

FREE NAVIGATION.

The following memorials have been sent to His Excellency the Governor-General-in-Council:—

THE ST. LAWRENCE CHANNEL.

To His Excellency the Right Honorable Sir John Douglas Sutherland Campbell, Marquis of Lorne, P.C., K.T., G.C.M.G., Governor-General of Canada, &c., &c., in Council assembled.

The Memorial of the Harbour Commissioners of Montreal respectfully represents:—

That your memorialists desire again to approach your Excellency in Council, regarding the debt incurred in improving the Ship Channel of the River St. Lawrence, between Montreal and Quebec, and the further prosecution of this work.

That on the 1st of December, 1880, your memorialists had the honor of making certain representations to your Excellency in Council on this subject, with a view to obtaining some assistance, and they were so far successful that by the Act 44 Vic. Chap. 7, the rate of interest on the amounts advanced the Commissioners by the Government was reduced from 5 per cent. to 4 per cent. and the obligation imposed on the Trust by the Act 36 Vic. Chap. 60, to provide a sinking fund to pay off the said advances was cancelled. And further by the Act 45 Vic. Chap. 44, an additional loan of \$280,000 was made on the same terms, towards enabling the Commissioners to complete the Ship Channel to 25 feet at low water.

That in consequence of this reduction of interest your memorialists were enabled to reduce the tonnage dues on shipping 33½ per cent., to that extent cheapening the St. Lawrence route.

That the grants made to the Commissioners, amounting to \$1,780,000, have now been expended, and the 25 feet depth of water has been obtained, except at Cap La Roche, where vessels are obliged to take advantage of the high tide in order to have the full benefit of the improved channel. This should be further deepened two feet, and at some of the bends and places where cross-currents exist, the channel should be widened to insure greater safety.

That your memorialists would further desire to observe that although the improvements now made are of great advantage to the trade by the St. Lawrence, it is generally admitted that the depth of water must still be increased to meet the demands of trade and enable the St. Lawrence route to successfully compete with American Ports.

Your memorialists would also state that they have a large and valuable dredging plant and an experienced staff for the further carrying on of these operations, and it would seem injudicious to allow the same to be dispersed, in view of the facts herein stated. That for the further improvements of the River additional dredging to the extent of 2½ feet is required, and it is estimated that this would cost about \$900,000 and that the work could be accomplished in five years.

Your memorialists would further draw your attention to the fact that of the \$1,780,000 expended, \$575,000 was paid for plant alone, leaving only \$1,205,000 as the cost of the work already done, in deepening the channel from 20 to 25 feet. Should the deepening be now continued this plant is available for it, but should the work be stopped, and the plant disposed of, and should it afterwards be found desirable to resume, a similar outlay would require to be made before operations could be again commenced.

That it is expected in five years time that the Canadian Pacific Railway will be completed from British Columbia to the St. Lawrence, when it is believed an enormous development of traffic will take place. Your memorialists are therefore most anxious that the requirements of this new trade should be anticipated and provided for, both by increased depth in the river, and accommodation in the Harbour. Your memorialists are unable to undertake both, but should the Government be pleased to relieve them of the Ship channel they will then be able to increase the accommodation in the Harbour.

Your memorialists would also observe that large grants are annually voted by Parliament for the improvements of Harbours and Rivers in all parts of the Dominion, while Montreal, the Central shipping port in the Country, has since Confederation received no grants whatever, and has not only constructed her own Harbour works, but has been obliged to incur large obligations for the improvement of the ship channel of the St. Lawrence, a work which they think is as much a public work as the enlargement of the Canals, it being part of the great national waterway to Ontario and the North-West.

That as a further evidence of the additional burdens which are imposed upon the Revenues of the Trust, your memorialists would state that since 1873 it has fallen to them to maintain the buoys and beacons on the river from Montreal to Portneuf, and in doing so they have expended upwards of \$70,000 and have only received from your Excellency's Government the sum of \$7,000 on account of said disbursements. Your memorialists would beg to remark that they consider this service should be carried on at the public expense, as is done elsewhere in the Dominion, and should be permanently provided for, as a charge upon the public revenue.

That your memorialists would also call your attention to the fact that the Revenues of the Trust are all required for the due maintenance and improvement of the Harbour, the payment of the interest on the Harbour debt proper, and of the interest to the Government on the above mentioned loans, which latter sum now amounts to \$71,200 per annum; and on which account nearly \$400,000 has been paid to the Government out of revenue during the progress of the work.

That were the Government to assume the debt and the further deepening of the Channel, your memorialists would be enabled to abolish the tonnage dues, which in 1880, the

year before the reduction of tonnage dues already referred to took place, amounted to \$78,765, and which if accomplished would be an important concession to the shipping interests of the Dominion.

Your memorialists are aware that the Government is having the Channel between Cap la Roche and Quebec carefully examined for suspected obstructions, and they urge that a similar examination be made at Crane Island, below Quebec, where deep draught vessels can only pass at certain stages of the tide, and that such improvements as may be found necessary should be made.

That your memorialists view with considerable anxiety the action of the New York State by their recent vote in proposing to entirely abolish the Tolls on the Erie Canal, which will no doubt be carried into effect, and be a direct blow at the St. Lawrence Route; they would therefore respectfully urge your attention to this subject.

Your memorialists would further call special attention to the fact that at the American Seaports, with which the St. Lawrence must compete, the approaches to the Harbours are improved entirely at the cost of the United States Government and without charge against the Harbours. Within the past few years there has been thus expended by them over \$15,000,000 for the Ports of Boston, New York, Philadelphia, Baltimore and New Orleans, for works which are exactly analogous to the improvement of the Ship Channel of the St. Lawrence, with which its shipping is now burdened.

Your memorialists would, therefore, for these and other reasons, most respectfully and earnestly request that the representations herein contained may receive the serious and favourable consideration of your Excellency in Council, and that such steps may be taken as will relieve the Harbour of Montreal of the burdens above referred to, and at the same time admit of the further improvements of the river, as herein suggested.

And your memorialists, as in duty bound, will ever pray.

ANDREW ROBERTSON,
Chairman.
H. D. WHITNEY,
Secretary.

HARBOUR COMMISSIONERS OFFICE,
MONTREAL, 15th November, 1882.

THE CANAL TOLLS.

To His Excellency the Right Honorable Sir John Douglas Sutherland Campbell, Marquis of Lorne, P.C., K.T., G.C.M.G., Governor-General of Canada, &c., &c., in Council assembled.

THE MEMORIAL OF THE COUNCIL OF THE MONTREAL BOARD OF TRADE

MOST RESPECTFULLY SHERETH,—

That in consequence of the abolition of tolls on west-bound freight via New York canals early in the year 1881, and in response to earnest representations for the removal of all burdens on traffic from the sea-board to the West, via the St. Lawrence route, your Excellency was pleased to issue an order modifying and reducing to some extent, the tolls leviable on merchandise carried through the Canadian canals;

That your memorialists beg to request your Excellency's attention to the circumstance that the reduction of tolls, above referred to on merchandise carried through the Canadian canals, resulted in a large increase of third and fourth class westward freight—say from 1,916 tons, in 1880, to 6,485 tons in 1881, or an increase of 4,569 tons;—that the revenue from the diminished rates on these two classes of merchandise showed an increase; and that the goods in these two classes are those that use the entire length of canals, say from Montreal to Port Colborne;

That an emergency has again arisen, which seriously threatens the value and usefulness of the canal system of Canada, and calls urgently for immediate action on the part of the Dominion Government, in consequence of the recent submission of the question of *Free Canals* to the people of the state of New York,—they having affirmed it by an overwhelming majority,—and that it now only remains for the Legislature of that State to enact a law giving effect to the popular decision, so that their canals shall be entirely free of tolls from henceforth;

That it seems to your memorialists to be well understood that the policy of the State Government of New York will be to enact a comprehensive law, to provide for the management, maintenance, and the future enlargement of the canals out of the general revenue of the Commonwealth;

That the policy of free canals adopted by the State of New York, appears to your memorialists to leave no alternative to the Dominion Government but to yield to the necessity so clearly presented of removing all tolls on the Canadian Canals, without delay, especially as your memorialists understand that inland transportations companies in the United States are already prepared to quote greatly reduced through rates for the carriage of merchandise next season from European ports to Western States, to the imminent peril of the trade which Canadian common carriers are endeavoring, amidst many difficulties and powerful opposition, to build up;

That the construction of the Canadian canals, and the great enlargement of them—upon which the Government of the Dominion is now spending very great sums of money—were undertaken for the purpose of securing the large and extending through traffic; and that unless the common carriers by water in Canada can immediately be placed on an equal footing with those on the Erie Canal and be enabled to quote comparing rates to their correspondents abroad, the result will be that the trade between Europe and the Western States, at present using the St. Lawrence route, will be lost to Canada and gained by the United States.

That your memorialists are of opinion that the entire removal of canal tolls would enable forwarding companies on Canadian rivers and canals to compete more effectively than at present with the Erie canal route and give an impulse to the ocean-carrying trade, as well as to the inland water-borne traffic, because the water highway of the Dominion affords the shortest, most commodious and best route to destinations in the Great West;

That your memorialists consider that the value and importance of the Canadian canal system are not to be estimated by the amount of revenue yielded, because, although all tolls were abolished, the Dominion would again, more or less directly, by an increase of tonnage at the Canadian sea-ports, and by augmented transportation facilities on the inland waters, giving an enhanced value to all our exports by the reduced cost of transportation; whereas, if the inland carrying trade shall continue to be overburdened in the face of freedom from tolls on the Erie route, the magnificent and costly canals of Canada will fall into comparative disuse, while the profitable trade that would be driven away into a foreign channel may never be regained;

Wherefore, Your memorialists do most earnestly invoke the immediate attention of your Excellency-in-Council to the foregoing considerations, in the hope that, in your wisdom, you may adopt what appears to be the only course to ward off a most disastrous blow at the inland commerce of the Dominion by presently passing an Order-in-Council authorizing the repeal of all canal tolls, in order that forwarders may be in a position to make their freight contracts for the next year.

Signed on behalf of the Council of the Montreal Board of Trade.

H. W. HENSHAW,
President.
WM. J. PATTERSON,
Secretary.

Montreal, 22nd November, 1882.

BANKING AFFAIRS IN THE DOMINION.

The Banking inflation in Canada continues to attract considerable attention and has been the subject of no little discussion in the newspaper press. It is discovered by a leading newspaper that we are passing through a period of inflation. Another devotes a column and a half of its space, bristling with statistics, to show that "the situation is one which demands the gravest consideration and the promptest action too, upon the part of all business men." The alarming rapidity with which the people of Canada are getting into debt is the text for a much needed homily by a third, and if that people are not saved from the consequences of their own folly it will not be for the want of warning on the part of those watchmen on the towers, the newspaper press. But there is, as yet, no sign of any increased caution on the part of bankers. On the contrary, the current loans to the public, which in August had reached the unprecedented amount of \$170,375,289, increased in September another four and a half millions of dollars, while the liabilities increased three and a half millions in the same time. Neither is there any attempt at strengthening the gold reserves. The Bank of British North America maintains a gold reserve in Canada and New York of some 40 per cent. on its liabilities, the Bank of Montreal of about 35, and the gold reserve of the rest of the banks ranges from three to fifteen per cent. Under these circumstances it is not easy to see where a sudden demand for gold to settle European balances might land us. And that such a demand is by no means a remote probability is the opinion of many prominent bankers. The harvest was more than an average one, but the limited foreign demand and consequent low prices are preventing it from being exported to meet our foreign liabilities. These liabilities, too, are heavier than usual. The imports for the year ending 30th June last were \$14,000,000 more than those of the previous year. These will have to be paid for shortly and, unless grain comes forward more rapidly than it is now doing, will have to be paid for in gold. If the demand should come with the close of navigation, which seems only too probable, the six or seven millions of gold held by the banks will disappear like snow in summer. The small handful of gold held by Government will vanish into thin air. The banks will apply to the Government for gold which the Government will not have to give them, and the Government will appeal in vain to the banks for the return of the twenty millions on deposit there. The consequence of building a house of cards will be plainly visible, and a deluded people will have cause to regret the day when they entrusted a needy ministry with the power to issue notes for circulation. A retired financier—the father of the Canadian greenback system, is credited with the scheme which has not worked well, which means, of course, that it is unsound in practice. The unnatural good times it has in part given birth to and fostered, have stimulated speculation to its utmost capacity. Banking capital is largely held on margin. As much as sixty per cent. of the capital of many of the banks is held in this way, and the moment the lending power is exhausted, which may arrive at any moment, at that moment the speculative mania will come to an end and a panic ensue. The situation is grave in the extreme.—*Rhodes Journal*.

THE PURE GOLD OF CANADA.—The finest gold ever assayed at the United States Assay Office, New York, was recently received from the mines of the Canada Consolidated Gold Mining Company, of Ontario. Of two bars, aggregating nearly \$2,000, one was 992 fine; and the other of about \$1,200, was 998 fine. One small bar even ran 999. The gold was produced by chlorination from the gold-bearing arsenical sulphurets treated by this company. The assays show that from 90 to 97 per cent of the gold is obtained by this method.