid to other colonies. (Appendix No. 1.)

Your Committee are informed that a subsidy has been granted by the Imperial Government to another line of steamers, running from Galway, in Ireland, to St. John's, Newfoundland, and thence to New York, during the present year.

The payment of these subsidies by the Government has already been the main cause of reducing the price of ocean freights from Liverpool to New York, and if this system is continued, it will be in vain for the Provincial Government or Her Majesty's subjects in Canada to attempt to regain the trade of the west, or seek to derive any return from the large capital expended in canals and railways originally undertaken under the encouragement of Her Majesty's Government, because it will be entirely diverted from its natural outlet to the ocean by the St. Lawrence.

Your Committee, therefore, most earnestly urge the Provincial Government to continue to press upon the consideration of the Imperial Government, the importance of extending the same amount of postal subsidy to steamers plying from any part of Great Britain to Quebec, as may now or hereafter be paid to any other line of steamers from any port in Great Britain to New York.

II.—RECIPROCITY.

The Committee of last Session pointed out restrictions recently imposed on the commercial intercourse between the United States and Canada, and suggested that measures should be taken for their removal.

Since then His Excellency the Governor General has been pleased to transmit for the information of the Legislative Assembly, copies of the correspondence be-