

## ADMISSION OF COLONIAL-BUILT SHIPS

British shipowners, would be materially to injure two of the most important branches of carrying trade in which they are engaged, the timber trade from the North American colonies, and the American cotton trade.

It is asserted that the recent depression of the shipping interests from which the owners of colonial-built ships have suffered equally with the owners of those built in this country, is to be traced solely to the excess of production in colonial-built ships in the years 1839, 1840, and 1841, and that their production is governed by different laws from that of British-built ships.

These assertions appear to this Committee to be equally fallacious.

The inducement to build ships during the period referred to, was the same in the United Kingdom and in the colonies, viz. the deficiency in the then existing tonnage to supply the demand, and the consequent high price of ships, and correspondingly high rates of freight. Had not a single ship been produced in the colonies, it is evident that building would have increased at home until the deficiency were supplied to the same extent from the one source as it was in reality supplied from both, and the only difference would have been, that so large a demand on the building capabilities of the United Kingdom would have further enhanced the price of shipping, and greatly increased the distress of the shipowners, consequent on the revulsion from a state of activity and excitement to one of serious and general depression in the carrying trade of this country and the world.

Mr. Young appears to anticipate that the question under discussion may be considered as a shipbuilders' question, and, in the opinion of this Committee, it is entirely so. No doubt the introduction of colonial-built ships into the home markets at moderate prices has diminished the employment of shipbuilders in England, and curtailed their profits. It is true that colonial-built ships are less costly, and, generally speaking, less enduring than those built at Sunderland; but it is equally true, and perhaps in a greater degree, that the Sunderland ships are less costly and less enduring than those built in the River Thames; and if the Sunderland shipowner can to-day claim of the Government and Legislature that a differential duty shall be laid on the productions of his fellow-subject in North America, as a protection in favour of his own productions, there appears no valid reason why the London shipbuilder should not, to-morrow, be entitled to call for a similar duty to be imposed on Sunderland ships for his protection.

It is stated in Mr. Young's letter, that the combined advantage to the colonial shipbuilder of buying his timber at the place of its growth, and of carrying a cargo of timber to England on the first voyage of his ship, is equivalent to a bounty of 3*l.* or 4*l.* per ton in his favour. This statement is grossly erroneous. If the British builder, who uses colonial timber in the construction of his ship, is under the disadvantage of buying it charged with freight and other expenses, the colonial builder is, on the other hand, subject to the disadvantage of importing from England all the other component parts of his vessel, charged with similar expenses, and with duties much heavier than are now payable on colonial timber. This is the case with his iron, copper, canvass, cordage, and other stores; and, to crown all, the labour which he employs, forming one of the most important items in the expense of ship building, is also imported from home, and is more costly than the labour employed by his competitor at Sunderland, and the balance in the cost of building, if accurately struck, will be found to be in favour of the British builder.

The other presumed advantage on the side of the colonial shipbuilder is equally fallacious. If the ship built in Quebec carry to London or Liverpool a cargo of timber, the one built at Newcastle or Sunderland carries to Quebec a cargo of coals, earthenware, and other merchandize, and returns to England with a cargo of timber.

It appears that on this point, as well as throughout the letter under review, although it professes to be written on behalf of British shipowners generally, the views and interests of the shipbuilder have alone been consulted, for the comparison instituted between colonial and British-built ships can only mean, that the colonial shipbuilder has an advantage over the London shipbuilder, in the sale market of London, to the extent of the net profits resulting from the freight he has earned in bringing his new ship from Canada to London. This may well be admitted without laying any reasonable ground for the legislative remedy demanded.