

PROCEEDINGS

AT THE

SEVENTH ANNUAL MEETING

OF THE

DOMINION BOARD OF TRADE

HELD AT OTTAWA,

On 17th, 18th and 19th JANUARY, 1877.



MONTREAL:

THE MONTREAL HERALD PRINTING AND PUBLISHING COMPANY.

—
1877.

OFFICE-BEARERS OF THE DOMINION BOARD OF TRADE,
FOR 1877.

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CHAS. H. GOULD, Esq., MONTREAL.

Secretary :

WM. J. PATTERSON, Esq., MONTREAL.

PREFATORY NOTICE.

In presenting the REPORT of PROCEEDINGS at SEVENTH ANNUAL MEETING of the DOMINION BOARD of TRADE, it is, perhaps, only necessary to say that, as heretofore, I have given the utmost personal supervision to the whole matter that was consistent with its being put rapidly through the "Press." The speedy issuing of the Report has always appeared to be an essential element in its value; and in the hurry of producing it errors may possibly have been overlooked, which may be more or less apparent to Representatives who participated in the various discussions. I venture the hope, however, that no material mistake has been made, and that the whole Proceedings will be considered accurately recorded. Messrs. A. and G. C. HOLLAND'S valuable services as Official Reporters are hereby acknowledged; and it is only justice to mention that the aid of my Assistant, Mr. WM. J. B. PATTERSON, has contributed very much to the faithfulness of the Report.

WM. J. PATTERSON,
Secretary.

MONTREAL, 14th February, 1877.

LIST OF BOARDS AND DELEGATES.

PLACE.	ORGANIZATION.	NO. OF MEMBERS.	NAMES OF DELEGATES.
Cape Breton (Sydney).....	Board of Trade.....	46	{Geo. H. Dobson. {S. Napier Robinson.
Fredericton, N. B.....	Do.	40	Z. R. Everett.*
Halifax, N. S.....	Chamber of Commerce....	80	{Wm. J. Stairs. {Geo. I. Troop.
Hamilton, Ont.....	Board of Trade.....	90	{Adam Brown. {John I. Mackenzie. {W. E. Sauford.
Ingersoll, Ont.....	Do.....	24	Peter J. Brown.
Kingston, Ont.....	Do.....	52	{Samuel Woods. {R. M. Ford.*
King's County, N. B.....	Do.....	82	Robt. Marshall, M.P.P.*
Levis, Que	Do.....	40	J. H. Simmons.*
London, Ont	Do.	60	{Henry D. Long. {Fred. Rowland.
Do.....	Chamber of Commerce.....	80	{John Walker. {John Cameron. {A. M. Ross.
Montreal, Que..	Board of Trade.....	324	{Andrew Robertson. {Henry Lyman. {John Kerry. {William Darling. {Thos. White, Jr. {A. T. Paterson.
Do.....	Corn Exchange.....	214	{Hugh McLennan. {W. W. Ogilvie. {D. J. Rees. {J. E. Kirkpatrick. {M. Hannan.
Ottawa, Ont.....	Board of Trade.....	82	{Hon. James Skead. {Wm. Pennock. {Francis Clemow.
Do.....	{Ont. and Quebec Timber & {Lumber Association..}	40	{W. G. Perley. {H. F. Bronson.
*Pictou, N.S.....	Board of Trade.....	33	*
Quebec, Que.....	Do.....	160	{Henry Fry. {A. Joseph. {A. Woods. {Joseph Shehyn, M.P.P.
*Sarnia, Ont.....	Do.....	40	*
Stratford, Ont.....	Do.....	16	James Corcoran.
St. Catharine's, Ont.....	Do.....	30	Dr. L. S. Oille.
St. John, N.B.....	Do.....	102	Andre Cushing.
Toronto, Ont.....	Do.....	120	{W. F. McMaster. {Wm. Thompson. {John Gillespie.
Do.....	Corn Exchange.....	75	{Wm. H. Howland. {S. W. Farrell.
Do.....	Manufacturers' Association of Ontario.....	150	{R. McKechnie(Dundas). {B. Rosamond (Almonte) {W. H. Frazer (Toronto).
*Windsor, Ont.....	Board of Trade.....	30	*

NOTE.—Names and Places marked (*) indicate absence of Delegates.

OFFICIAL PROGRAMME.—*Subjects Proposed for Discussion at the Seventh Annual Meeting of the Dominion Board of Trade, to be held in Ottawa, on Tuesday, 16th January, 1877, and following days.*

I. Exemptions from Taxation—Trading Powers to Charitable Institutions.

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| II. | { | 1. QUEBEC, Q., BOARD OF TRADE.—That the exemption of any class of Real Estate from Municipal Taxation is unjust in principle and burdensome in operation. That this Board do memorialize the Dominion Government, representing the desirability of such legislation as may be necessary to render any such exemptions illegal and unconstitutional. |
| | | 2. TORONTO, ONT., BOARD OF TRADE.—The errors of exemption from taxation. |
| | | 3. HAMILTON, ONT., BOARD OF TRADE.—The exemption of Church and other property from taxation. |
| III. | { | 4. MONTREAL Q., BOARD OF TRADE.—On the recent legislation of the Province of Quebec, to enable an Institution incorporated for Charitable objects to engage in trade and manufacturing. (Written Paper.) |

II. The Shipping Interests—Registration of Vessels—Reciprocal Use of Canals and Rivers.

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| I. | { | 5. QUEBEC, Q., BOARD OF TRADE.—That the Minister of Marine and Fisheries be respectfully requested to press upon the Imperial Government the necessity for an immediate revision of the laws relating to Seamen, and especially as regards discipline at sea and the qualifications and physical condition of men shipping as Able Seamen in British Vessels. (Written Paper.) |
| IV. | { | 6. QUEBEC, Q., BOARD OF TRADE.—That this Board regrets that the action taken by it last year, regarding the differential duty imposed by France on Canadian-built ships, has not yet produced the desired result. That, therefore, the Government be respectfully urged to renewed efforts towards securing for ships of the Dominion an equal footing in France with those built in England. |
| | | 7. LEVIS, Q., BOARD OF TRADE.—That the Government be respectfully urged to make efforts towards securing for Ships of the Dominion an equal footing in France with those built in England. |
| V. | { | 8. OTTAWA, ONT., BOARD OF TRADE.—The impropriety of allowing American bottoms to be treated as Canadian Vessels by simple registration. |
| VI. | { | 9. OTTAWA, ONT., BOARD OF TRADE.—Urge the taking of such steps as will result in the securing to vessel owners of the Dominion the rights of using American Canals and Rivers, as provided by the Washington Treaty. |

III. The Insolvent Act—Extradition.

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| VII. | { | 10. TORONTO, ONT., BOARD OF TRADE.—Amendments to the Insolvent Act of 1875. |
| | | 11. OTTAWA, ONT., BOARD OF TRADE.—The Repealing of the Insolvent Act of 1875. |
| | | 12. HALIFAX, N.S., CHAMBER OF COMMERCE.—The advisability of Repealing the present Insolvency Law. |
| | | 13. LEVIS, Q., BOARD OF TRADE.—That, in the opinion of this Board, the Repeal of the Insolvent Act is important to the commercial interests of the Dominion. |
| VIII. | { | 14. TORONTO, ONT., BOARD OF TRADE.—Extradition with the United States to be amended to secure the return of fraudulent debtors and those guilty of breach of trust. |
| | | 15. HAMILTON, ONT., BOARD OF TRADE.—Revision of the Extradition Treaty, with a view to its including other classes of offenders than are now embraced in its provisions. |

IV. Bank Note Circulation—Stamp Duties.

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| II. | { | 16. HAMILTON, ONT., BOARD OF TRADE.—Resolved, That the attention of the Dominion Board of Trade be called to the present great insufficiency of the country's instrument of payment, with a view to its laying such information before the Government as will show the urgent necessity of an immediate remedy; and that it be also suggested to the Dominion Board of Trade to enquire whether it is not due to the payment of interest to their depositors by the Banks (thus unduly increasing the amount that threatens the gold they hold) that the Bank-note circulation cannot safely be put out, as at present, to more than one-third the issue authorized by the Legislature of Canada. |
| X. | { | 17. TORONTO, ONT., BOARD OF TRADE.—The abolition of the Stamp Duty on Bills and Notes. |

V. The Intercolonial Railway—Transportation Routes, &c.

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| XI. | { | 18. QUEBEC, Q., BOARD OF TRADE.—That the Tariff of charges for Freight on the Intercolonial Railroad is not on a sound basis, through-freight being unduly favored to the prejudice of local business. |
| XII. | { | 19. ST. CATHARINES, ONT., BOARD OF TRADE.—That this Board of Trade highly approves of the policy of the Dominion Government in utilizing the Intercolonial Railway to carry the European Mails over its route; and would recommend the Government to use all legitimate means to direct Freight between the Western and Maritime Provinces on the St. Lawrence route, and by affording every facility to shippers that is accorded to those by the Grand Trunk Railway. |
| XIII. | { | 20. QUEBEC, Q., BOARD OF TRADE.—That the desire evinced by the Government to render the Intercolonial Railroad an effective part of the "Great National Highway" of this Dominion, is fully appreciated and heartily approved of by this Board; but it desires to record its opinion, that the laudable object thus aimed at can be realized only to a very limited extent while the whole traffic of the Road is dependent on mutual arrangement with another Railroad Corporation. Therefore this Board would strongly recommend the completion of a line from its present terminus at River du Loup to a point opposite the City of Quebec. |
| | { | 21. LEVIS, Q., BOARD OF TRADE.—That this Board is strongly of opinion that the Federal Government should purchase the section of the Grand Trunk Railway from River du Loup to Quebec; and this, in order to fully realize, in favor of the Commercial interests of the Dominion, all the advantages expected to be derived from the construction of the Intercolonial Railway. |
| XIV. | { | 22. CAPE BRETON BOARD OF TRADE.—Consider the best means to stimulate Inter-Provincial trade relations, and to increase transit facilities between Cape Breton and the Upper Provinces. |
| | { | 23. CAPE BRETON BOARD OF TRADE.—Consider the advantages offered by Sydney and the Nova Scotia seaboard for the increase of the St. Lawrence carrying trade, and the lessening of the cost of transit between the West and the European markets. |

VI. Fiscal Policy of Canada—Customs Tariff—Petroleum—Coal, &c.

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| XV. | { | 24. HAMILTON, ONT., BOARD OF TRADE.—The fiscal policy of the Dominion. |
| | { | 25. TORONTO, ONT., BOARD OF TRADE.—Consideration of the present Free-list of Canada, compared with the American Tariff of same articles. |
| XVI. | { | 26. HALIFAX, N.S., CHAMBER OF COMMERCE.— <i>Whereas</i> , in the adjustment of the Tariff, the principle has always obtained, that duties should be levied on manufactured articles, and that anything considered a raw material, or that enters largely into home manufactures, should be admitted duty free; and <i>whereas</i> , there are in the Dominion of Canada several mines of Barytes which remain undeveloped to any great extent, for the simple reason that this article in a manufactured or ground state is admitted duty free:
<i>Therefore Resolved</i> .—That in order to encourage an industry which is likely to be of very great importance, this Chamber earnestly recommends their representatives at the Dominion Board of Trade, and in Parliament, to urge the imposition of a duty on ground or manufactured Barytes, and that only the ore or raw article be continued on the free list. |

Fiscal Policy of Canada, &c.—(Continued.)

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| XVI. | (Contd.) | 27. HAMILTON, ONT., BOARD OF TRADE.—Urge the desirability of a Tariff of 25 per cent. on such manufactures as Canada has the natural facilities for producing as economically as they can be produced elsewhere. |
| XVII. | | 28. ST. CATHARINES, ONT., BOARD OF TRADE.—That it is the opinion of this Board that the depressed state of the manufacturing industries of the Dominion is mainly owing to our trade relations with the United States being on such unequal footing. . . . That an increase of, say, 1½ per cent. on the present Canadian Tariff is desirable. |
| XVIII. | | 29. LONDON, ONT., CHAMBER OF COMMERCE.—Consideration of the Customs and Excise Duty on Petroleum; to relieve Refiners from the Excise Duty and its restrictions in the event of a reduction being made in the Customs Tariff on Petroleum. |
| | | 30. HALIFAX, N.S., CHAMBER OF COMMERCE.—The importance of reducing the duties on Petroleum and its products. |
| | | 31. CAPE BRETON BOARD OF TRADE.—That the Dominion Board of Trade be requested to take into consideration the present depressed state of the Coal trade in Nova Scotia, and the advisability of adopting measures for its protection. |

VII. British and Foreign West India and South American Trade.

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| XIX. | 32. QUEBEC, Q., BOARD OF TRADE.—That this Board, being strongly impressed with the desirability of encouraging direct Trade with the British and Foreign West Indies, would reiterate the suggestions made by it to the Government on a former occasion, viz. :—“That a sufficient Postal subsidy be granted to a “ semi-monthly line of Steamers to leave Quebec or Montreal in summer, and “ Halifax in winter, for the West Indies.”
“ That efforts be made to obtain a more uniform and less obstructive “ Fiscal Policy on the part of the British West Indies, as applied to this Do- “ minion, in return for such reciprocal action on the part of our Government “ as may be within its power to concede.” |
| | 33. ST. JOHN, N.B., BOARD OF TRADE.—The Trade relations of the Dominion with the West Indies and South America. |
| | 34. HAMILTON, ONT., BOARD OF TRADE.—The question of direct steam communication between the Dominion and the West India Islands and other British Colonies in North and South America. |

VIII. Sugar Duties—Tax on Lobster Cans—Fishery Laws.

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| XX. | 35. HALIFAX, N.S., CHAMBER OF COMMERCE.— <i>Whereas</i> , according to the abundant evidence of practical Sugar Refiners, experts and dealers in Canada and Europe, Importers of Raw and Clayed Sugars, as well as the Refiners of the same in Canada, are at present largely injured, as is so clearly proved by the actually forced closing of the Refineries, and the importation into Canada from the United States, to an extent larger than the equivalent to their former product, to the great injury of the large and direct trade of the Dominion with the various sugar-producing countries, so desirable in encouraging a large export trade of the various products and manufactures of Canada;
Therefore, <i>Resolved</i> —That this Chamber feels and fully recognizes the great importance of such a change in the Sugar Duties of the Dominion as will place her trade on a sound and just basis, and effectually meet any and every enactment of the Government of the United States tending to deprive the Dominion of its desirable and hitherto lucrative trade and manufacture:
<i>And it is further Resolved</i> —That while this Chamber, in consideration of the vast importance of the Sugar Trade, in all its bearings, to the Dominion generally and to the Maritime Provinces particularly, would refrain from any appearance of dictating in what way this necessary change would be most effectually enacted, whether in favor of increased <i>specific</i> or <i>ad valorem</i> duties on imports of the Raw or Unrefined Sugar, advance of duty on the Refined article, or otherwise, this Chamber would humbly, yet earnestly and emphatically, express its firm conviction that this important subject should engage the earliest and best attention of the Dominion Parliament at its approaching session. |
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Sugar Duties, &c.—(Continued.)

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| XXI. | { | 36. HALIFAX, N.S., CHAMBER OF COMMERCE.—That the Dominion suffers from the United States demanding a duty on Lobsters, or on the packages containing them, which this Chamber deems an infraction of the Treaty of Washington. |
| XXII. | { | 37. HAMILTON, ONT., BOARD OF TRADE.—The necessity of assimilating the Fishery Laws, rules and regulations of those ports of the United States bordering on the Dominion, with the Laws in force on our own Inland Lakes and Rivers. |
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IX. Ocean Cable Amalgamation—Gulf Telegraphy.

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| XXIII. | { | 38. LONDON, ONT., CHAMBER OF COMMERCE.—The undesirability of permitting the threatened amalgamation between the Direct United States Cable Company and the Anglo-American Cable Company, to take place. |
| XXIV. | { | 39. EXECUTIVE COUNCIL.—That this Board, in the interests of Maritime Commerce, petition Parliament in favor of a Sub-marine Telegraph System for the River and Gulf of St. Lawrence. |
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X. Life Assurance—Weights and Measures—Customs Examination of Goods—Long Credits.

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| XIV. | { | 40. TORONTO, ONT., BOARD OF TRADE.—The establishment of a Government Life Assurance. |
| XV. | { | 41. ST. CATHARINES, ONT., BOARD OF TRADE.—That this Board is of opinion, that should the Dominion Government initiate any legislation during the approaching session relative to Life Assurance, it should be so directed as to compel foreign or American Companies to afford greater security to policyholders in the Dominion. |
| XVI. | { | 42. LONDON, ONT., CHAMBER OF COMMERCE.—Consideration of the Act respecting Weights and Measures, with a view to lessening the charges and simplifying its working. |
| XVII. | { | 43. HALIFAX, N.S., CHAMBER OF COMMERCE.—The unfairness of the present system of passing goods in the Country towns, without sufficient examination by the Customs authorities. |
| XVIII. | { | 44. TORONTO, ONT., BOARD OF TRADE.—The pernicious effects of long Credits, and how to avoid them. |
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The foregoing is a complete list of all the Recommendations and Resolutions received to date, and is subject to the revision of the Executive Council.

WM. J. PATTERSON,
Secretary Dominion Board of Trade.

MONTREAL, 12th January, 1877.

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PROCEEDINGS.

PARLIAMENT BUILDINGS,
RAILWAY COMMITTEE ROOM,
OTTAWA, *January 17, 1877.*

In consequence of the detention of railway trains by snow-storms, a quorum could not be obtained on the 16th inst.—the day appointed for the opening—and consequently the Seventh Annual Meeting of the Dominion Board of Trade assembled on the following day (Wednesday, 17th inst.) at Ten o'clock A.M., the President, ANDREW ROBERTSON, Esq., in the Chair. After calling the meeting to order, he announced the first matter to be the reading of the minutes. Whereupon it was duly moved and seconded :

“That the Minutes of Annual Meeting held at Ottawa, in January, 1876, be taken as read and confirmed.”

Motion carried.

APPOINTMENT OF COMMITTEES.

The PRESIDENT then announced the following Standing Committees :

FINANCE.

WM. PENNOCK, *Chairman*.....OTTAWA.
WM. H. HOWLAND.....TORONTO.
HUGH McLENNAN.....MONTREAL.

BY-LAWS.

WM. DARLING, *Chairman*.....MONTREAL.
W. J. STAIRS.....HALIFAX, N.S.
HENRY LYMAN.....MONTREAL.

CREDENTIALS.

W. W. OGILVIE, *Chairman*.....MONTREAL.
D. J. REES.....Do.
J. E. KIRKPATRICK.....Do.

EXECUTIVE SUB-COMMITTEE ON BUSINESS.

THOMAS WHITE, Jr., *Chairman*.....MONTREAL.
A. JOSEPH.....QUEBEC.
ADAM BROWN.....HAMILTON.

In connection with the appointment of the last-named Committee, the President explained that under the amended Constitution the Executive Council is a Standing Committee to consider all matters of business during the sessions; and that that sub-committee's action is reported to the Board by the Council.

ANNUAL REPORT OF EXECUTIVE COUNCIL.

The SECRETARY, Mr. WM. J. PATTERSON, then submitted the Annual Report of the Executive Council, which was as follows:

To the REPRESENTATIVES constituting the

DOMINION BOARD OF TRADE:—

The Executive Council have pleasure in presenting to the Seventh Annual Meeting a summary of proceedings since January, 1876. The full report of the last annual meeting was prepared and printed with even more than usual celerity, and the requisite number of copies were forwarded to each affiliated organization—one copy being also sent, as is customary, to each member of the Dominion Parliament at the beginning of the Session. It will be remembered that during the discussion on the question of telegraphic extension to the Gulf of St. Lawrence, Mr. Grant, of Quebec, during his speech, used in explanation a map which had been prepared for Hon. Dr. Fortin, then Speaker of the Legislative Assembly of Quebec. A lithographed copy of that map was arranged for, and accompanied the reports, thus greatly assisting readers to an appreciation of the subject.

Without delay, after the adjournment in January, the various Petitions, Memorials, Resolutions, &c., ordered to be presented to His Excellency the Governor-General in Council, and to Parliament, were transmitted, and acknowledgments received. They included the following:—

- Petitions.*—On Extension of Telegraphic System to Gulf of St. Lawrence.
Inspection of Fish and Fish Oils.
- Memorials.*—On "Protection."
The Tea and Coffee Duties.
Uniformity in Grain Standards.
Preferential Railway Freights.
- Resolutions.*—Unseaworthy Ships.
Canadian Lloyds.
Transportation.
Rights and Liabilities of Common Carriers.
Average Adjusters.
Accountants in Insolvency.
Tribunals of Commerce.
Extradition.
Reciprocal use of Canals.

ASSOCIATION OF CHAMBERS OF COMMERCE OF GREAT BRITAIN.

In accordance with the usual courtesy of that body, the Association of Chambers of Commerce of the United Kingdom, extended an invitation to this Board to be represented at the Annual Meeting to be held in London, during the month of February last. Very fortunately, HENRY FRY, ESQ., of Quebec, was in England at that time, and attended the meeting in a representative capacity. He took part in some of the discussions, and warmly and successfully opposed a resolution in favor of the compulsory survey of all British ships by Government officials.

The thanks of this Board are due to that organization for the numerous courtesies offered to its delegates on this and other occasions ; and the Council regret that while several representatives of the Dominion Board have been privileged to attend the gatherings of their English brethren, none of the latter have, thus far, been able to be present at one of the Annual Meetings of this body.

THE SHIPPING LEGISLATION OF GREAT BRITAIN.

The legislation of the Imperial Parliament on Merchant Shipping during its last session was of great importance to Canadian shipowners ; and although in some respects an improvement upon the Act of the previous year, it leaves the law in a most unsatisfactory position.

Our ships are still liable to be detained upon frivolous complaints (subject, however, to an appeal to a local Court of Survey) by men, who in many cases, it may reasonably be feared, are incompetent judges, and who prefer a strict adherence to a red-tape system, rather than consult the convenience of the great interests at stake. The present law clearly places our ships at a great disadvantage, compared with foreigners, in ports of the United Kingdom ; for although the last Act authorizes the detention of foreign ships laden in the United Kingdom, which are " unsafe by reason of over-loading or improper loading," it permits of no detention for unseaworthiness from any other cause. Foreign ships, and especially Norwegians, are now competing successfully with ours in every quarter of the globe, and charterers are apt to prefer bottoms which are not liable to these, often vexatious, detentions.

During the debates, Canadian legislation on shipping was frequently alluded to in very complimentary terms, and in fact our own Deckload law is copied almost verbatim in the Act of 1876, but coupled with a most unfortunate provision, which compels the space occupied by all deckloads, even in summer, to be measured and added to the registered tonnage ; a clause which, while it will in no way prevent deckloading, will be a source of considerable delay, annoyance and expense to our shipowners.

The Council deeply regret to add that the Act does not attempt to deal with a most pressing question, viz., " unseaworthy seamen." Many practical men assert that more losses are occasioned by unseaworthy seamen than by unseaworthy ships. The present state of discipline on board British ships is admitted on all hands to be deplorable ; and the Council trust that recent cases of murder and mutiny on board Canadian ships will induce our Government to make strong representations to the Imperial Government upon this matter.

The Council gratefully acknowledge the services rendered by the Deputy Minister of Marine and Fisheries, William Smith, Esquire, in London during the progress of this legislation, and regret that his efforts did not meet with a larger measure of success.

ANNUAL MEETING OF UNITED STATES NATIONAL BOARD OF TRADE.

The Annual Meeting of the National Board of Trade was held at New York in the month of June last. Invitations were extended to the Council of this Board, the same being urgent in their tenor, as it was represented that having reached their country's centennial year, the Council of that body were warranted in considering it a more than ordinarily auspicious time to invite representatives from other countries, making the occasion as much as possible an international one. They, therefore, hoped Canada would join them in welcoming to a common America the commercial brethren from abroad. Accordingly the invitation was accepted, and the Council appointed as the deputation: the President, Vice-Presidents, past Presidents, and present members of Council. But owing to various circumstances, only the following gentlemen were able to attend, viz.:—Messrs. Robertson, White (Jr.), and Patterson, of Montreal; Farrell, of Toronto; and Grant, of Quebec. They were received with the courtesy and cordiality so characteristic of the members of the National Board of Trade. As a matter of course, the subject of chief interest to the Canadian delegation was that of "Reciprocity," introduced by the following resolution:

Resolved,—That the National Board of Trade most heartily approves and urges upon Congress the early adoption of the following joint resolution, which was introduced into the House of Representatives on December 15, 1875, to wit:—

Resolved, by the Senate and House of Representatives of the United States, in Congress Assembled,—That the President of the United States be, and is hereby authorized to appoint three Commissioners, by and with the advice and consent of the Senate, to confer with other Commissioners duly authorized by the Government of Great Britain, or whenever it shall appear to be the wish of that Government to appoint such Commissioners, to investigate and ascertain on what basis a treaty of reciprocal trade, for the mutual benefit of the people of the United States and the Dominion of Canada can be negotiated.

This resolution was adopted. The remarks made by the different speakers were almost entirely in advocacy of the appointment of Commissioners, to be shrewd and intelligent business men,—but little was said in the way of discussing the general question of reciprocal trade.

In response to an invitation, the Dominion Board's delegation addressed the meeting through Mr. Thomas White, Jr., who pointed out the liberal attitude of Canada towards the United States ever since the abrogation, by the latter, of the Reciprocity Treaty of 1854; the enterprise of Canada in improving its canals and navigation routes; the several efforts made by its Government to obtain a renewal of the Reciprocity Treaty, which were not met by the Americans in the proper spirit. He referred to the fact that Canada's trade policy towards the United States is precisely the same as towards Great Britain, in charging duties on similar goods coming from both countries; and hinted that it might become expedient to adopt differential duties against the United States, and form more intimate trade relations

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with the mother country. He alluded to Canada's grievance with respect to the unfair discrimination against them in duties on the articles of tea and coffee; and passed on to reiterate the views of this Board, that propositions for Reciprocity should emanate first from the Americans, and that Canada would doubtless be pleased to consider their proposals and take any reasonable reciprocal action.

Just here your Council would call attention to the fact, that they have placed this subject of "Reciprocity" on the Official Programme, with a view to reciprocating the Resolution of the National Board. A large delegation is expected from that body at this meeting, and it is hardly necessary to bespeak the hearty reception always accorded to the representatives of the United States National Board.

The delegation which attended the meeting at New York, in reporting to your Council, mentioned that the expectations of the American organization seemed to have been somewhat disappointed in not finding a larger representation of commercial organizations from Europe, the foreign element being confined to the presence of a gentleman from Birmingham.

THE CENTENNIAL.—TRADE BETWEEN THE DOMINION AND OTHER COLONIAL POSSESSIONS.—
TRADE LETTERS.

So many persons from Canada have visited the Centennial Exhibition, held last year at Philadelphia, that more than a passing allusion to that great event,—bringing together as it did representatives and specimens of industry, &c., from almost every country in the world,—seems now unnecessary. One of the results flowing from the meeting together of prominent men from various nations, has been, not only to some extent to make them better acquainted with one another, but with the products, manufactures, and capabilities of the countries represented. This has stimulated mutual inquiry and investigation among the representatives of the various British Colonial possessions—merchants and manufacturers in Canada having been led to inquire whether there were not favorable openings in the British and Foreign West Indies, as well as in the Australian Colonies, for some of the productions of the Dominion. Representatives to the Centennial from several of the Australian Colonies, visited Canada and conferred with merchants in Toronto, Ottawa and Montreal; and the result has been the dispatch of merchandize to Melbourne and Sydney, with articles to be placed on view at an exhibition in the latter place in April next. The Government has appointed the Hon. John Young, of Montreal, as Commissioner to Australia for the purpose of bringing the subject of direct trade with Canada before the governments and people of the various Colonies. The preponderance of commercial feeling appears to be that the Colonies at the Antipodes will not afford opportunity for any very great trade between them and Canada; but that the British and Foreign West Indies, lying comparatively near the Dominion, and within easy reach of its Maritime ports, offer all the advantages that the producers, manufacturers, and merchants of the Dominion may immediately hope for.

It is understood that the question of closer commercial intercourse between the Dominion and the West Indies has been engaging the attention of Government, and that it may, in some form or other, come before the Dominion Parliament which assembles next month. Questions on the Official Programme for the present meeting

of this Board, lead the Council to anticipate that much information on that subject will be elicited from many of the representatives. It should be mentioned here that your Secretary has rendered good service to the mercantile interests of Canada, by the issuing of a series of "Trade Letters"—one relating to Australia; the second, to trade with the West Indies; and another, respecting the nearest Colonial neighbor to the Dominion—Newfoundland. As copies of these interesting and valuable documents will be presented to each of the delegates present the Executive Council need only say that the services rendered by Mr. Patterson in the publications alluded to, deserve the commendation of this Board.

SUBMARINE TELEGRAPHIC SYSTEM FOR THE GULF AND RIVER ST. LAWRENCE.

Referring to the discussion which occurred at the Annual Meeting held in January last, upon the advantages and necessity of establishing a Submarine Telegraphic System for the Gulf and River St. Lawrence, as propounded by Hon. Dr. Fortin, it affords the Executive Council very great pleasure to record the fact, that the House of Commons in March last, appointed a Select Committee to inquire into and report upon this important subject. The Chairman of that Committee, Hon. Mr. Robitaille, has reported strongly in favor of the proposal, showing that the cost of the entire work to connect all the islands of the Gulf with the mainland would probably be under \$400,000. The official report is a valuable one, and conclusively establishes the necessity for undertaking the work in the interest of the maritime Commerce of the Dominion.

It will be remembered that Dr. Fortin submitted documents to this Board on the occasion above referred to, showing the number of wrecks and casualties which occurred in the year 1875, the consequences of which might have been greatly ameliorated, and in some cases averted, had there been such communication as he proposed. As further illustrating the necessity and advantages of such communication, it has been brought to the notice of your Executive Council that the barque "Renfrewshire," (780 tons) laden with a cargo for the Clyde, from Quebec, was wrecked on the 27th day of October, 1873, at Otto-Point, Anticosti. She was a total loss, but the crew were all saved, and passed the winter at the lighthouse, until on the 15th of April, 1874, they were taken off by a schooner and landed safely at Gaspé. Had there been such telegraphic communication as Dr. Fortin has been, and still is, so indefatigably contending for, it would at least have been impossible that the captain and crew of that unfortunate barque should have been compelled to remain upon Anticosti for 5 months and 19 days (!) without their whereabouts being known and relief afforded. And the Council would urge upon this Board to petition Parliament to take into consideration the necessity for providing, in some way, for the immediate carrying out of the proposed telegraph scheme, as essential to the safety of the navigation of the Gulf of St. Lawrence.

THE RECENT "STRIKE" ON THE GRAND TRUNK RAILWAY.

With reference to the disastrous consequences of the recent "strike" of locomotive engine-drivers on the Grand Trunk Railway, to the mail service and commerce of the Dominion, your Executive Council would specially request attention to this

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additional circumstance: that the public credit of the Dominion has been imperilled by it. They are of opinion that the occurrence referred to was one respecting which all the powers of Government should have been promptly exercised for the suppression of riot and outrage; and that the existing laws relating to riotous proceedings of trade or other combinations, are either ineffectual to protect persons and property, or the authority of law has not been brought into operation in the interest of law and peace. Independently of the merits of any dispute between the Railway Company and its employes, it is beyond doubt the duty of Government to make all possible provision for maintaining law and order, and if existing powers are not sufficient for that purpose, to invoke further legislation by Parliament without delay; and it is suggested that the consideration of the Board be given to this vital question.

INTERCOLONIAL RAILWAY.—WINTER NAVIGATION OF THE GULF OF ST. LAWRENCE.

Your Council have to record the completion of the Intercolonial Railway—one of the conditions of Confederation—in August last, for passenger and freight traffic. At the close of navigation the Dominion Government ordered the embarkation and landing of the foreign mails at the port of Halifax, thus utilizing the railway for securing ingress and egress to the Dominion at a Canadian port. There will, by and by, be other competitive ports for winter service, viz.: Whitehaven, Louisburg, and North Sydney, which railway extension will probably bring into operation, and in thus utilizing the seaboard advantages of Nova Scotia, greatly promote the commercial interests of the Dominion.

The attempt to navigate the St. Lawrence and the Gulf in winter, is at present under trial, the steamer "Northern Light," built by Mr. Sewell, of Levis, being now engaged in the effort to keep up communication between Prince Edward Island and the mainland. This Board called the attention of Government to the question at the annual meeting in 1875, and the experiment now in progress will be watched with interest, with a view to determining whether the theory propounded will afford the wished-for and very desirable winter connection.

THE OFFICIAL PROGRAMME—APPROPRIATENESS OF SUBJECTS FOR DISCUSSION.

In the Official Programme will be found a subject of considerable importance, submitted by the Boards of Trade of Quebec, Toronto, and Hamilton respectively, viz., the exemption of certain classes of property held by religious or charitable corporations from municipal taxation. The principle which has been laid down in connection with the discussions by the Dominion Board of Trade is this: that no question which may not be dealt with by the Parliament of Canada, should be discussed by the Board. This question of exemptions from municipal taxation can only be dealt with by the Provincial Legislatures, and under the rule referred to, would be excluded from discussion by the Board. In view of its importance, however, and of the general and wide-spread interest which it is exciting, the Executive Council have included the question in the Official Programme, leaving it to the Board to take such action as may be deemed most fitting.

It must be stated here that the Executive Council's understanding of the intent of certain amendments to the Constitution of the Board, adopted at last Annual

Meeting is, that they were meant to afford more time than formerly to the affiliated Boards to send forward subjects for insertion in the Official Programme, under the supervision of the Council. It is to be regretted that expectations have not been fully realized,—intimations coming to the Secretary very tardily, and in some cases so curtly or infelicitously expressed as to be ambiguous. This is an injustice to the Board; for, while a few subjects were mentioned in an official circular dated 2nd January, the larger portion of the topics for discussion will have been seen for the first time by nearly all the representatives on the first day of meeting. Your Council, therefore, would earnestly urge upon all affiliated organizations—(1.) that they should consider it imperative that intimation of subjects must, as a rule, be in the hands of the Secretary not less than fifteen days before the date of meeting, *except in special circumstances*;—(2.) That all notices of subjects should be stated clearly, and as concisely as possible, in the form of a proposed resolution.

AMENDMENTS TO GENERAL LAW FOR LOCAL BOARDS.

In accordance with a resolution passed at the Sixth Annual Meeting, your Council made application during the last Session of Parliament, for certain Amendments to the Act 37 Vic., chap. 51,¹ being "An Act to authorize the incorporation of Boards of Trade in the Dominion." Your Council have pleasure in announcing that the amendments proposed were, in their main features, adopted. They were:—(1) The placing of Chambers of Commerce on the same footing as Boards of Trade; (2) Sanctioning the formation for incorporation of "District" or "County" Boards or Chambers—the word "district" being defined to be a district established for judicial purposes by the Legislature of the Province wherein the same is situate. This amendment arose out of a case in point—where a Board of Trade for the *District* of Cape Breton desired incorporation. (3) Authorizing the Secretary of State to grant incorporation to Boards on the deposition of their *Secretary* made before a Justice of the Peace,—instead of requiring the affidavit or deposition of *each of the persons* signing application for enrolment.

It is believed that the Act as now revised, will prove advantageous in many ways, and its privileges no doubt be largely used. The best thanks of this Board are due to the gentlemen who so kindly took charge of the Bill, giving it their earnest attention during its progress through Parliament, *viz.*:—A. T. Wood, Esq., M. P., of Hamilton, in the House of Commons; and Hon. Thomas Ryan, of Montreal, in the Senate.

THE TREASURER'S ACCOUNTS.

The revenue of last year has proved nearly equal to the demands made upon it, the deficit being small. Details will be submitted to the Finance Committee for consideration and report. With reference to Boards dropping out of connection without notice of any kind being given, the Council beg to call attention to Sec. 2 of Art. IX. of the Constitution, which says:—"Any constituent body may withdraw from membership in the Board, on submitting a formal request to that effect at an annual meeting, and on full payment of all dues."

Respectfully submitted on behalf of the Executive Council.

(Signed)

ANDREW ROBERTSON,

OTTAWA, 15th January, 1877.

President.

Mr. JOHN GILLESPIE (Toronto) called attention to the paragraph in relation to the "strike" on the Grand Trunk Railway, and asked an explanation as to the necessity of it. It was a strange statement to make, that "the public credit of the Dominion has been imperilled" by somebody not clearly defined in the report. It was a grave charge, which should be defined.

The PRESIDENT said this was a subject which had engaged the attention of a large number of people in the country, and the Council felt it was only right, now that the "strike" was past and gone, to endeavor to prevent a repetition of it. Every person must see that if trains are to be stopped for days, or perhaps weeks, it would be a very serious matter to the mercantile community throughout the Dominion. When they were stopped, as in this instance, for five days, it was exceedingly inconvenient; and if they had not run for five weeks or five months it would have proven ruinous to many merchants, and done a great deal of harm to the trade of the Dominion. This was why the paragraph was placed there.

Mr. ADAM BROWN (Hamilton) moved, seconded by Mr. WM. THOMSON (Toronto), the adoption of the report.

Mr. GILLESPIE said he did not intend to offer any amendment to the report, but he did not think these "strikes" were peculiar to Canada, and doubted the wisdom of giving such prominence to the late difficulty between the Grand Trunk Railway Company and their employees. He did not think it wise to state that the credit of Canada could be imperilled by the action of a few engineers connected with an organization which extended all over the Continent.

Mr. WM. PENNOCK (Ottawa) said the seriousness of this "strike" had been conceded on every hand. There was, however, a very strongly implied, if not directly expressed, censure of the Government in this paragraph. The Executive Council, of which he was one, in framing the report, did not intend this as a censure on the Government, and if it were viewed in this light he would allow it to pass; if not, he would move an amendment.

The PRESIDENT said he did not believe it was intended to say one word in disparagement of the Government, and the whole paragraph would not bear out such a construction. For himself and his colleagues from Montreal, he could say it never struck them in that light at all. There was no intention to censure the Government, the railway company, or the men. The idea was to call attention to the fact, with a view to

preventing a recurrence of such troubles. If the Government had not the power requisite to prevent the stoppage of traffic, they should get it from Parliament.

Mr. JOHN WALKER (London) said the Government had no power to act as this paragraph implied they should have acted. The statute clearly provided the means by which such emergencies should be met. It was only in case of invasion or insurrection that the Government could act, and the power to quell riots and disturbances was vested entirely in the municipal and local authorities. Suppose the Government had called out the militia in this instance and men had been shot, the Government would have been liable to be tried for murder. It would be well, for the reputation of the Board, to expunge this paragraph from the report.

Mr. THOMAS WHITE, Jr., (Montreal), deeply regretted this discussion had arisen. Up to this time the Board had managed to keep clear of anything like politics. He was satisfied this paragraph did not convey any such censure as Messrs. Pennock and Walker imagined. The effect of striking out this clause would be to expressly declare that the Government had done all they could to prevent such troubles. Without wishing to discuss that point, he would say that he did not think they had ; and this was the opinion of eminent legal authorities. Under the Dominion Police Act of 1868, the Government were authorized to swear in special constables to protect the public interests in just such emergencies as the one in point. The opinion of a great many people was, that they might have availed themselves of that Act for the purpose of doing something towards quelling this disturbance. Since the paragraph was there in the report, he would be very sorry to have it struck out.

Mr. HUGH MCLENNAN (Montreal), said the record of this Board had been clear as to the non-introduction of politics into its discussions, and thought it unfortunate that the Session of 1877 should be opened by a violation of the rule which had guided them in the past. He had been present at the reading of this report, in the first place, and any impression which this paragraph might have made was explained by the one which followed, and he was satisfied the intention was to call attention to the "strike" in order to prevent a repetition of what would be disastrous to the country. As a member of the Council, he disclaimed any intention of censuring the Government for the course they had pursued in the past ; the object was to provide against future troubles. He thought it would be much better to allow the paragraph to pass, than to discuss it, or to move an

amendment, which, if rejected, would convey a direct censure on the Government.

Mr. GILLESPIE wished it to be understood that he had not introduced the political discussion, but had merely viewed it as a commercial question; and he reiterated his objection to the statement that a "strike" of locomotive engineers could imperil the credit of the Dominion.

Mr. W. W. OGILVIE (Montreal) thought this no trifling matter, but one of very serious moment to the commercial community. It was so in the Eastern Province, at all events, and he thought the paragraph should be allowed to remain. The Government should have power to prevent a repetition of such troubles.

Mr. JAMES CORCORAN (Stratford) said there was no riot or attempt at a riot in Stratford; but, if there had been, the local authorities had sufficient power to quell it at once, and would have been sustained by the citizens. When such powers were possessed by the local authorities, if there was anyone to be blamed they should be, and the paragraph ought to be altered to that effect. If there was no law on the Statute-book now to punish engineers who deserted their engines on the track, there should be one to compel railroad employees, after starting with a train from a station, to run it to its destination.

Hon. JAMES SKEAD (Ottawa) considered the "strike" had been a very great injury to the country by the delay to mails, freight and passengers; but, at the same time, since the matter had been amicably adjusted, it would be a pity to open up any political discussion on the subject. He was sure the Council had no intention to cast any censure on the Government, and he would be very sorry to ask this Board to strike out any matter or clause in the report. He also adverted to the fact that the report of the Executive Council had found its way into the newspapers before being presented to the Board.

Mr. PENNOCK said his intention was to call attention to this matter in such a way that it could be disposed of without discussion. Having perfect faith in the institutions of our country, he did not want it to go to the world that they were not sufficient to maintain the integrity of law, and that we have not the inclination or power to put down every incipient riot. It would be monstrous if we were obliged to invoke the aid of the Dominion Government to put down such disturbances. Even at Belleville the officer had declared over his signature that there was no necessity to use the troops, and it was evident there had been a good deal of exaggeration on the subject. As

it had been explained there was no intention to censure the Government, he was willing to let the matter drop.

Mr. WM. H. HOWLAND (Toronto), did not intend to make any objection to the report, which was excellent in its way; but with reference to another point, he considered it a mistake to break through the safe rule of the past, and touch upon municipal or local questions. Although he was in favor of abolishing all exemptions from taxation, the matter was under the control of the local authorities, and should not be discussed by this Board. It was, to say the least, a dangerous question, which it was undesirable to bring before the notice of this Board.

The PRESIDENT explained that the Council did not feel justified in leaving the subject out; but if the Board wished, it could be struck from the programme. With respect to the publication of the report in the newspapers, he wished to explain that it was customary to send advance copies to the press; and if the snow-storm had not delayed the meeting of the Board, everything would have gone on as usual.

The motion for adoption was then put and carried unanimously.

THE PRESIDENT'S ADDRESS.

The PRESIDENT then delivered his opening address, as follows:

Gentlemen,—In welcoming you to this, the seventh annual meeting of the Dominion Board of Trade, let me say that I trust the present meeting will not be less interesting than those which have preceded it; not only so, but I have not the shadow of a doubt that all the kindly feelings which have been evinced at our former meetings will be continued among those already known to each other, and that the same kindly feelings will be shown to those who are comparatively unknown, or who are here for the first time. The bringing of so many gentlemen from so many districts, so widely apart, but having interests in common, is, of itself, productive of great good; it helps to take away the local jealousies, and makes us feel that the little hubs in which we revolve are not the only places worth living in, or the only people worthy of being known, like "the iron which sharpeneth iron." It is well that we should thus mingle together, and while not neglecting our local interests, show that we have also those of a larger growth, and that by thus meeting we may not only become better acquainted, but that we may

thus be enabled to extend our business with each other to every corner of the Dominion, and, if facilities are only allowed to every quarter of the globe.

The object and aims of the Dominion Board of Trade, as stated in our Constitution, are to secure unity and harmony of action in reference to commercial usages, customs and laws,—and especially that a united opinion should be obtained so as to secure a proper and careful consideration in Parliament of questions pertaining to the financial, commercial and industrial interests of the country at large, and to all public works calculated to cheapen and lessen cost of transport between one part of the Dominion and another. We are thus met solely as a commercial deliberative body; and in this connection allow me to call your attention to the paragraph of the Council's report on the appropriateness of the subjects for discussion, and with which I have no doubt you will all concur, viz. :—"That no questions which may not be dealt with by the Parliament of Canada should be discussed by the Board," mere local questions being considered inadmissible. The year which has passed away has been, on the whole, a disastrous one; the cause of the unusual disturbance in trade has been the ground of endless discussion, as well as how the remedy is to be found. On looking beyond our own borders, we find that in nearly every country there has been great complaining, and, leaving aside those countries which have, during the last ten years, been disturbed by wars and rumors of wars, may I ask how it is that a country which has been so free from such calamities, and which, it is supposed, has even been benefitted in consequence of these disturbances, should find its trade and commerce so much depressed as it is with us at the present time, and has been for the last two years. On looking into the returns of trade and commerce since we became a Dominion, I find that in our first four years of Confederation the

Total Imports were.....	\$297,572,561
Our Exports in the same time were.....	265,797,777

A difference of.....	\$ 31,774,784
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more imports than exports. In the succeeding four years our

Total Imports were.....	\$482,246,536
Our Exports in the same time were.....	339,668,492

A difference of.....	\$142,558,044
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more imports than exports. For the year ending June, 1876, our

Imports were.....	\$ 95,056,532
Exports were.....	80,299,834

A difference of.....	\$14,756,698
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more imports than exports.

I am not going to trouble you with a dissertation on that vexed question, the balance of trade, but will merely point out the fact, that if seventy-five millions of imports per annum were our requirements for the first four years, there was nothing to warrant or justify the enormous increase of imports made the next four years, even at the very enhanced values which took place during that time. The fact that the reduction shown during last year has taken place is a hopeful sign for the future; and although I do not expect to see at any time the exports equal to our imports, still, could the figures of last year be reversed for a year or two, it would, in my opinion, be a benefit to the country, and would greatly assist in restoring a share of prosperity to the commercial community. The inflated business of the years I have referred to, caused an enormously increased competition among our merchants. Credit became too cheap, and the result has been the enormous list of failures during the last two years throughout the country, generally. These failures have unfortunately sapped the vitals of many of the wholesale houses, which, in ordinary times, and with ordinary prudence, would not only have weathered the storm, but be going on in their usual way, but who have found themselves so crippled by their losses as to compel them to swell the insolvent list after, in some cases, twenty to thirty years of close honest attention to their business. By the courtesy of Messrs. Dun, Wiman & Co. I have been put in possession of a list of the failures in Canada for the year 1876. They were in number 1,699, and their liabilities were \$25,518,793. The statement is an appalling one. As I have already stated, the total imports and exports for the year were 175 millions; you will at once see this is equal to one-seventh of the whole. These figures, although sufficiently alarming, are an improvement on 1875, the number being for that year 1,970, with liabilities of \$28,833,611, being a decrease of 371 failures, and of \$3,364,818 of liabilities in 1876, as compared with 1875. The failures are by many attributed to the effect of the Insolvent Law, and who say that if we had no such law we would not have such failures, and that when we had no law we had not so many failures. Whatever may have been in the past, when times were moderate and business more contracted, is a matter of opinion, as no data could then be formed. If we had no law we would not know these figures now, and not knowing them we would be only making ourselves believe we were sound from the fact that we did not hear of them, while at the same time the disease existed; and although it might appear fair to the eye, would only deceive, like an apple rotten to the core. The question of Insolvency is again on the programme, when no

doubt it will receive the due consideration of the Board. To our excessive importations, and looseness of credit, may be added our over-production in various kinds of goods made in the country. I was surprised in reading a speech of Sir A. T. Galt, made during last year, when he stated that there was no over-production in the country. Where he got his information I am at a loss to conceive, as the fact is notorious that such has been the case in a variety of articles. In our comparatively limited market, it is soon blocked with goods when we have no foreign outlet, and where we are dependent on our own market for their sole consumption. This also has caused an enormous loss to the manufacturers, as well as to the wholesale and retail dealers, and while many say that the consumers get the benefit, it seems to me that such a state of trade, while it may benefit consumers for the moment, must produce such a reaction as will, in the end, equalize their apparent present gain. It is far better for the country to have a healthy competitive manufacturing industry, with fair prices, and the consumption equal to the capacity, than to force production beyond the consuming power of the people. It is well known that every manufacturer's energy is strained to turn out the largest quantity of goods that his machinery can do;—thereby the expense of production is lessened, and so long as he can find a profitable market, this is no doubt the correct policy; but when the latter cannot be had, it would be safer and more prudent to limit the production to the demand, even at an increased cost on the smaller quantity. Our manufacturers, finding that our own market does not afford them all the facilities necessary for the consumption of their productions, have been looking around for other likely quarters where they might find an outlet for their surplus productions. To facilitate this, our Secretary has written a series of letters on trade with the West Indies, Australia, and Newfoundland, all sister colonies, copies of which will be presented to the delegates here; and I need hardly say that Mr. PATTERSON deserves, as he is receiving, the thanks of all the manufacturing and trading community for his great industry, and his many useful statements and tables which are contained in them, and which will prove of great use to those desiring to foster trade with these colonies. There is another point which it would be well if it could be remedied, viz.:—the length of credit given by the wholesale traders to the retail traders, and by them again to their consuming customers. This has often been felt, and repeated efforts have been made to lessen the wholesale credits, but it will be at once seen that so long as there is a plethora of goods in the market, and which must be sold, low prices and long credits

will remain in force. It is, therefore, impossible, in inflated times, such as these through which we have been passing, that we can apply the remedy, but now that stocks are coming nearer to the consumption, an effort should be made in this direction by everyone. To me it seems that this contraction should begin with the consumer, and who should, when able, invariably pay cash as he consumes. In former times, when farmers were obliged to clear their farms, and in such districts where this process is still going on, some little latitude might still be required; but when people prefer to hoard their money, or to deposit it in the bank, or some building society, instead of paying for what they are daily consuming, and being well able to pay, is altogether wrong. In a district of the country which I lately visited, I was informed that in a radius of about thirty miles, there was deposited by farmers alone nearly one and a half million dollars bearing interest, and yet in the same district there were numerous complaints from the storekeepers that they could not get their money from those indebted to them, although in many cases their accounts were running over twelve months. Were the consumers to reflect that they must pay a profit to cover this, far more than what they are receiving on their deposits at interest, they would soon come to see that cash purchases would be far more profitable to them. It should be the aim of every storekeeper to limit his credits to the smallest possible extent. By doing so he would only require to buy from the wholesale dealer when he actually required goods, and he would then be enabled to meet his obligations more promptly. At present his goods go out on credit, and his stock gets depleted, which compels him to buy again to keep an assortment, thus doubling his indebtedness, which he would not require to do did he receive the cash from his customers. Could this system be carried out, there would then be no mortgaging beforehand of the labor of the industrial classes, no bad debts for the storekeepers, fewer for the wholesale dealer, and an absence from, or, at least, a great mitigation of such a crisis as we have unfortunately had to pass through during the last two years.

At the meeting of the National Board of Trade, held in New York in June last, several of your members had the pleasure of being present. In so far as fraternizing is concerned at these meetings, nothing could be better or more agreeable; but any immediate practical result, in so far as having freer commercial relations is concerned, I must candidly say that there appears at present to be but little prospect of obtaining such. There is no doubt that so long as things exist with us as they are, our neighbors have no particular object to gain, inasmuch as they already have our market, almost, if not quite, to as full and as free

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an extent as they could have by any change in a reciprocal direction, and of which they are evidently aware. So long as we leave these undisturbed, there is not so much chance of a change in the direction wished for. We are expecting the pleasure of a delegation from the National Board of Trade to be with us at this meeting, and it is more than probable we will again hear their views on this question. There is no doubt that it would be most desirable if we, who are so closely connected, could interchange our commodities more freely; let us hope that the time will yet come when we may do so to as great an extent as the fiscal necessities of both Governments will allow. The Secretary informs me that our friends in Prince Edward Island are not to be represented this year, nor the Port Hope Board, but we have added strength by new Boards from Ingersoll, Pictou and Cape Breton. You are all aware that the discussions of this Board have had their influence elsewhere, and it is of importance that our discussions and reports should be as full as possible. To help this, it would be of great service were the local Boards to publish yearly reports containing statistics of their trade and commerce, which would not only be useful to themselves, but of service in the Dominion reports. Last year, so far as we know, only Halifax, Montreal and Hamilton published such, the Queen city of the West, with two organizations, being as yet, in this respect, behind their ambitious rival. There are various other points which I might touch upon, but prudence forbids my taking up your time. Several of these I have already referred to elsewhere, and it would be of little use repeating them here, as they will come up for discussion in the programme, when no doubt they will be properly dealt with. I regret extremely that my remarks should have been of such a doleful nature, but it is always best to know the worst. Although I am no prophet, nor the son of one, let me say that I fully believe we have touched bottom; and although it may be a little longer yet ere we begin to ascend, or the dawn to appear, and while it is altogether unlikely that we shall this year see the full noontide, yet it will come. As the tide ebbs, so surely will it flow again, but when it flows, we must be careful not to go too fast; as individuals, we must economise, and pay as we go; as traders, we must not run riot with excessive imports, or glut the country with our manufactures, beyond its needs. As a country, we must legislate in our own interests, and practice the most rigid economy in every department consistent with the public service. By thus acting, I feel confident that this Canada of ours will yet flourish and grow in her material interests, as well as have, within her borders, a contented, happy, and prosperous people. Before closing, let me say that in the discussions on which we

are about to enter, it will be my endeavor to discharge my duties to the utmost of my ability, and as fairly as possible; but should I fail, I hope that you will not put it down to the want of will, but to want of experience in the duties of the honorable position in which, by your kindness, you have placed me.

INVITATION FROM U. S. NATIONAL BOARD OF TRADE.

The SECRETARY then read the following dispatch :—

MILWAUKEE, Wis., 16th January, 1877.

WM. J. PATTERSON,

Secretary Dominion Board of Trade.

Milwaukee sends greeting to the Dominion Board of Trade, and extends a cordial invitation to the merchants of Canada to attend the meeting of the National Board of Trade to be held here in August next.

(Signed)

N. VAN KIRK,

President Chamber of Commerce.

TELEGRAPHING PRIVILEGES.

The PRESIDENT announced that the Dominion Telegraph Company had, with their accustomed liberality, placed in the hands of the Secretary, books of "franks" for the use of members in telegraphing social and family messages.

ORDER OF BUSINESS. *

The Executive Council's Sub-Committee thereafter reported on the Order of Business, as follows :

The Executive Council having carefully considered the official programme, with the object of grouping the subjects so as to facilitate the progress of business, beg to report the following as the order :

1. Recent Imperial legislation as affecting Canadian shipowners, Quebec Board of Trade. (Written paper.) (5.)
2. Exemptions from Taxation, Quebec, Toronto and Hamilton Boards of Trade. (1, 2, 3.)
3. The Nuns' Trading Bill of the Province of Quebec, Montreal Board of Trade. (Written paper.) (4.)
4. French duty on Canadian ships, Quebec and Levis Boards of Trade. (6, 7.)
5. American ships registered in Canada, Ottawa Board of Trade. (8.)
6. Use of American canals by Canadian vessels, Ottawa Board of Trade. (9.)

* The numbers following each paragraph refer to the original number of the subject on the official programme, while those prefixed show the revised numbers used in the discussions of the Board.

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7. The Insolvent Act, Toronto, Ottawa, Halifax and Levis Boards of Trade. (10, 11, 12, 13.)
8. Extradition Treaty, Toronto and Hamilton Boards of Trade. (14, 15.)
9. Bank Note Circulation, Hamilton Board of Trade. (16.)
10. Stamp Duties, Toronto Board of Trade. (10.)
11. Tariff on Intercolonial, Quebec Board of Trade. (18.)
12. Mails by the Intercolonial, St. Catharines Board of Trade. (19.)
13. Acquisition by Government of Riviere du Loup Line, Quebec and Levis Boards of Trade. (20, 21.)
14. Interprovincial Transit, Cape Breton Board of Trade. (22, 23.)
15. Fiscal Policy, Hamilton Board of Trade. (24.)
16. The Tariff, Toronto, Halifax, Hamilton and St. Catharines Boards of Trade. (25, 26, 27, 28.)
17. Petroleum Duties and Excise, London and Halifax Chambers of Commerce. (29, 30.)
18. The Coal Trade, Cape Breton Board of Trade. (31.)
19. Trade with the West Indies, Quebec, St. John, N.B., and Hamilton Boards of Trade. (32, 33, 34.)
20. The Sugar Duties, Halifax Board of Trade. (35.)
21. Duty on Lobster Cans, Halifax Board of Trade. (36.)
22. The Inland River Fishery Laws, Hamilton Board of Trade. (37.)
23. Cable Amalgamation, London Chamber of Commerce. (38.)
24. Submarine Telegraphy in the Gulf, Executive Council. (39.)
25. Life Insurance, Toronto and St. Catharines Boards of Trade. (40, 41.)
26. Weights and Measures, London Chamber of Commerce. (42.)
27. Customs Examinations, Halifax Board of Trade. (43.)
28. Long Credits, Toronto Board of Trade. (44.)

The Council have received a telegram from Pictou, N.S., announcing the formation of a Board of Trade and its affiliation with this Board, and submitting for consideration the importance of steps being taken to adopt such measures as will best tend to restore prosperity to the coal trade of Nova Scotia, and suggesting the imposition of a duty of fifty cents a ton on all coal imported into the Dominion, or the payment of a bounty on all coal exported to the United States equal in amount to the duty charged on coal exported to that country. The same subject has been submitted by the Cape Breton Board of Trade, and the Council recommend that it be disposed of under Number 18 of the amended programme.

The Council recommend that a motion on the subject of Reciprocity with the United States be presented, and that it be proposed immediately after the reception of the American Delegates.

The Council recommend that the order for the election of officers of the Dominion Board of Trade for the ensuing year be fixed for the first order, after lunch, on Friday.

In view of the delay in commencing business, owing to the snow blockade on the railways, and the consequent loss of time, the Council recommend that no member

be allowed to occupy more than fifteen minutes in addressing the Board ; this rule to apply equally to written papers, except those of which notice was given to the Secretary before the meeting of the Board.

All of which is respectfully submitted,

ANDREW ROBERTSON,
President.

On motion of Mr. WHITE, seconded by Mr. A. JOSEPH (Quebec), the Business Report of the Council was unanimously adopted.

LAWS RELATING TO SEAMEN.

Mr. HENRY FRY (Quebec, Q.) read the following paper which he had prepared on this subject :

It is estimated that Canadians have about forty millions of dollars invested in shipping, fully two-thirds of which are employed in the Atlantic and foreign trade. Anything, therefore, which affects so extensive a business must be of interest to this Board, and a fit subject for discussion.

The laws regulating our shipping are, in the main, enacted by the Imperial Parliament, and so long as they carry the British flag, and share in the protection of the most powerful navy in the world, this must be so.

It is well known that owing to an excitement got up and maintained chiefly by one man, Mr. Plimsoll, there has recently been a large amount of discussion, and some very stringent legislation bearing upon unseaworthy ships, and the loss of life and property at sea ; and it is the object of this paper briefly to discuss the character and effect of this legislation, as well as to point out some glaring defects in the laws which now regulate our shipping.

One of the first results of the discussion of the subject in Parliament was the appointment of a Royal Commission, presided over by the Duke of Somerset, and composed of practical as well as scientific men ; this Commission took a very large amount of evidence and published an exhaustive report, which will amply repay perusal by everyone interested in the matter.

The report, generally speaking, tended to modify many of the sensational statements of Mr. Plimsoll, and complained of inaccuracies and exaggerations in these statements. The Commission earnestly deprecated the compulsory survey of all merchant vessels, or the adoption of any fixed load line, pointing out with great force, that such a course would not only be found impracticable, but that it would transfer the responsibility from the shipowner, where it ought to rest, to that of the Board of Trade, and that it would, moreover, produce the most mischievous consequences to the future progress of shipbuilding. They state that "so far as we have been able to ascertain, the losses of life and property at sea, which may be directly ascribed to negligence of the shipowner, are few in comparison with those which are caused by subsequent neglect, or by events over which the shipowner has no control,"—(p. 18) and they wind up as follows :—

"It will be the duty of the Board of Trade to check the negligent, and to punish

the culpable shipowner, but it is desirable that these functions should be performed without harassing the great body of shipowners, who, by their ability and indefatigable energy, have contributed to the prosperity of the Empire."—(p. 19.)

Mr. Plimsoll, however, contended that this was proceeding upon a wrong principle; that it was not enough to punish the culpable shipowner, but that all vessels, or at least all those unclassified in Lloyd's registry, should undergo a compulsory survey, periodically, and thus prevent the loss of unseaworthy vessels at sea, and the destruction of valuable lives.

It was unfortunate for the good cause he had in hand, that Mr. Plimsoll was not a practical man. When he first undertook this crusade against shipowners, he knew little or nothing of ships or sailors; his pity was excited by tales of suffering and death at sea, but he groped in the dark as to the causes; he had to depend on second-hand information; he was often misled by designing men, and made rash statements reflecting severely upon other men, which upon close investigation could not be sustained, and when proved to be wrong, he had not always the grace to admit it. He charged the officers of the Board of Trade with "conspiring with murderous shipowners," and thus damaged an essentially good cause. Had his recommendations been fully carried out, there is little doubt but that one of the most important industries in the Empire would have been so crippled as to reduce thousands of his own clients to beggary and starvation.

His fallacy lies in attributing the unseaworthiness of ships, and the loss of life at sea, to two causes only, "rotten ships" and "overloading," whereas they are multifarious.

"The safety of a ship at sea cannot be secured by any one precaution or set of precautions, but requires the unceasing application of skill, care and vigilance from her first design to her unloading. She must be well designed, well constructed, well equipped, well stowed, or she is not seaworthy. She must be also well manned and well navigated, otherwise all precautions as to her construction and as to her stowage will be unavailing." (Report, p. 1.) When we get away from mere sensationalism into sober fact, what do we find? I quote again the Royal Commissioners: "There is abundant proof that while public attention has been eagerly directed to some of the above precautions, other sources of danger have been altogether unnoticed. A summary of official enquiries into wrecks and casualties, excluding collisions, shows that from the year 1856 to 1872 inclusive, a period of seventeen years, while sixty ships were known to have been lost from defects in the vessel or in the stowage, 711 ships were lost from neglect or bad navigation.

We all knew that there were a few knaves who lived upon underwriters, and recklessly endangered the lives of their crews, and the Criminal Courts of Britain have occasionally borne testimony to the fact; but this did not justify the wholesale condemnation of a large class of men who carry on their business with equally as much skill, honesty and enterprise, as any class in the community. We knew too that many of the colliers, and small vessels coasting round Britain, were old, defective, and ill-suited to contend against the violent gales of winter; but it was argued that they had numerous places of shelter, that the men who sailed them knew them well, and often were their owners. Still there could be no doubt but that a

serious loss of life occurred amongst them, and that it was desirable that some of them should be broken up.

Mr. Farrar, the Secretary of the Board of Trade, admits, however, in his evidence that there are more lives lost in classed than unclassed ships (12,609), and referring to the Boards' official enquiries into wrecks and casualties, says: "Those that arose from faults of master, crew, or pilot, are out of all proportion greater than those which arose from unseaworthiness, in that particular class of cases which we have investigated officially" (12,601), and as to loss of life, he says: "From ships which we have reason to believe were unseaworthy, that is to say, as to which we have some positive or direct evidence that they were unseaworthy in hull or equipment, the number of lives lost was 163 out of 12,000" (12,604.)

Such a hue and cry was got up on this subject, that Mr. Anderson, M.P., moved in the House of Commons for a return of all ships detained for alleged unseaworthiness under the acts of 1873 and 1875. The list begins with August, 1873, and ends with February, 1876, a period of 32 months, and the Editor of Mitchell's Maritime Register, in commenting upon it, says: "It does not show in such dark colors as the traducers of shipowners predicted. During that time, 744 vessels were ordered to be detained on account of alleged defects in hull, equipments or machinery. Of that number, 25 were found, on survey, to be seaworthy; 495 were pronounced unseaworthy and were repaired and released; 76 were still under detention; 136 were broken up or converted into hulks. * * * Colonial ships were included, and therefore we come to the fact that 136 vessels were condemned out of 27,000 in two and-a-half years. Bearing in mind the outcry that was made about coffin ships, and the zeal displayed by the Surveyors appointed by the Board of Trade after the passing of the Act of 1873, we should have expected that thousands of ships would have been denounced as dangerous to human life. Informers sprang up in every direction, and great was the outcry about the sacrifice of crews in unseaworthy ships. A large staff of professional men, assisted in many cases by those who had an ill-feeling against particular shipowners, and the anonymous system pursued by malcontents, helped to swell the number of vessels detained, and now we have the whole result before us. Nearly the whole of these 136 ships were of comparatively small tonnage. In the majority of cases they were sloops, schooners or brigs, owned by persons in the outports. These vessels ranged from 40 tons up to 200. Some of them were owned by shipmasters who sailed them, and the words "broken up" have a double meaning for them." During the same time 100 vessels were detained on allegations of overloading or improper loading, of which two were found seaworthy and released, 97 were lightened or reloaded, and one evaded the order for detention. The editor estimates the total number of vessels employed, including repeated voyages, as 120,000 per annum, and the total stoppages from all causes as not quite four vessels out of every thousand.

The conclusion I draw from all this is, that except in glaring cases, the mere external survey of a ship, especially when loaded, is too often "a delusion and a snare," and that we must look to other remedies in order to diminish, if possible, the terrible loss of life at sea. As a rule the shipowner is better acquainted with the defects of a ship than any surveyor, and the responsibility ought, in the main, to rest

upon him and not upon a surveyor, who may have never seen the ship previous to his being called upon to act.

The bill introduced by Sir Charles Adderley in 1875 was based upon some of the recommendations of the Royal Commissioners, and although it fell far short of what was needed, yet it contained some very important and necessary clauses, not the least of which was the repeal of the advance note, the source of so much demoralization to our seamen; this bill was unfortunately dropped in the last days of the session, and then ensued that remarkable scene in the House of Commons, during which Mr. Plimsoll violated the rules of the House in a most extraordinary outburst of temper, for which he was brought to its bar; but the result was, legislation in a sort of panic, and a short temporary bill was hastily passed, giving almost unprecedented powers to the Government for one year.

In the session of 1876 the Government introduced another bill, which after undergoing a severe scrutiny, and considerable alteration, finally passed, and is now the law of the Empire.

This act has such an important bearing upon Canadian shipping, that I invite your attention to it, somewhat in detail. It is called the "Merchant Shipping Act 1876." It repeals the act of 1875, but preserves its main features. By section 4, "Every person who sends, or attempts to send, or is party to sending, or attempting to send, a British ship to sea in such unworthy state that the life of any person is likely to be thereby endangered, shall be guilty of a misdemeanor, unless he proves that he used all reasonable means to ensure her being sent to sea in a seaworthy state, or that her going to sea in such unseaworthy state was, under the circumstances, reasonable and justifiable, and for the purpose of giving such proof, he may give evidence in the same manner as any other witness.

A master who knowingly takes such ship to sea in an unseaworthy state is liable to a similar penalty. No prosecution, however, is to take place without the consent of the Board of Trade or of the Governor of the British possession in which such prosecution takes place. Under section 5, the shipowner is required to use all reasonable means to ensure the seaworthiness of each ship at the commencement of and during the voyage, and there is to be an implied contract between the owner and crew to this effect. By section 6 the Board of Trade has power to detain (in the United Kingdom) any British ship "which by reason of the defective condition of her hull, equipments, or machinery, or by reason of over-loading or improper loading, is unfit to proceed to sea, without serious danger to human life, having regard to the nature of the service for which she is intended," subject, however, to an appeal to a local "Court of Survey," which is a great improvement upon previous acts. This "Court of Survey" is to consist of a Judge sitting with two assessors, one to be appointed by the Board of Trade, and the other to be summoned by the Registrar from a list to be periodically nominated by the Local Marine Board. If a vessel is detained, and it afterwards appears there was not reasonable and probable cause for the provisional detention, the Board of Trade is liable for all costs and for damages incurred by reason of the detention; but if the vessel is found to be unseaworthy, the costs fall on the owner. By section 11 the Board has power to demand security from an informer who complains that a British ship is unsafe, for costs and compensation,

but security is not exacted from the crew of the ship unless, in the opinion of the Board, the complaint is frivolous or vexatious.

Section 13 permits a foreign ship which has taken on board all, or any part, of her cargo at a port in the United Kingdom, and is whilst at that port *unsafe by reason of over-loading or improper loading* to be detained, but it does not apply to unseaworthiness from any other cause.

Section 22 regulates the loading of grain cargoes, and no cargo of which more than one-third consists of any kind of grain, corn, rice, paddy, seeds, nuts, or nut-kernels, may be carried on board any British ship, unless such grain cargo be contained in bags, sack or barrels, or secured from shifting by boards, bulkheads, or otherwise, under a penalty of not exceeding £300 stg. This clause does not go beyond our own Dominion Act, and does not conflict with it.

By sections 23 and 24, our own deck-load law is virtually copied, but with an unfortunate addition providing that if any ship, British or foreign, except coasting vessels, carries any "timber, stores or other goods" on deck, the space occupied by such goods shall be added to the tonnage, and dues paid thereon, and such space must be measured every voyage by an officer of the Board of Trade, or of Customs. All British ships (except ships under 80 tons register, employed solely in the coasting trade, ships employed solely in fishing, and pleasure yachts), are required to mark deck-lines on the sides, and also load-line discs every voyage; and the penalty for not making them, or for altering or defacing them, or for allowing the ship to be so loaded as to submerge in salt water the centre of the disc, is a maximum sum of £100 sterling.

Some improvement in the machinery for holding enquiries into wrecks and casualties is provided by sections 29 to 33, and section 44 exempts "any vessel employed exclusively in trading or going from place to place in any river or inland water, of which the whole or part is in any British possession," and the provisions of the Act relating to deck-loads are not to apply "to deck cargo carried by a ship while engaged in the coasting trade of any British possession."

These, with a few minor provisions, constitute the Act of 1876.

It will be seen that the act only touches one part of a very wide and difficult subject; the Government insisted all through in adhering to the sound principle laid down by the Royal Commissioners, in opposition to the views of Mr. Plimsoll. He succeeded in carrying in the House of Commons a clause abolishing all deckloads in winter, but this was afterwards thrown out by the House of Lords, and assented to by the House.

In all this there appears nothing very unreasonable, and although the carrying out of the act will involve a great deal of harrassing delay, annoyance and expense, Canadian shipowners would probably have borne it without serious complaint if it applied to all alike. In the admirable letter addressed by the Deputy Minister of Marine and Fisheries (William Smith, Esq.), to the Earl of Carnarvon during the discussion of the bill in Parliament, the argument is clearly stated, and His Lordship confessed that he was much pressed by the arguments brought forward by Canadians.

To this we owe the 13th clause, which applies the power of survey and detention to foreign ships, but in a very halting and limited fashion, as however rotten or

unseaworthy a foreign ship may be, she can only be detained when she is "unsafe by reason of overloading or improper loading." Surely it is not unreasonable to ask that if foreign ships are permitted to take on board British-owned cargoes, and British seamen, in British ports, they should be liable to the same restrictions as Canadian ships, and detained whether unseaworthy from rottenness or overloading? It is clear that the matter cannot rest where it now is; the principle has been admitted, and if we are to compete with foreigners all over the world for British trade, they must not be placed in a more favorable position in our own ports than British or Canadian ships. Our principal competitors now, especially in the North American trade, are Norwegians. Taken as a whole, their mercantile navy is certainly inferior to our own; many of their ships would not pass the ordeal of a "Board of Trade survey," but they are commanded by men remarkable for sobriety, intelligence and skill in seamanship; their crews are more orderly, obedient and sober than ours; the food supplied is less costly than ours; through the agency of mutual clubs they pay less for insurance than we often do, and their crews discharge the cargoes at less than half the cost we incur at ports in Britain.

They are gradually but surely beating us in the wood trade, and if the present state of the law continues, by which they are placed in an exceptionally favorable position in British ports, these inferior ships will beat us in all directions. Well may the Royal Commissioners report (p.p. 7 and 8), "Under the present enactments shipowners justly complain that their business is seriously inconvenienced and that foreign ships are already gaining the trade which the British shipowner has been compelled to relinquish."

There can be no doubt, too, that, other things being equal, charterers will prefer bottoms which are not exposed to detentions from the various causes cited in this Act. In a word, the main effect of the Act is to punish a great number of honest shipowners for the sins of a few dishonest or careless men.

The punishment prescribed for a shipowner who knowingly sends his ship to sea in an unseaworthy state, is just and wholesome, but the power to detain ships for causes however trivial, may lead to the most serious consequences.

Only those who have had to do with British officials know what an amount of worry, detention and expense an innocent shipowner may suffer under this clause.

One of the best ships I ever knew was detained by a Board of Trade Surveyor (an old naval officer) for some trivial defects, upon complaint of a portion of the crew, and on the following day the owner was posted by name in nearly every newspaper in Great Britain as the owner of a "coffin ship;" the detention ultimately cost him \$25,000: yet that ship proved to be perfectly sound, and is running yet. Recently a London Surveyor decided that an empty "hencoop" on deck brought the ship under the deckload clause, and must be measured. Another decided that a few boards nailed together for a "pig-house" had a like effect; but it is only fair to state that, on appeal, the Board of Trade decided against both surveyors. Another surveyor decided that a ship must go into a dry-dock to have her water-marks examined, although these very marks were put on under the inspection of another Surveyor of the Board in the same port, only two years previously. Any one who knows how

difficult it is at times to get a dry-dock in Britain, will know what this means, and yet the Board sustained him in his decision.

I could give you many other such illustrations, but they would weary you. Unfortunately, in too many cases, the British official thinks far more of carrying out literally a red-tape system, and taking care of himself, than of consulting the convenience of the great interests committed to his charge. It is to be hoped that the new Court of Survey will, to some extent at least, counteract the power for mischief of such men. The office of a surveyor under the Act requires the combination of qualities rarely found in one man; he should at one and the same time be an experienced shipbuilder, with some scientific knowledge both of wood and iron ships, and a practical seaman; a man of business to sympathise with the needs of commerce, and yet a skilled mechanic; courteous in his bearing, yet decided in doing what he sees to be right. Need I say that few such men are to be found, and that most of the difficulties that have arisen from recent Acts have been caused by the employment of some incompetent men in carrying out the provisions of the law.

"The detention of a merchantship when about to sail" (say the Royal Commissioners) "would be so detrimental to business that it could only be justified by extreme necessity. If any such regulation were to be enforced, it should rest upon some more certain rule than the opinion of a surveyor" (p. 4); "seaworthiness cannot be secured without a careful inspection of a vessel under conditions inapplicable to a loaded ship" (p. 8).

The fine for carrying deckloads in the shape of extra tonnage dues, light dues, &c., will be the source of much delay and annoyance to shipowners, whilst it will never have the slightest effect upon the carriage of deckloads.

The official enquiries into wrecks and casualties are now much more numerous than formerly.

Hitherto they have given great dissatisfaction to shipmasters, as the inquiry practically resolved itself, in too many cases, into a criminal charge against the captain, and he was frequently severely punished for an error in judgment. There are indications that the new system will work better than the old in this respect.

Any one who knows the character of foreign-going Canadian ships will readily admit that most of these precautions are totally unnecessary in their case. Our best ships, built in the Dominion, are amongst the finest afloat; of late years the general introduction of improvements in construction, such as hardwood tree-nails, yellow metal through fastenings, salting of frame, &c., has received recognition at the hands of the various registration societies, and for the carriage of dead-weight cargoes, I believe that, owing to their great buoyancy, they are superior to ships built of oak, teak, &c. It is not the quality or condition of our ships that we have any fear of, but it is the fussy meddlesome interference of incompetent men, clothed with enormous powers of doing mischief, that we dread.

But I wish to discuss not only what was done, but what was left undone, and it is questionable whether the latter is not of more importance than the former. It has repeatedly been stated, and I heartily believe it, that more lives are lost by unseaworthy seamen than by unseaworthy ships. The official summary for 17 years, to which I have already alluded, shows that 65 per cent. of all the wrecks and casualties

inquired into resulted from "faults of masters, crew or pilot," less than 6 per cent. from "faults in the ship," 13 per cent. from "stress of weather," 14 per cent. from "inevitable accident," and 3 per cent. from "causes unknown."

For 38 years I have been intimate with British seamen, and may therefore be fairly supposed to know something of the facts, and I do not hesitate to assert that in skill and proficiency as seamen, in obedience to their officers and the law, and in their general *morale*, the great bulk of British seamen have sadly deteriorated.

Let it now be understood that I am now speaking of seamen in sailing vessels, for there is no doubt that steamships have drawn off the best of the men, whilst they have utterly failed to train any for the service.

Discipline in British sailing ships is all but gone, insubordination is the rule; mutiny, stabbing, and murder, are alarmingly prevalent, and rarely meet their deserts; men get a month's wages in advance, and then refuse to proceed to sea upon the most trivial excuses; should disaster overtake the ship at sea, they will compel the captain either to put back, and thus destroy all possibility of profit from the voyage, or force him to abandon the ship prematurely; there is no community of interest between the men and the owners; they plunder the cargo whenever it happens to contain liquor in any shape, and I have recently had to withdraw a ship of my own from the Montreal trade mainly because I could not endure the constantly recurring claims for gin and beer plundered by the crew. To this cause, it is now generally admitted, may be traced the dreadful holocaust on board the "Cospatrick," when over 300 lives were sacrificed.

Do you wonder at the numerous shipwrecks around the British coast? Stand with me at the dockheads, or quays, of our leading ports, such as Liverpool, London, Bristol, Cardiff, or Greenock, and witness what often happens when a ship is leaving port for a long voyage. The officers and pilot are on duty, but scarcely a sailor is to be seen until the last moment; just as the tug is moving the vessel they appear one by one, accompanied perhaps by crimps or abandoned women; reeling drunk and unfit for duty, they are carried, or dragged, or hoisted on board, and the tug is employed to give the ship a good offing, or tow her down channel, until the crew are sober enough to make sail. Awaking, as they do, from their drunken orgies, can you wonder that they are totally unfit for work; that with their nervous systems deranged, their minds perhaps rankling at the injustice too often perpetrated upon them ashore, and finding themselves short of suitable clothing, they are ready for insubordination, for mutiny, for anything that will take them back to port, and enable them to get another month's advance. Woe betide the ship and all on board if she is caught on a lee shore, or in a gale within twenty-four or even forty-eight hours of her departure!

I freely admit that matters are not so bad at the small outports, where many respectable men reside with their families, but these men are chiefly employed in the local coasting trade, or in fishing; whereas I am speaking of the class of men which Canadian shipowners are compelled to employ when their ships visit Great Britain.

This horrible system produces its natural results upon the men. They die early; they are unfitted to meet the hardships and fatigue they have to bear. Mr. Marsh, our consul at Callao, reports: "The deterioration is but too evident; at least 50 per cent. of the men who appear at the Consulate are of broken constitutions, the effect,

in most cases, of excessive drinking, licentious living, and exposure." It is no uncommon thing, on the arrival of a ship at Quebec, to find from one-fourth to one-third of the seamen fit only for a hospital, and demanding to be sent there, and this from causes not necessarily the result of sea life.

Step on board a British man-of-war and note the contrast; see what discipline, good training, and attention to the laws of health can do for men of a similar class and engaged in a similar calling; note, too, how infrequent are serious disasters in the navy compared with merchant ships, and ask yourselves whether at least some portion of the difference may not be traced to the different laws which govern the two services?

In the Merchant Service, a lad makes two or three voyages to sea; no one is responsible for his training; he learns the ropes, possibly to steer, reef, and heave the lead; sometimes not; forthwith he dubs himself an "able seaman," and demands the highest wages, and it is only when at sea that the captain finds how grossly he has been imposed upon, and consequently how difficult it is to navigate his ship at all. Hence arise most of the charges of "ill-usage" against captains and officers. Their ship must be kept afloat and navigated somehow; and if sailors will not, or cannot do their duty, physical violence is often resorted to, to compel it.

This is a miserable tale, and you may think I exaggerate. I have plenty of confirmation. In 1870, a Committee of Enquiry into the condition of our merchant seamen was appointed at Liverpool. Their report states that men often obtain A B rating, though they are incompetent to perform the most ordinary duties of a sailor; many masters assert that out of crews of 25 not more than three or four know the compass, can steer, heave the lead, or such like duties." And the Royal Commissioners report:—"The general opinion of shipowners is that British sailors have deteriorated. They are, it is said, not only drunken and insubordinate, but they are untrained, and do not know their business. At home they are in the hands of crimps, and abroad they desert whenever a prospect of gain is presented them." (p. 16.) "The evidence which we have taken shows that the masters of ships have no longer the control over the crew which is necessary, and was formerly usual." (Final report, p. 13.)

The recent foul murder of two Canadian captains by their crews only tends to confirm all this.

As to the causes of this deterioration, I attribute much of it to the abolition of the apprenticeship system when the navigation laws were repealed, which I have always held to be a great blunder. No doubt the system was an onerous tax to some shipowners; But look at the penalties we are now paying for the want of some such system? The rapid increase of steamships with less work and better pay has drawn away the best men; the introduction of large numbers of Greeks and Italians into the service has demoralized many, and led to the increase of crime; and, lastly, the advance note is responsible for much of the debauchery witnessed at the departure from port.

Much is expected from the training ships for boys now being established at the leading ports, and no doubt they will turn out some good seamen; but apart from the fact that the best enter the navy, the numbers trained are too small to have a very serious effect upon so large a body of men, where the waste of life is so abnormally

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heavy. There seems no good reason why steamships, which absorb the best of the men and train none, should not contribute to the maintenance of these training ships; were the system greatly extended and small cruisers attached to the ships, it would doubtless, in years to come, have a very beneficial effect upon the service. But my chief hope lies in a modified system of apprenticeship on board merchant ships actually at sea, for nowhere else can the boy be thoroughly trained for a seaman.

I believe such a system can be arranged with satisfaction and profit to the ship-owner, and until it is I have little faith in any other scheme for the improvement of our mercantile marine. Formerly, many ships carried four or five sons of respectable tradesmen, who often rose rapidly to the position of officers or masters in the same employ, and kept their "endorsed indentures" to the end of their lives as the best certificate of character. Now, a respectable parent dreads the idea of his son going to sea, through fear of the crime, vice, and demoralization to be found in the fore-castle.

I speak of things as they exist in the mother country; doubtless a far better state of things prevails in our own Maritime Provinces.

In the meantime, if the maritime supremacy of the British flag is to be maintained, mutiny must be put down with a strong hand; discipline must be maintained and enforced at all cost; more boys must be trained for the service, and some guarantee provided that when a man ships as an "able seaman," he not only understands his business, but is physically fit for the duties he undertakes to perform. A man who is a thorough sailor is far more likely to respect himself and his officers than a mere "land lubber" who palms himself off for what he is not; there is no occupation in which a poor but respectable lad can rise so rapidly, and if the service could be redeemed from the inefficiency, the insubordination, and the vice, which are now its chief characteristics, it would doubtless become as popular as ever; thus would a noble profession be maintained by a body of men faithful alike to their employers and to the grand old flag under which they serve.

There is no reason to doubt that the Imperial Government is fully alive to the evils I have described; indeed the dropped Act of 1875 gave evidence of that, but in the British Parliament the crotchets of humanitarians, the various theories of economists, and the lack of men possessing a practical acquaintance with nautical and business affairs, make it exceedingly difficult to carry the necessary measures.

Neither is there any reason to doubt that remonstrances from Canada on such a subject will meet with respectful consideration at the hands of the advisers of the Crown.

Mr. FRY thereafter moved, seconded by Mr. JOSEPH :

"That the Minister of Marine and Fisheries be respectfully requested to continue to urge upon the Imperial Government the unfairness of the distinctions now maintained in British ports between foreign and British ships, especially with reference to the clauses on unseaworthiness and detention, in the Act of 1876, and to press upon it the necessity for an immediate revision of the laws relating to seamen, especially as regards discipline at sea, and the qualification and physical condition of men shipping as able seamen in British vessels."

Mr. W. J. STAIRS (Halifax, N.S.) asked for explanations. By existing legislation, the masters, mates, and pilots of our

vessels are required to pass examinations. He wished to know if it was proposed to ask that seamen ought to pass a rating also,—of course not in the higher parts of their profession, but in the elementary part. If that was the case, coming, as he did, from a country where families were brought up to the sea, he did not approve of it. The people of Nova Scotia take a deep interest in maritime affairs. Their sons are born to go to sea, just as much as the sons of farmers in Ontario are born to till the soil. They look forward to being sailors before the mast, mates and masters. Already they were embarrassed with Imperial legislation, and did not want any more which would affect them. The young men in the Maritime Provinces were employed as fishermen in the summer season, and as seamen in the winter. Very often they worked in vessels owned or commanded by their near relatives. He believed this was as good a school for bringing up boys as a farmer's home. What he feared was, if this were carried, we would have more Imperial legislation that our people in the Maritime Provinces would not value. He felt there was a danger of this. He knew that the seamen of England had depreciated. They were not the men they were fifty or one hundred years ago, when they established their supremacy over all other seagoing men. But what was the case with the British sailor years ago, when he was brought up in his own country, or under influences which were then as good as those which surround our men, is the case with us now. We have as good a school for bringing up sailors now as England had in the olden time. If more legislation should take place, we might find our young men who pursue the occupation of fishing in the summer embarrassed in the winter season by the necessity of rating themselves as able seamen. They would be embarrassed with Examining Boards for seamen, which he thought our people in the Maritime Provinces would not regard as an advantage. Our people were able to choose their sailors, and could guard against the evils which were experienced in England. Drunken sailors were taken on board the best ships that called at Liverpool; and the mere fact of a man being rated as an able seaman would not prevent him from getting drunk. It was impossible by statute to make good, sound men. He felt obliged to the Board for having placed this subject on the programme; but he feared if our Government should move in the direction indicated, they might embarrass the people of the Maritime Provinces with legislation which would not suit their circumstances.

Mr. FRY said it was admitted that the present condition of the British seamen—those who were called able seamen—was a source of very great loss and danger to Canadian ships. He was aware that the men trained on the coasts of Nova Scotia and

New Brunswick were good seamen, but it was not always possible to get them. They had to take the class of men described in his paper. If this matter should be taken up—and it undoubtedly would, because the feeling was strong on the subject in the mother country, Canadians would be exempted from it in any way they wished, if the circumstances of the case were properly represented. It would not do to fold our hands and let matters take their own course. There should be some one present when the discussion took place to represent Canada, and there would be no trouble in having our home ships exempted from the operation of such legislation.

The resolution, on being put, was adopted.

COMMITTEE ON CREDENTIALS.

Mr. W. W. OGILVIE (Montreal), presented the First Report of the Committee on Credentials, as follows :

OTTAWA, *January 17, 1877.*

The Committee on Credentials beg to present their First Report, which shows that thirteen organizations are represented at this morning's Session by thirty-four (34) delegates, including an aggregate membership of 1,381. There are several other Boards who have advised the sending of delegates, and they will doubtless be reported on their arrival at a later Session. Of those reported this morning, the Committee have pleasure in reporting two *new* organizations, viz :—Ingersoll, Ont., and the "Cape Breton" Board.

Your Committee recommend the admission of the two last-named bodies, according to Article II. of the Constitution.

Respectfully submitted,

(Signed)

W. W. OGILVIE,
Chairman.

On motion of Mr. OGILVIE, seconded by Mr. S. W. FARREL (Toronto), the report was adopted.

In accordance with the recommendation in the foregoing report, it was thereafter moved by Mr. OGILVIE, seconded by Mr. J. E. KIRKPATRICK (Montreal) :

"That the Ingersoll Board of Trade, and the Cape Breton Board of Trade, be admitted to affiliation with the Dominion Board of Trade."

Motion carried.

ERRORS OF EXEMPTION FROM TAXATION (No. II).

Mr. W. F. McMASTER (Toronto) moved, seconded by Mr. ADAM BROWN (Hamilton) :

"That the subject of 'Exemption from Taxation' be omitted from the list of subjects for discussion, as being entirely of a local or municipal character."

Mr. ADAM BROWN said, although the Hamilton Board of Trade had very pronounced views on this subject, he thought, after what had passed this morning, the question should be withdrawn in the interests of peace.

Mr. A. WOODS (Quebec), said he did not rise to oppose the resolution; but he would like to see some consistency in dealing with such subjects. The Executive Council gave, as their reason for objecting to the consideration of this topic, that this Board should only deal with questions which come under the jurisdiction of the Dominion Parliament. If this was the only reason, it was easy to see that the next subject on the programme would come under the same category. He thought it would be proper at this stage of the proceedings, to move that the resolution (No. III.), respecting the trading powers of charitable institutions be also withdrawn. Notwithstanding that it was very desirable to prevent such powers being conferred upon charitable institutions, the question was one with which the Dominion Parliament had nothing to do. If this were included in the motion, he would not oppose it as it then stood on the programme.

Mr. THOMAS WHITE, Jr., desired to point out the difference between these two questions. There could be no doubt whatever that the local Legislature had the constitutional right to deal with the subject of municipal taxation. In the case of the trading powers granted to a charitable institution, however, the Montreal Board of Trade denied the right of the local Legislature to pass such an act. What is proposed is to send a memorial to the Dominion Government to disallow the act of the Provincial Legislature; the question being one, as they hold, affecting trade and commerce. No one denies the local Legislature has the power to pass laws to establish trading corporations, such, for instance, as for the manufacture of boots and shoes; but it is denied that they have the right to confer such powers on a charitable and religious institution. He merely mentioned this to show the difference between the two subjects.

Mr. WOODS said he quite recognized this, but it only showed that Boards of Trade should be more explicit in stating the subjects they desired to bring before the Board. The manner in which the Montreal Board of Trade had brought this in was calculated to entirely mislead this Board. It was possible that when the matter came up again it might be put on another basis, and he would not object to it until then.

The motion was then put and carried.

TRADING POWERS TO CHARITABLE INSTITUTIONS. (No. III).

Upon this question being called, Mr. JOHN KERRY (Montreal) read the following paper :

The Act passed by the Legislature of Quebec, during its recent session, to enable the Ladies of Providence, of Montreal, to engage in trade and commerce, is one of the most important measures, as it is certainly the most extraordinary enacted in any Province since Confederation. It is an attempt, in this age and on this Continent, to base commercial legislation upon the ideas which prevailed in Europe during the semi-barbarous middle ages. To find anything like it in England, we must go back to Edward III., who, when in want of money, sold trading privileges to some of the monastic orders; but since his time there is nothing of this nature in the statutes. In France many religious orders engaged in trade, and have so continued to the present day. It would seem that recently they have so extended their operations as to rouse the jealousy of the working people. In whatever line of industry they embarked the wages of their competition were reduced below the cost of independent subsistence. Public meetings of operatives have brought the matter to the notice of the Government, and a commission is now sitting to decide on the best remedy for the evil. It is a curious coincidence that this movement in Paris should be contemporary with our own start in the opposite direction. This is not a question of creed; the element of religion cannot, with any reason, be introduced. It is a question of civil polity, and concerns not only the Province of Quebec, but the whole Dominion; for as the competition of the convents will have as mischievous an effect upon wages here as it has had in Paris, it follows that the consuming power of the people will be curtailed, and the public revenue will suffer. The conventual corporations are in effect trustees of public funds, vested in them for various charitable purposes, the funds being largely, if not altogether, due to that very commerce and industry which it is now proposed to supplant. Take the present value of the original lands in Montreal, granted to these institutions long ago by the Crown. The enterprise of the merchants, and the labor of the artisans, which has made the city what it is, have enhanced the value of these endowments, so that the revenue they yield is princely. The donations and bequests also received from private individuals in this country must be attributed to the results of patient industry or successful commerce on the part of the donors. The annual grants from the provincial chest are a direct contribution from all the taxpayers of the Province; and in the division of the profits of the City and District Savings Bank, in which the convents largely share, the hardly earned savings of the operatives from which those profits are made, must be credited as the source of the donation. But though I assert these corporations are trustees of public funds, they are not obliged to submit their accounts to a public audit, nor do they publish any statement of revenue and expenditure. In the absence of information, it appears to me that the capital already controlled by them is enormously in excess when compared with the apparent results. The institution which applied for this bill, in addition to larger

properties outside the city, has in Montreal upwards of 500,000 square feet of land, which is valued, by a competent authority, as a low estimate at \$400,000. This immense property shares in all the advantages of the civic expenditure without paying one cent. At the rates now current their taxes would be nearly \$5,000, which sum has to be made up by the ratepayers, who are nearly all of the operative or trading classes. This institution now asks to appropriate the profits of any branch of trade or industry upon which they may choose to enter. I say, to appropriate, for competition will be out of the question. With the pauper labor at their command, and all other advantages, they will be able to control the markets at any time, and our present independent operatives must either leave the country, or, under the alternative of taking pauper's wages from the Nuns, become little better than serfs. How this policy can be made to harmonize with that of granting large sums to promote immigration and repatriation may be clear to the legislators of Quebec, but the Federal Government, when they consider the bill, will no doubt remember that they also spend large sums to bring people into the country. In Quebec, indeed, the beauty of benevolence and virtue was loudly extolled, as a convincing argument in support of the bill. So far from a measure of benevolence, it may be called a plan to reduce the people to beggary to get their labor cheap. I have not prepared myself with any opinions upon the constitutional question, because that will be quite safe in the hands of the proper authorities. If it be decided that the Legislature of Quebec was strictly within its constitutional rights in passing the bill, we have sufficient grounds for asking the Governor-General-in-Council to exercise his prerogative and disallow it. By interfering with wages it will injure the public revenue. It will operate to drive people from the country, while we are spending large sums upon immigration. It establishes a bad precedent for legislation in all the Provinces of the Dominion; and, by the virtual creation of a monopoly, it is opposed to all British legislation.

Mr. KERRY concluded by moving, seconded by Mr. HENRY FRY :

"That an humble petition be presented from this Board to His Excellency the Governor-General-in-Council, praying him to disallow an Act passed by the Legislature at Quebec at its last session, entitled "an Act amending the Acts concerning the charitable institution known by the name of 'Les Sœurs de L'Asile de la Providence de Montréal,' and extending its powers;" and that a deputation from this Board, consisting of Adam Brown (Hamilton), John Kerry (Montreal), Henry Fry (Quebec), Wm. Darling (Montreal), and John I. McKenzie (Hamilton), be appointed to wait upon the Hon. Minister of Justice, to urge upon him the importance of the adoption of said petition."

Mr. A. WOODS said it seemed to him the spirit of such a memorial would be quite correct, and he fully accorded with it; but it looked somewhat dictatorial to suggest that the law was unconstitutional. It might be more desirable to suggest to the Honorable Minister that, in the opinion of this Board, such was the case.

Mr. KERRY: The resolution does not refer to the constitutional question at all.

The motion was put and carried on a division.

DIFFERENTIAL DUTY IN FRANCE ON CANADIAN SHIPS. (No. IV.)

Mr. JOSEPH SHEHYN, M.P.P., (Quebec, Q.,) moved, seconded
by Mr. HENRY FRY :

" That this Board regrets that the action taken by it last year, regarding the differential duty imposed by France on Canadian-built ships, has not yet produced the desired result. That, therefore, the Government be respectfully urged to renewed efforts towards securing for ships of the Dominion an equal footing in France with those built in England."

Mr. SHEHYN : In moving this resolution it is, perhaps, necessary that I should make a few remarks, which will serve to explain the subject, so as to have it understood by all the members of this Board. The great object of this annual meeting is to afford an opportunity to the representatives of the different sections of these Provinces, to bring forward for discussion such subjects as are supposed to promote our commercial and industrial pursuits. I am sure that every one will admit that shipbuilding can justly be considered as one of our great industries, which is fairly entitled to our best consideration. In importance, I believe, few branches of our industries are much superior to it. The amount of capital invested in it is considerable, and the bulk of it is expended in the midst of our own population. Unfortunately, like many other industries of our Province, shipbuilding can only be conducted on a limited scale, not so much for want of capital, but on account of a restricted market. The great drawback to success in all our industrial pursuits is, as we know, the want of new markets to run off our productions. At one time shipbuilding was carried on to an extensive degree both in Quebec and in the Maritime Provinces; but it fell off considerably when iron commenced to be adopted in place of wood for construction of vessels, and also when steam vessels were substituted largely for ordinary sailing ships. In Quebec, I believe, the annual value of built ships has fallen off fully 50 per cent., but in the Maritime Provinces their trade has kept up better; there the business is carried on by joint-stock companies, who sail the ships till such time as a good market can be found for them. At one time the French market was open to our Colonial ships, and a remunerative trade was fast springing up between the two countries. Just lately I was speaking to some builders who had sent several ships to France, and they told me that the trade which they had done with that country had been remunerative, and, if continued, would certainly have become an important market for the sale of their ships. However, just as this market was commencing to be a good one, it was

unfortunately shut down upon us. The treaty which gave us access to the French market was abrogated. Under the *Tarif Conventionnel* Act of December, 1866, our vessels were admitted in France at a moderate duty of 2 francs per ton. Canada commenced building immediately, and, in 1867, sold to France 19 vessels of 9,628 tons for \$433,260. The building of these vessels gave employment to about 1,400 men, and the sailing of the same employed 285 men. Shortly after the abrogation of the old Treaty, fresh negotiations were entered into by France and England, and a new treaty made, which was a very unjust one so far as our interests are concerned. England, for the first time in her history, I believe, seems to have shown towards her colonies a very selfish commercial policy. Every one around this Board will admit the unfairness of this treaty, which appears to have been made for her self-interest to the exclusion of our own. According to it, English-built ships are admitted at a duty of 2 francs per ton, whereas Canadian-built ships have to pay 40 francs per ton, which is equivalent to a prohibition, and which has had the effect of killing off our trade with that country. As loyal subjects of Great Britain, to whose domination we are glad to belong, it would be unbecoming on our part to speak too harshly of this unjust treatment which we have received at the hands of Her Majesty's Government; still it is difficult to refrain from expressing regret that our best interests have been sacrificed in this treaty between France and England. It is surprising that England, which has always shown such a paternal care for her colonies, and always been proud of her dependencies, should in any negotiation disregard our best interests. However, this treaty which is so unjust to us, is an accomplished fact, and it is for us now to do our best to obtain for our Canadian-built ships the same privileges as Great Britain enjoys for herself. As a Colony our Government cannot directly enter into negotiation with France, but can only act through the channel of the Imperial Government. But it is our duty, if we want to obtain a remedy for our grievances, to impress, first, our own Government with the nature of the injustice which we are suffering from, and to urge them to use their best endeavors to obtain the same privileges as those enjoyed by Great Britain, in admitting into France our colonial-built ships at the same tariff as her own. No doubt, if the Government of this country will take the necessary means for representing to the British Government the subject of our grievances, the latter would be induced to use its influence to obtain for us the same rights as are accorded to them. I would therefore request that this resolution be unanimously adopted, and that all individual members who have some influence with

our Government, do urge the matter earnestly on their attention, and request, for us, at the hands of the Imperial Government, the adjustment of a tariff which is so injurious to the development of one of our principal branches of industry.

The question being put from the chair, the motion was carried unanimously.

THE INSOLVENT ACT. (No. VII.)

The question relating to consideration of the Insolvent Act of 1875, being called, Mr. W. F. McMASTER moved, seconded by Mr. JOHN GILLESPIE :

"That Question No. VII. be referred to the following Committee: Messrs. Joseph Shehyn (Quebec), Wm. Darling (Montreal), George I. Troop (Halifax, N.S.), Wm. Pennock (Ottawa), with the mover and seconder, to report at a subsequent meeting of this Board."

Mr. A. JOSEPH objected to the mode in which local Boards gave notice, Toronto especially. He could easily understand why Pictou should telegraph up to-day that they desired to have a certain subject discussed, because they had only just formed their Board of Trade. It was irregular, but excusable under the circumstances. But an organization like the Toronto Board of Trade, a body much older than the Dominion Board itself, ought to know better. Would it not have been proper for Toronto to state what parts of the insolvent law they objected to? The expression, "amendments to the Insolvent Act," was very general indeed. It was as general as the notice with respect to the "stamp duties" and the "pernicious effects of long credits." He expected to hear of proposed improvements from Toronto, but he would like to know what they were in advance. He did not object to the reference of this subject to a committee, but he thought it would be pretty hard for them to report this session. If Toronto would state what part of the Insolvent Act was to be amended, he would not object to the motion.

Mr. GILLESPIE said it would be impossible to furnish on an Official Programme all the amendments which might be offered. He thought the object of the programme would be fully attained by the few words recorded in the list of subjects. The object was to prepare the minds of members for the discussion of the question, so that when it came up they could bring information from every quarter. Some questions were suggestive enough without details. "The pernicious effects of long credits," for instance, would suffice to show what was meant. If the local Boards would give the pith of the resolutions, so as to suggest the nature of the discussions, it ought to be enough. He

noticed Quebec had given very long and windy resolutions, but he did not think that was the rule.

Mr. McMASTER said there were two amendments which the Toronto Board of Trade proposed. One referred to the length of time occupied by the assignee from his taking possession of the estate to the calling of the creditors together. In one instance last season the writ of attachment was issued on the 8th of May, and the creditors were not called together until the 23rd of June. In that case forty days elapsed. A great deal of the estate consisted of canned fruit, &c., which was accessible to the relatives of the insolvent and the old employees of the establishment; consequently there was nothing left but the empty cans and boxes when the creditors met. They had not only been eaten, but there was great waste. The Toronto Board of Trade wished to shorten the time between the assignment and the creditors getting possession of the estate. The other amendment referred to the expense of advertising real estate, which was enormous. There was one case in Toronto in which the assets were \$65,000, and the advertising alone amounted to \$2,200; and this was the only item in the costs to which the creditors objected. As there were other amendments proposed by other Boards of Trade, he thought it would be saving the time of the Board to refer them all to a committee, and deal with them in one resolution.

The motion was carried. The Board was, on motion, adjourned to 2 o'clock P.M.

AFTERNOON SESSION.

WEDNESDAY, *January 17, 1877.*

The PRESIDENT took the chair at 2 o'clock, P.M., and the roll was called.

RECEPTION OF AMERICAN DELEGATES.

Messrs. FRY and WHITE introduced the Representatives from the National Board of Trade of the United States; whereupon it was moved by Mr ADAM BROWN (Hamilton), seconded by Mr. W. F. McMASTER (Toronto):

"That the Dominion Board of Trade, in cordially welcoming the representatives of the National Board of Trade, accords to them the full privileges of debate during the present session: viz., to Messrs. T. C. Hersey (Portland, Me.), J. B. Brigham and

J. C. Bates (Boston, Mass.), J. D. Hayes (Detroit, Mich.), E. P. Dorr and Wm. Thurston (Buffalo, N.Y.), and Wallace P. Groom (New York city)."

Mr. BROWN said: It affords us very great pleasure to receive our American friends. Some of them have been here before. They are well-known faces which we regard, I may say, with affection. I am sure that meetings, such as we have with them here to-day, and such as they have had in their own country with us, do good to the commercial interests of the world.

The PRESIDENT said: A telegram has just been received from Mr. W. P. Groom, the representative of the New York Board of Trade, "Hope to be with you this evening." It has been my pleasure once or twice to attend the meetings of the National Board of Trade. I have pleasant recollections of meeting at Chicago with some of the gentlemen present now. We had an enjoyable time and good weather. It was also my pleasure to be at New York last season, when we had a warm reception and warm weather—the heat being only exceeded by the warmth of the reception we met with. I hope this good feeling between the two Boards will long continue to exist, and that the time may come when we can see eye to eye more than we have for some time past.

The motion was carried with applause.

Mr. T. C. HERSEY (Portland, Me.): I desire, on behalf of the National Board of Trade, to thank you for this cordial reception of her delegates. I know that this manifestation of warmth and enthusiasm is meant; it is not an unmeaning expression. The relations have been so cordial between the Dominion Board of Trade and the National Board of Trade, we have so often met together, that, as Mr. Brown has said, we entertain an affection for each other. As you have a large number of subjects on your programme for discussion, I will not take up your time further. There may be questions which our delegation may be called upon to discuss, and, if so, they will be happy to respond. (Applause.)

RECIPROCAL TRADE RELATIONS.

Mr. THOMAS WHITE, Jr.: It is now my duty to move a resolution, which I am sure will meet the cordial support of every member. We have at every meeting of this Board passed resolutions in favor of reciprocal free trade with our neighbors on the other side of the line. Whatever differences we may have had on other questions, there has been none on this; and I am quite certain that the same unanimity which has characterized the action of this Board in the past, will be accorded to this resolution which I now place in your hands. I do not propose to

detain the Board for a single instant, beyond saying personally that I am glad to have an opportunity of testifying here to the cordial receptions which our delegates have had at the meetings of the National Board of Trade. I have had better opportunities of experiencing this than any other member of the Board, with the exception of Mr. PATTERSON, who has been oftener at those meetings, and in whom this Board has had a most worthy representative. I therefore move, seconded by Mr. HENRY FRY :

"That the Dominion Board of Trade reiterates its oft-repeated opinion in favor of the adoption of a Treaty of Reciprocity between the United States and Canada, on a broad, liberal and comprehensive basis ; and in the event of the memorials of the National Board of Trade, addressed to their own Government, in favor of the appointment of Commissioners to confer with Commissioners to be appointed by Great Britain on the subject of Reciprocity, being favorably entertained, this Board strongly urges upon the Government the appointment of Commissioners to meet those to be appointed by the President of the United States, by the advice and consent of the Senate."

Mr. T. C. HERSEY (Portland, Me.) : In regard to any matter between the Dominion Government and the Government of the United States, were these two Boards to act for them, I have no doubt that an arrangement might be made which would be satisfactory to the business interests of both nations. But, Mr. President, we have to contend with other influences—political influences. However, I do not intend to speak on this subject. I will call upon Mr. Bates to say a word on the question. (Applause).

Mr. J. C. BATES (Boston, Mass.), was unprepared to speak for the National Board of Trade (though that Board had frequently already recorded its earnest desire for reciprocal trade between the two countries), but he would like permission to refer to what had been done in behalf of Reciprocity by the Boston Board of Trade. He then said :—It affords me much pleasure to state that in this matter of closer commercial relations with your Dominion, the business men of Boston have already repeatedly declared themselves, both by resolutions and petitions, in favor of the appointment of a Commission to ascertain on what basis a treaty of reciprocal trade can be negotiated and concluded, for the benefit mutually of the people of the United States and the Dominion of Canada. On this question of Reciprocity, Boston has given no uncertain sound. Her record is full, clear and strong, that Congress should authorise such Commission. We, therefore, members of that Board of Trade who are here, are present as business men, to talk with business men in reference to what has already been done, as well as of what may be desirable in this matter. Boston took the initiative in efforts to renew former close relations, believing that inasmuch as the Treaty of 1854 was abro-

gated by the United States, it would be only courteous for Congress to take the initiative. If success has not yet attended the efforts made by Boston and other important cities to get Congress to authorise the appointment of Commissioners,—if you are tired of hearing the oft-repeated story of efforts without results,—if there exists here a feeling that the United States Congress will refuse to authorise the appointment of Commissioners, then it is well, perhaps, that we, who have been largely interested in bringing matters thus far, are here to compare and exchange views with you upon this subject, in which we have felt the two countries were equally interested. Without proceeding to discuss the merits of Reciprocity, I will revert to the origin of the present movement. One year ago, a number of merchants, members of the Boston Board of Trade, and all of them having business relations with the Dominion, believing that our Government should take the first step in efforts to renew reciprocal relations with Canada, organized for the purpose of securing concerted action to that end. The Hon. Elijah Ward, representative to Congress from New York, had introduced a bill authorizing the President to appoint three Commissioners on the part of our Government, to confer with other Commissioners to be appointed by or on behalf of Great Britain, to ascertain on what terms a mutually beneficial treaty of commerce with Canada could be arranged, which bill is substantially embodied in the resolution of our Board of Trade, viz. :—

Resolved :—“ That the Boston Board of Trade cordially approves the joint resolution introduced by Mr. Ward, from the Committee on Commerce, in the United States House of Representatives, “authorizing the appointment of Commissioners to ascertain on what terms a mutually beneficial treaty of commerce with Canada can be arranged;” and would express the hope that in accordance with the recommendation therein contained, three Commissioners may without delay be appointed by the President to confer with other Commissioners to be appointed by or in behalf of the Government of Great Britain, and to ascertain on what basis a treaty of reciprocal trade can be negotiated and concluded for the benefit mutually of the people of the United States and the Dominion of Canada.”

This bill was referred to the Committee on Commerce where it was defeated, the vote in the committee standing 8 to 3. Information of this dire calamity, to a measure in which our Board of Trade had expressed so much interest, was published the next morning in our Boston papers. We could not, however, persuade ourselves that the bill was even then really a corpse, or that its obituary was not premature. It was, however, a critical time, and prompt action became necessary. The special committee of our Board of Trade having this matter in charge, immediately telegraphed to General Ward, enquiring what they could do to aid him—that they could send to Washington a monster petition and a delegation of our Board of Trade. He replied quickly, asking that the petition be sent without delay.

The petition, thirty feet in length, bearing the signatures of our most influential business men, went forward to him the same day, and the friends of reciprocity in other cities were apprised of the necessity for prompt action on their part. By these timely efforts, General Ward was enabled to defeat the hostile majority report, and substitute his own as the report of the Committee on Commerce. In anticipation of action being had by Congress in May last, our Board of Trade sent to Washington an influential committee, of which J. W. Candler, Esq., now President of the Board, was chairman, to use efforts to secure for the bill the favorable consideration of our representatives. General Ward has repeatedly expressed his feeling that the influence of this committee, in its intelligent representation to Congressmen, of facts bearing upon the commerce of the two countries, was not only opportune but very beneficial. Owing, however, to the delays to which the measure had been subjected, and it being so near the close of Congress, when, as usual at such times, appropriations and other pressing matters of unfinished business have precedence, no opportunity was offered for action on this bill. It is still awaiting the will of the House. The present session, so far, has been, and is likely to be fully occupied in determining the result of our late Presidential election. General Ward's term, as representative, will expire on 4th March. His health, since the last session, I regret to say, has been quite feeble, but he still has hopes that the House, wearying of politics, may like a change of subjects, and that action on his bill, the present session, is still among the possibilities. In this cause of reciprocity he has rendered most important service, having long made careful study of the subject. His position may be summed up as follows :

- 1st. To secure the appointment of Commissioners on the part of the United States and Great Britain.
- 2nd. That as there is likely to be a large number of articles on which the commissioners may not be able to agree at present, it is possible for them to come to a definite understanding in reference to a considerable number ; and having made a beginning, time and experience will suggest additions to the list.

He also suggests other arrangements, which in his opinion, are likely to prove mutually beneficial at some future time, though at present they may be thought impracticable. His suggestions, certainly, are deserving of serious consideration by the business interests of the two countries. It is, however, with the immediate present we have to deal ; and, while speaking with great satisfaction of the interest shown, and the part taken by our Boston merchants in behalf of reciprocity, I have to say that we have now reached a point in our proceedings where we are met with the argument :—How do you know that the

Dominion of Canada is desirous of reciprocity with the United States? What assurance have you, its advocates, that the people of Canada will or can influence the appointment of Commissioners on their part? This question has seriously embarrassed our initiatory efforts. But the language of the resolution just introduced is sufficiently clear and strong to remove any doubt as to your position. Such action on your part will materially strengthen the cause of reciprocity, as well as the hands of its friends in the United States. Having thus shown you the extent of our efforts to succeed in the solution of a question in which we have presumed you, with ourselves, to be mutually interested, we have come here to confer with you, touching our common interests in this matter. In conclusion, I feel warranted in saying, that should matters progress so far that the appointment of Commissioners will be authorized, our Boston Board of Trade will use its influence in all directions to secure the appointment of practical business men on the part of the United States. While, as representative from the Boston Board, I prefer to confine myself to what has been done there, let me assure you that the interest is not confined to our own city or State. Not only Portland, New York, Buffalo, Chicago, as well as our National Board of Trade, have been zealous in this matter, but every commercial organization in the United States have expressed, by resolution or otherwise, their hearty concurrence. (Applause.)

Mr. J. D. HAYES (Detroit, Mich.): The Executive Council of the National Board of Trade, at its late session in Washington, some three or four weeks ago, took occasion to present this matter to the Committee on Commerce, and we had very fair assurances that they would favor it, as far as lay in their power. Hon. Mr. Ward was not present at the time. You all know the difficulty of having Commissions appointed; therefore, my own opinion is in favor of having some change in the number as well as the manner of appointing Commissioners. Also, to meet the same thing on this side of the line, I think if a similar action were taken it would result in something more effectual and immediate than by leaving it in the present shape. We all know Commissioners are appointed from political influence, without very much regard to the fitness of the men for filling such a responsible position; that is, they lack a knowledge of the trade and commerce of the two countries. Therefore, my own opinion is that the bill should be so amended as to ask the President to request the Boards of Trade of Chicago, and, perhaps, Buffalo, New York, Boston and Portland, to nominate one of their own members as such Commissioners to be appointed by the President. You would thus have the expe-

rience of all the Boards of Trade brought to bear, and each Commissioner would be a representative man, having a practical knowledge of the business of the two countries. On the other hand, the Dominion Government should ask the Boards of Trade of Toronto, Montreal, Quebec, St. John and Halifax, to recommend Commissioners for appointment to meet the United States Commissioners. Those men, with the practical views they could bring to bear on the subject, would find no difficulty in arriving at a fair and just Reciprocity Treaty which would be beneficial to both countries. I would be glad to see it carried out, and I think we would get the practical results of it in a short time. (Applause.)

Capt. E. P. DORR (Buffalo, N.Y.): Speaking for Buffalo and the contiguous country, as far as I know, it is the expressed and implied wish of the whole people of that section, that we should have a Treaty of Commerce and Amity between us. I had the honor three years ago to suggest in this assembly the adoption of just such a course as has been recommended by Mr. Hayes—that we, the people, should be represented. Of course, it is only suggestive legislation, but it makes known the wants of the people. Let practical men living along both sides of the border be appointed by both Governments to recommend what is wanted; and then let statesmen like Mr. Fish and Mr. Brown, or any other public men who might be substituted for them, take it up and arrange the details of the treaty. That a mutually satisfactory treaty could be arranged there could be no doubt, but it should be made flexible. You recollect we gave you notice of the abrogation of the old treaty. It was because, on investigation by our Government, taking statistical information prepared by persons specially appointed for that purpose, it was found that it was less favorable to the United States than it was to Canada. The abrogation of the treaty followed, and since then you have had no treaty. Now, speaking for the people of my section, I think the next treaty should be made so that neither country should reap an advantage over the other. I endorse all that my friend Mr. Hayes, and the gentleman from Boston, have said. We need a Treaty of Reciprocity. If we could divest the question of political influences and intrigues, it could be brought about in a very short time. It should be framed by men representing industrial pursuits on both sides of the line. (Applause.)

Mr. J. B. BRIGHAM (Boston, Mass): I am desired by the President of our Board of Trade to say that he cannot be present at this meeting, owing to a recent illness. I can assure you that no one regrets his absence more than I do. I wish to endorse all

that my friends have said, and I do not know that I can add anything in particular in regard to the sentiments and wants of the people on our side of the line—and perhaps some of you, gentlemen, are aware I have some slight acquaintance with this side also. I feel, as my friend from Buffalo has said, it was a mistake to abrogate the treaty, because, perhaps, it might have been re-adjusted in a different shape after the calamity we had passed through. I think we should not have built such a Chinese wall as has been erected between us during the past few years. But the time has come for us to move on our side, and I think we have shown you we are disposed to do so. We want to move, and to move quickly. We want to renew the close acquaintanceship of the past. I am aware there will be a great many questions arising, which will perhaps be intricate; but, as has been suggested here, by adding to the number of Commissioners, and taking them from different sections, I do not see why the knotty questions cannot be arranged. At all events, we can arrange as many as possible, and make a start, and the working of the treaty can suggest improvements, so that we can add to it or subtract from it as may be deemed advisable. For my part, I do not want to see the matter lie over any longer. Our Congress has a good deal of business before it, and will close very soon, so that it is a question whether we can get the Commissioners appointed this session; but I think there will be a movement made soon on our side of the line. I imagine the report we will carry back to our Board of Trade in Boston, and to the National Board of Trade, of the good wishes and kindly feeling you have expressed, will strengthen our hands and assist us in our work. The ground has been pretty thoroughly gone over. The arguments are very few and conclusive in favor of a Reciprocity Treaty between the two countries. The boundary lines are imaginary, the people are the same, and there should be more intimate connection between them. I know during the existence of the old Reciprocity Treaty, Canadians have often visited Boston. In my own place of business hardly a week, or even a day, passed without a visit from Canadians to do business. At present we see them only occasionally. I want to see those visits renewed. I do not speak for Boston alone, but for the entire country from one end to the other,—from Maine to the Gulf of Mexico. With regard to the shipping interests, I would say, for my own part, I want to see a time when one can buy a ship wherever he can get it best. I am aware that some parts of our country will take me up on this; but I don't know why I should not be able to buy ships as well as other property. Our vessels cost too much. We can get Norwegian or Canadian

vessels to take freight at lower rates. Now, I don't see why we should not be able to go to Nova Scotia and purchase a ship better and cheaper than anywhere else. I want you to understand these are my own sentiments. I do not want to express them as those of the National Board of Trade, if they do not approve of them. (Applause.)

Mr. W. THURSTON (Buffalo, N.Y.): I have very little to add to what my colleagues have said. I can only say, with regard to the Buffalo Board of Trade, with which I have been connected for fourteen years, there has always been a feeling in favor of reciprocal trade with Canada. Since the abrogation of the Reciprocity Treaty, there has been a great falling off in trade with the Dominion. You seldom see Canadians in Buffalo now. A few days before I left, steps were taken to ask the Board of Trade to act further in relation to Mr. Ward's bill. The matter was left in the hands of the President of the Board and myself, and we postponed the consideration of it until after my return from this meeting, as we have some idea of getting up a petition similar to that which has been sent in from Boston. Although our population is not so large as theirs, we can get thousands to sign such a petition. I fully endorse the remarks made by the other gentlemen who have preceded me.

Mr. W. H. HOWLAND (Toronto): Although not intending in the slightest degree to go into a discussion of this question, which has been so thoroughly debated by this body for years past, I would desire to take this opportunity of expressing, on behalf of this Board—as I am sure I will be justified in doing—our thorough appreciation of the honest and consistent efforts which have been made by a great many gentlemen on the other side of the line, to assist us in having reciprocal trade between the two countries once more. I think we can say *we* have been thoroughly honest in trying to secure a renewal of the Reciprocity Treaty. Our own people have desired such a treaty and to renew trade with the neighboring nation on as free terms as before; but we feel we have never had the sympathy of the entire people of the United States. Our friends from Buffalo, Detroit, Boston, and others, have done everything that is possible for men to do, to bring this question favorably before their own people and to influence legislation in the direction of a new Reciprocity Treaty. I think we can say we have appreciated those endeavors most heartily. If, in the future, those efforts should bear fruit—and there is a possibility of a fair Reciprocity Treaty being obtained—they will find as cordial a desire in this country as ever to co-operate with them. In the course of the discussion, in this Board, with respect to the Tariff, there will

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be strong sentiments expressed respecting duties. There can be no doubt we have been suffering in this country from the inequality of duties. Our tariff has been allowed to remain on the present standing, very largely because of a feeling on the part of the people of this country that a new Reciprocity Treaty was contemplated, thus deliberately sacrificing what we may consider very large interests; but that feeling, since the failure of the last attempt to negotiate one, has been growing less and less. With the fading chances of that treaty, there is a growing conviction in this country that we must try to protect our own interests as far as possible. I have no doubt if Canadians felt as hopeful of a treaty to-day as they once did, they would continue to carry on sacrificing their own present good; but as things stand at present, while we may consider it our duty to advocate a different course on the part of our neighbors, we will pursue something like the same course, with respect to the tariff, that they have done in their country, with certainly no serious results to their prosperity. We do so, not because we are averse to having free intercourse with them, but simply because we do not see at present any prospect of such relations being brought about.

Mr. W. M. THOMSON (Toronto): I have listened with a very great deal of pleasure to the delegates from the National Board of Trade of the United States, and I sympathize with them entirely in their desire to form much more intimate relations with the Dominion than at present exist. I think I express the commercial feeling of Canada in saying we greatly regret the repeal of the Reciprocity Treaty. One gentleman from Boston has referred to the fact that few Canadians now go to the United States. My opinion is they see altogether too much of us; that our trade relations with them are assuming proportions somewhat alarming to the people of this country. I do hope that ere long such a state of things, if they exist to the unfortunate extent reported, will come to a speedy conclusion. I hope the efforts of our guests from the United States will be continued in the direction they have indicated to-day. We, on our part, feel we have done all we could to try and cultivate closer relations with the country to the south of us.

Mr. HUGH McLENNAN (Montreal): I only rise to assure our friends from the United States that our interest in the reciprocity question is as great as ever, and, therefore, it is well we should express our hearty concurrence in the movement. On their side, however, it is naturally more difficult to achieve success than on ours. On our side we are only four millions, trading with forty millions to the south of us. The question is

one with which our four millions of people are more closely brought face to face than the people of the United States. Upon the abrogation of the Reciprocity Treaty, our commercial interests felt it more than theirs on that account. The opposition to a renewal of that treaty arises, not from a feeling of antagonism, but from the fact that, in the population of the United States, there is a large proportion who have never been brought in contact with the working of the trade. Consequently, our friends on the other side have had a much more difficult task in indoctrinating their people in the same direction. I am glad to hear these expressions of opinion in favor of reciprocity from the delegates representing different parts of the neighboring country. It shows that this question is being more appreciated by their people, and it is well that we should give them the assurance that we in this country are ready for a renewal of the treaty when it can be brought about. I may say, with reference to the question of our own tariff, that I do not think it enters into this subject. Those who are inclined to free trade sentiments recognize the necessity of a higher tariff to meet the requirements of the revenue, and any increase would naturally tend to make it protective. I, therefore, repeat that we fully sympathize in this effort that is being made by our friends, and that we are ready to co-operate in anything that can be done to effect a renewal of reciprocal trade between the two countries.

The motion was put and carried unanimously amid applause.

REGISTRATION OF AMERICAN BOTTOMS. (V.)

Mr. FRANCIS CLEMOW (Ottawa): Probably it is known to the Board that the registration of American bottoms is easily accomplished in this country. A bill of sale is made, in the first instance, from the seller to the buyer, and then, immediately in return, a mortgage is re-taken for the entire cost, or first charge of the vessel, and thereby it actually becomes as much American as it was before. This is a serious thing for the owners of boats in this country, and a remedy should be applied. Experience has shown that while Canadian boats are unemployed, American craft can come in and compete with those of our own waters. I know a different principle is recognized on the other side;—those who wish to run barges in their waters must construct them there. I therefore move:—

“That the attention of the Government be called to the fact that foreign-built steamers and barges have been registered in ports of the Dominion as owned by British subjects, the said vessels being immediately mortgaged to the original owners living abroad, this being an evasion of the Imperial Act, and detrimental to the interests of Canadian shipowners.”

Mr. WM. PENNOCK (Ottawa): I have taken some little

pains to enquire into this subject. I find that a number of vessels have been brought from the United States to Montreal recently; bills of sale have been shown, registration been effected, and immediately after mortgages have been given for their value. It seems to me this is an evasion instead of a compliance with the law. I think the legislation under which this takes place is Imperial, and our Government can only deal with it by making representations to the British Government. This resolution should commend itself to the Board, and I therefore second its adoption.

Mr. HENRY FRY (Quebec): The last speaker has very well said this is a matter with which the Dominion Government cannot deal, except by representation to the British authorities. Although I cannot vote for the resolution in the shape in which it is put, I concur with Mr. Pennock that it is an evasion of the law. Before any one can register a vessel as entitled to bear the British flag, he must make a solemn declaration that no alien is interested in that ship. It is clear, therefore, that in the cases submitted by Mr. Clemow, there has been perjury. I can put it in no other light, because, if a man makes a solemn declaration that what he says is true, he commits perjury if it is untrue, and can be prosecuted under the criminal law. In the present shape of the resolution I cannot vote for it. It would be better to state the fact, and let the Government deal with it.

Mr. GEO. I. TROOP (Halifax, N.S.), said this was simply an evasion of the law, and a matter for the Minister of Justice to deal with. Any of our laws might be evaded by dishonest people.

Mr. CLEMOW: We have no objection to accept the suggestion of Mr. FRY.

Mr. TROOP: If there is evidence that persons from the other side of the line are in the habit of evading the law, representations should be made to the Government, and let them deal with the matter.

Mr. PENNOCK: I might supplement what I said before with the fact, that the Marine and Fisheries Department are aware of these evasions. They have instructed the Customs authorities to warn those people that they are liable to prosecution. The adoption of this resolution would not prevent such a course from being taken.

Mr. FRY: Are you aware, personally, that a number of craft have been registered in Montreal in the manner you have stated?

Mr. PENNOCK: Yes.

The motion was put and carried.

RECIPROCAL USE OF CANALS, &C. (VI.)

Mr. W. M. PENNOCK: It will be in the memory of members of this Board, that a discussion took place on this subject at the last meeting, and a resolution was carried, urging the Government to continue their efforts to secure to Canadian vessels their rights under the Washington Treaty. It was stated at that time, that although the canals were State property, the Federal Government stood pledged to influence the State Governments to give us the use of the canals, in the same way we gave the Americans the use of our canals and rivers. Having been excluded by the action of the State Governments, we had not the same ground of complaint then as we have since had, when our exclusion was directly due to the action of the Federal Government, whose Custom House officers required our people to unload their vessels at the first port of entry. This acted as a practical exclusion from their canals. Our vessels could not meet the expense of this arrangement. Since then, however, negotiations have been carried on with the American Government, and they have conceded to us the use of the Erie Canal, from Buffalo to Albany, and also of the Champlain Canal to Albany, but no further. Although they have made these concessions, their fiscal arrangements close us out. We have, nominally, the right to go to Albany; but once we reach that point, if the vessel in which the lumber is carried is a Canadian bottom, the duties must be paid in cash on the lumber, but if the vessel is an American bottom, they have the privilege of bonding. Practically, we are shut off by this from the use of the United States canals. From enquiries I have made since our Board put this motion on the programme, I find it will be useless to proceed by resolution any further. I find the Government are fully alive to the importance of the question, and that they have not relaxed any of their exertions to secure our right. If the United States Government persist in raising those technical objections, we, on our side, can resort to the same policy, and exclude their vessels from certain of our rivers and canals. With these few remarks I wish to let the matter drop, by withdrawing the subject (No. VI.)

Mr. J. D. HAYES (Detroit): In explanation of the subject which Mr. Pennock has alluded to, I may state that I brought the matter myself to the notice of the Secretary of the Treasury at Washington, and it only required a thorough understanding of the question to have the provisions of the treaty fully carried out. With regard to return freight, as I said to you last year, there is a difficulty in the way. It exists now as it did then.

There are certain things which the United States Government cannot do in its own country, and which a State Government cannot do within its own territory. The carrying of lumber from here and bringing return freights of coal, touches that matter exactly. While the Treasury Department are willing to make any concessions to assist in a solution of the matter, yet, when you go out of the State of New York to get coal in Pennsylvania from an incorporated company, which owns not only the coal, but also the canal and boats, you strike a private right over which the States of New York and Pennsylvania, and the United States, have no control whatever. From the statement of Mr. Pennock, I do not think there will be any difficulty in having everything arranged, if they can get at what is wanted, and let the Customs Department understand it. I shall be glad to submit the matter to the Treasury Department, if there is any way of doing it. (Applause.)

The subject was then dropped.

THE EXTRADITION TREATY. (No. VIII.)

Mr. JOHN GILLESPIE (Toronto): I think it an opportune time to bring up this subject, since we have had an important statement from the National Board of Trade of the United States. It is presumed that the people on both sides of the line are honest and wish to punish criminals. I think both our neighbors and ourselves are suffering from the want, not only of a treaty, but a treaty embracing an additional class of offenders to those which were included in the former one. We have had painful instances brought before us within a very few weeks past, to show that it is necessary in framing a new treaty to include the return of those guilty of breach of trust. I apprehend that the omission of this class of offenders from the old treaty, tended to palliate the offence in the minds of those who have been tempted to betray their trust, and I do hope when a new treaty is negotiated, this class of offenders will be added. I think, also, that fraudulent debtors should be included. The crime is just as heinous as robbery, but, from the fact of its exclusion from the treaty, the offence has been looked upon as venial. I am sure I can appeal to our neighbors to say that the seriousness of this offence is felt by them as well as by ourselves, and it is our mutual interest to agree to a treaty that will cover all the classes of offenders included in the last one, as well as those to which I have referred. I will submit the following resolution :

“That the early renewal of an extended Extradition Treaty between Great Britain and the United States, embracing the return of fraudulent debtors and those guilty of breach of trust, is of the utmost importance in the interest of criminal

justice for both countries, and that the Minister of Justice be requested to press the matter upon the attention of the Imperial Government."

Mr. JOHN I. MACKENZIE (Hamilton): Certainly a short interregnum has taken place in the working of the old treaty, but it is now in active operation on both sides. As far as that treaty goes, it has answered its purpose; but, as has been stated by the gentleman from Toronto, there is a general desire in this country, and, I presume, in the United States also, that the treaty should be extended considerably, to include offences that are not now extraditable. Now that the two Governments have the treaty under consideration, I feel confident our Government will bring every influence to bear, not only to continue it, but to include in it a larger number of crimes. I am sure our friends on the other side of the line are not any more desirous than we are to allow criminals to escape the just punishment of their evil actions. We desire to see all criminals punished. I therefore have great pleasure in seconding the resolution.

Mr. T. C. HERSEY (Portland, Me.): I may say we heartily sympathize in this movement. I have felt for a long time that we need such a treaty. The Governments of Great Britain and the United States are now engaged in enlarging the treaty, and I believe there should be a larger number of criminals included. I don't know how it is with you, but we have with us occasionally springing up a class of people who start out in business with the anticipation of swindling the public. They go into business, and, by apparently fair dealing, obtain the confidence of business men with whom they come in contact; but they are all the time laying plans for swindling. They go on until their credit is established, and manage their business in such a way that when they are ready to cross the border they can put the value of their goods into their pockets and take it with them. Now, we want to be able to follow and punish such offenders.

Mr. MACKENZIE: The trouble is, you only get our share of four millions, while we get your share of forty millions. (Laughter).

Mr. W. F. McMASTER (Toronto), said there seemed to be an association of this class of offenders, whose ramifications extended through Canada and the United States. He thought both this Board and the National Board of Trade should press upon their respective Governments to extend the treaty to include this class of offenders.

Mr. PENNOCK: I think, from a perusal of the correspondence between the two Governments with respect to the treaty

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which was held in suspense for a time, that it is contemplated to make a new treaty and extend its provisions. I am in sympathy with the British Government in their advocacy of the principle that no person shall be tried for any offence but that for which he is extradited. I should be sorry to see the time arrive when British soil may be invaded for the apprehension of refugees only guilty of political offences. Quite recently a treaty has been negotiated between the United States and Spain, which contains twenty-six offences under which persons may be extradited.

The resolution was put and adopted.

TRADING POWERS TO CHARITABLE AND RELIGIOUS CORPORATIONS.

Mr. ADAM BROWN, from the Special Committee, appointed at the morning session, submitted a draft of the petition they purposed presenting to Government through the Honorable the Minister of Justice, as follows:—

To His Excellency The Right Honorable Sir Frederick Temple Hamilton Blackwood, Earl of Dufferin, Viscount and Baron Clandeboye, &c., &c., &c., Governor-General of the Dominion of Canada,

THE PETITION OF THE DOMINION BOARD OF TRADE

Respectfully represents—

That an Act has lately been passed by the Legislature of the Province of Quebec, intituled, "An Act to amend the Acts concerning the charitable institution, known "by the name of 'Les Sœurs de l'Asile de la Providence de Montréal,' and extending its "powers;" to which your petitioners solicit the attention of Your Excellency; which Act confers upon a conventual association in Montreal, known as "Les Sœurs de l'Asile de la Providence de Montréal," the power of embarking in trade, and in the business of manufacturers, at their pleasure.

That the association in question was incorporated by the Statute of the Province of Canada, passed in the 4th and 5th years of Her Majesty's reign, chapter 67, which Act was amended by the Act of the Parliament of Canada, 24th Victoria, chapter 115, and by the Act of the Legislature of Quebec, 34 Victoria, chapter 53.

That by the provisions of the last mentioned Act the said Corporation was authorized to hold real estate of the value of eight thousand dollars per annum, exclusive of the property actually occupied by it for the purposes of its establishment, and that the purposes of the said incorporation were declared to be to relieve and support aged, infirm and sick women, to which the said institution has since added the reception of orphans, and their instruction.

That your petitioners are informed that the said Institution has acquired large properties in the City of Montreal and elsewhere, greatly exceeding in annual value

the limit fixed by said Charter, the value of its property in Montreal alone being credibly stated at above four hundred thousand dollars, and that under the existing laws of the City of Montreal it is exempted from municipal taxation, and does not contribute in any way to the revenues of the City; towards which revenues it is asserted that it would otherwise be obliged to pay about five thousand dollars per annum. Also, that it receives a large amount of pecuniary aid annually from the Province of Quebec, the City and District Savings Bank, and from ordinary charitable sources. And that the exercise of the powers conferred upon it by its Charter, places under its control a large quantity of labor, practically gratuitous.

That the said Corporation, therefore, is a conventual Corporation, created for religious and charitable purposes, subsidised from public funds, and is free from all the municipal and other direct taxation to which trading firms and companies are liable in the Province of Quebec; and that in the opinion of your petitioners, the granting of such powers as are conferred upon the said Corporation by the said Act of the Quebec Legislature is unjust and injurious to the interests of trade and commerce in the Dominion. That the policy which is involved in it has a powerful tendency to paralyze enterprise, to prevent the influx or use of capital in trade and manufactures, to discourage emigration, to increase pauperism by placing ordinary labor at disadvantage, and in these and many other respects, to obstruct and impede the progress of the Dominion.

That there are now many similar religious communities incorporated for various purposes throughout the Dominion, especially in the Province of Quebec, the number of which is increased at every session of the Local Legislature.

That some of these institutions possess large amounts of property, and of revenue, for which they are not accountable to the Government or to the public in any form, and that the extension of the principle of the bill under discussion to those communities, which could not consistently be refused, if the Act in question becomes law, would practically ruin the industrial population and paralyze material progress.

Your petitioners therefore respectfully submit to Your Excellency that it is impolitic and inexpedient [and *ultra vires* of the Provincial Legislature],* to grant to charitable, religious or conventual corporations, such powers as those which are contained in the Quebec Act in question.

Wherefore, your petitioners humbly pray that Your Excellency will be pleased to disallow the said Act.

And your petitioners will ever pray, &c.

Mr. ADAM BROWN then moved, seconded by Mr. JOHN KERRY: "That the petition be adopted."

Mr. JOSEPH SHEHYN, M.P.P. (Quebec): I shall still maintain my objection to this, because the petition states it is unconstitutional for the local Legislature to pass such a bill.

Mr. JOHN WALKER (London) said the rule was fixed that this Board should entertain no subjects but those which came

* These words were added under discussion and resolution on p. 64.

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under the jurisdiction of the Dominion Parliament. By adopting this report they would be "going it blind," without having made themselves aware whether they were not violating their own Constitution in meddling with it.

Mr. A. JOSEPH (Quebec) thought the petition was not in order, there being no written report. The petition had not been framed by the Committee, but came from Montreal, where it had been drawn up. This was a matter with which this Board had nothing to do.

Mr. THOS. WHITE, Jr., said these objections came too late, the resolution adopted in the morning being to the effect that a petition should be presented to the Government. A committee had been appointed to urge upon the Minister of Justice the acceptance of this memorial as soon as it should be adopted by the Board. That petition was now before the Board, and the question was not where it was drawn up, but whether it should be adopted. The moment the Board adopted it, the petition would be theirs, and it would be the duty of the Committee to present it to the Minister of Justice and request him to press upon his colleagues to disallow the bill, on the ground that it is *ultra vires* of the local Legislature, and on the ground that it is an interference with trade and commerce. A bill to incorporate a town in the Province of Quebec, contained a clause authorizing that town to impose a special license on commercial travellers. The Minister of Justice called the attention of the Quebec Government to this point, and said although he allowed it to pass, it trenched so closely on trade and commerce, he advised them against a repetition of it.

Mr. A. WOODS (Quebec): I withdraw my opposition to this petition, on the assurance that it expresses the opinion of this Board that the local Legislature has no power to grant such charters, and that the Government, therefore, be asked to disallow it. That being the case, the greater part of the document is needless. Our strong point is, as a representative body, to call the attention of the Minister of Justice to the fact that the local Legislature has taken action in granting powers to a corporation, which, in our opinion, they have no right to grant, and which, if established as a precedent, may work disastrously to the Dominion.

Mr. SHEHYN: If the Provincial Legislature has no right to pass such a bill, it will be disallowed, and I don't see why this Board should instruct the Minister of Justice what to do.

Mr. JOHN KERRY: The Montreal Board of Trade has not taken legal advice as to the constitutionality of the bill. They rather are prepared to argue the point on a different ground, and

that is, to allow that, strictly speaking, the Legislature of Quebec may not have exceeded its powers as a Legislature in passing that bill; but that, at the same time, the action of the bill is likely to be so injurious to the whole trade of the Dominion, that on this ground they approach the Governor-General and ask him to disallow it.

Mr. A. WOODS: I would suggest that the petition be referred back to the Committee for re-consideration. Everything that has been urged by Mr. KERRY against this bill could be advanced in favor of discussing the question of tax exemptions. Therefore, for my part, I will strongly object to the Board so stultifying itself as to make a rule which it reverses an hour or two afterwards.

Mr. ADAM BROWN: I think it is right to remind the gentleman who has just sat down, that those are different questions. After the discussion which took place here this morning, we thought the exemption question was entirely controlled by the local authorities. Therefore, we withdrew that subject. In the case now before us, we have to deal with a charitable institution, which is exempt from taxation, but is invested with the power to do business like an ordinary trading corporation.

Mr. SAMUEL WOODS (Kingston): The Minister of Justice is quite competent to decide whether this Act is unconstitutional or not. If we pass this petition in its present shape, I can assure you there will be other resolutions of a similar character brought forward here. The gentlemen from Montreal call our attention to the fact that a certain conventual establishment is entering into trade. The next thing they know the people from Ontario will be bringing before the notice of this Board, that the Government of their Province are entering into business. The matter I refer to is the book establishment in Toronto, managed by the Educational Department. There is no doubt whatever, if this petition passes, that other matter will be brought forward which will be equally trying. I think, therefore, the best thing to do is to shelve this subject.

Mr. THOS. WHITE: The whole question of the constitutionality of the Act depends upon the facts which are recited, and that is the reason why they are specified. I move in the way of amendment:

"That the words 'and *ultra vires* of the Provincial Legislature,' be inserted in the last clause, after the word 'inexpedient,' and that, as thus amended, the memorial be adopted."

Mr. WM. THOMSON (Toronto): I don't think this matter has received the same attention that other questions have received from this Board. I think the petition should have

been accompanied by a report of the committee. I would like to see it brought up in a proper business-like shape by this committee, to whom it was delegated. I think, under all circumstances, it would be better to leave this question to them for consideration.

The PRESIDENT said the Board was asked to adopt this as the petition of the Executive Council, and then send it back to the committee to complete the work.

Mr. A. WOODS: This amendment is hardly sufficient; I, therefore, move in amendment to the amendment, seconded by Mr. WM. THOMSON:

"That the petition presented to this Board, with reference to a certain Act on the part of the Legislature of Quebec, enabling an institution, incorporated for charitable objects, to engage in trade, &c., be not received as the report of the Executive Council, but be referred back to same, and to report again to this Board."

After some discussion, a vote was taken on Mr. Wood's amendment, with the following result on division:—

Ayes.—Messrs. Brown, (Peter J.), Cameron, Corcoran, Farrell, Gillespie, Howland, Joseph, McMaster, Oille, Ross, Stairs, Shehyn, Troop, Thomson, Walker, Woods (Samuel), Woods (A).—17.

Nays.—Messrs. Brown (Adam), Clemow, Fry, Frazer, Hannan, Kerry, Kirkpatrick, Lyman, Long, Mackenzie, McLennan, McKechnie, Ogilvie, Paterson, Rees, Rowland, Rosamond, Sanford, Skead, White.—20.

Mr. White's motion was thereafter put and carried.

BANK NOTE CIRCULATION. (NO. IX.)

Moved by Mr. W. E. SANFORD (Hamilton), seconded by Mr. JOHN GILLESPIE (Toronto):

"That the following resolution from the Hamilton Board of Trade, with documents, be submitted to the following Committee to report thereon to this Board:—Messrs. Thos. White, Jr., W. F. McMaster, A. T. Paterson, Adam Brown, H. D. Long, John Kerry, Wm. Thompson, A. Joseph, Henry Fry, with the mover and seconder; viz. :—

"Resolved,—That the attention of the Dominion Board of Trade be called to the present great insufficiency of the country's instrument of payment, with a view to its laying such information before the Government as will show the urgent necessity of an immediate remedy; and that it be also suggested to the Dominion Board of Trade to enquire whether it is not due to the payment of interest to their depositors by the Banks (thus unduly increasing the amount that threatens the gold they hold), that the Bank note circulation cannot safely be put out, as at present, to more than one-third the issue authorized by the Legislature of Canada."

Mr. WM. THOMSON: I would like to hear the reason for moving for the appointment of this committee. I expected to have received a great deal of information on this subject.

Mr. SANFORD explained that the papers referring to this question were of such length as to make it advisable to have them sent to a Committee.

The motion was put and carried.

STAMP DUTIES (No. X.)

Mr. WM. THOMSON (Toronto): We never can get great reforms effected except by great pertinacity. In 1873 I brought this matter before the Toronto Board of Trade, and since that time it has been brought before the Dominion Board of Trade. The arguments made use of then in favor of abolishing this tax are quite as forcible now. The feeling of the community is that the tax is vexatious and troublesome. It is true the revenue in 1872 from stamps footed up a very considerable sum of money; and since that time, from the frequent renewals of paper, the Government have received a large revenue from this source. But the Board will agree with me that there is a great deal of trouble in getting those stamps and affixing them, and that the effect is serious on their becoming separated from the paper they were supposed to make legal. I think it will be admitted also that it occasions a great loss of time. In this country, where the revenue is principally derived from Customs, I think the revenue from this source might well be done away with. I would just call the attention of the Board to the fact, that for the past four years the divisions on this subject have been very even, and I think very much owing to the fact that it was thought the revenue could not afford to do without this imposition. The resolution which I have prepared to-day follows very much in the same strain as last year, namely: if any revision of the tariff is to take place, the abolition of this duty should be effected. I ask you to vote for it, because the tax is vexatious to the merchants and the banking community, and entails very great expense, not only on the merchants, but also on the banks. I have the pleasure of moving:

"That inasmuch as the Stamp Act continues to be felt troublesome and vexatious;
Resolved, that it be a recommendation from this Board, that if at any time, and as soon as, any changes are made in the Customs Tariff, the duty so imposed be comprehended in said Tariff; and that a copy of this Resolution be forwarded by the Secretary to the Government."

Mr. W. F. McMASTER: In seconding this resolution, it is not necessary that I should reiterate what has been said so often before. Everyone knows the difficulty of affixing stamps, especially on paper coming from the country. Notes often come forward insufficiently stamped, and more have to be affixed. It has become such a nuisance that I might almost say people would prefer to pay a bonus, or a similar amount in some other form.

Mr. A. JOSEPH: I hope the action of the Board this year will be the same as it was last year, and that the motion will be rejected.

Mr. THOMSON: In 1873 there was fifteen majority for the repeal of the Act; in 1874 there was a majority of five against its repeal; in 1875 the majority for its repeal was five; in 1876 there was a majority of two against the repeal; so that on two occasions this Board decided in favor of repealing the Act.

Mr. JOSEPH: Last year the Board decided against the repeal of the Act. It is an inconvenient tax, it is true; but so are all taxes. The revenue is one the Government are not likely to give away. I do not see anything vexatious in the tax, and I hope the Board will reject this motion, as was done last year. If the Toronto Board of Trade had brought forward a resolution submitting some other tax that would supply this quarter of a million dollars which it is proposed to sweep away, then I don't know but we would support it. I fear, if it is left to the Government, as the motion asks, to supplant it with some other tax to yield this \$250,000, it is very likely that the imposition on the articles to replace this will be even more vexatious than the stamps on notes. There may be peculiar reasons in the West why this tax should be considered more troublesome than others; but we in the East see no greater vexation in it than in putting postage stamps on letters.

Mr. W. J. STAIRS (Halifax, N.S.): I would not have said anything on this subject, if Mr. Joseph had not made the statement that there was nothing vexatious about this in the East. If he were down in Halifax he would see that, with our widespread commerce with a number of small towns throughout the Province, it is considered a very troublesome tax, and the feeling is growing in favor of its abolition.

Mr. THOMSON: I hope Mr. Joseph does not mistake my resolution. I merely say, in the event of a change of the tariff, an imposition of this kind, which was created merely as a temporary measure to increase the revenue, should be removed and embodied in the general revenue of the country.

Mr. WM. DARLING (Montreal): This is a simple and direct mode of obtaining a revenue. If we had more direct, and fewer indirect means of obtaining the revenue, it would be better. I hope this tax will not be abolished, especially if the object in doing so is to increase the tariff on some article of commerce.

Mr. G. I. TROOP (Halifax, N.S.): With regard to the postage stamps, it is a very different matter from this. If, unfortunately, you do not put sufficient postage on a letter, it goes to the Dead

Letter Office, or is returned to you. But it is different if a stamp is lost off a note; then it is illegal. We have had many vexatious lawsuits in our Province in consequence of the absence of stamps from paper. I quite concur in the sentiment of the resolution. If the Government can, when readjusting the tariff, do away with this tax, they would be doing a great service to the people of this Dominion.

Mr. JOHN GILLESPIE: I would call attention to the fact that half, if not more of the current paper in our banks is illegal. That I know to be a fact. Any banker will tell you so. That being the case, the Government should not wink at the infraction of a law, simply because it is a convenient way to raise a certain amount of revenue. It is not inoperative because those who should carry out the provisions of the Act purposely evade the law. We know paper is sent from country merchants unstamped; this is illegal, but we cannot cure that. It has existed for years. The Government should recognize that fact, and should raise the revenue from some other source. If there was any intentional evasion of the Act, of course the machinery of the law could be put in force to make it effectual; but with the most honest intention on the part of the public, the Act is inoperative. Not only so, but it imposes an unjust tax on a certain class of the community. In view of these facts—that the law cannot be enforced, that it imposes an unjust burden on one class of the community, and that the paper intended to be made legal by it is now illegal to a large extent—the Government ought to devise some other way of raising the revenue which is now collected from stamps.

Mr. FRANCIS CLEMOW (Ottawa): I think the law has been so amended, that the holder of a note can stamp it at any time. Personally, I am a very strong advocate of this tax, and think it should be extended very considerably. If stamped paper could be substituted for stamps it would be better. The Ottawa Board of Trade, however, have a different opinion, and I shall be obliged to vote in favor of the repeal of the Act. In England no difficulty is found about this stamping. We have got over the worst of it in this country, and the tax should be continued.

Mr. JOSEPH: I rise to contradict Mr. Gillespie's statement, that half the notes held by the banks are illegal. As a banker, I do not know that any are illegal. He must know that, even in the process of suing for the value of a note, the plaintiff, by doubling the amount of stamps, can legalize it. Therefore, the difficulty is nothing more than putting double the amount of stamps on the note. There is no greater inconvenience from this Act than from postage on letters.

Mr. GILLESPIE : I still hold that I am correct. A note is illegal unless the stamps subsequently affixed are doubled. I ask if this is done ?

Mr. JOSEPH : Yes.

Mr. GILLESPIE : Mr. Joseph lives in a community which is above others in this respect, but I am glad to see that there are some other sinners in the East.

Mr. HENRY FRY : From all that has been said, and from my own experience, I am bound to confess that there is, especially in country parts, a great amount of inconvenience, loss and annoyance, and some risk, from this Stamp Act. I am sure in many parts of the country it is almost impossible to get stamps, and the consequence is, notes are sent back unstamped, and are illegal until they are doubly stamped. But, in the present position of the finances of the country, it is quite useless to ask the Government to give up a quarter of a million dollars of revenue.

Mr. THOMSON : We are not asking for that.

Mr. FRY : I do not want to see the tariff increased merely for the purpose of getting rid of the stamp duty. With respect to stamped paper, the Liverpool Chamber of Commerce are asking for permission to use adhesive stamps. The Stamp Act works very smoothly in England, and produces a very large amount of revenue. I therefore move in amendment—

“That all the words after ‘that’ be omitted, and the following substituted :—
‘That in lieu of the present stamps on notes, the Government be requested to impose a duty of two cents on all cheques.’”

Mr. SAMUEL WOODS (Kingston) : The great difficulty in procuring stamps arises from the fiscal arrangements in Ottawa, by which not less than \$100 worth of bill stamps are issued. In country places very few can afford to buy such a large quantity. If a smaller amount could be issued, I see no difficulty in the way of carrying out the Act. Postage stamps can be got in smaller quantities now, and bill stamps should be issued in the same way. If this Board would petition the Government to issue stamped paper in such amounts and quantities as may be required, it would serve our purpose. It is impossible to detach the stamp from stamped paper, and this is a feasible way of getting over the difficulty.

Mr. PENNOCK : I concur in the views advanced by Mr. Clemow, but, like him, am instructed by our Board to vote for the abolition of stamps. We, at the same time, do not feel at all confident that the recommendation would have any weight or effect, because it is not likely the Government will throw away

so much revenue, with such large works on hand. With respect to the issue of stamps, a less quantity than \$100 worth can be purchased at a time, but not for the purpose of selling them again.

Mr. THOMSON: There seems to be an impression that it is my desire to urge the Government to abolish this tax now. That is not my intention; it is only in case of a revision of the tariff. I know in the bank in which I am engaged, I have seen the person in charge of the bills with a gum pot in his hand carefully looking over them and affixing stamps. I am aware that at the time when this tax was imposed the Government was short of money, and it was only done to get over a temporary difficulty; but we know this fact, that when a tax is imposed we become familiar with it, and there is a difficulty in getting it repealed. I was afraid, as the revenue increased from this source, they would impose stamps on cheques. I should be sorry to see this done. Having a tariff through, which almost our entire revenue is derived, I would regret seeing a move in the direction of Great Britain's policy—towards direct taxation and a free tariff. Unless we move in the way I have proposed, we will be seeing a tax imposed on cheques also. It must not be supposed that because \$250,000 is derived from this source, it is all clear revenue. The stamps must be printed, clerks be employed, and commissions be paid out of this amount. This stamping does not add to the value of a note, but often creates a difficulty as to its legality. I am glad to have had the support of so many members, and I hope the day is not far distant when this troublesome tax will be removed, and the revenue collected from some other source.

Mr. THOS. WHITE, Jr.: I oppose the resolution on the ground that at this time the Government require all the revenue they have to carry on public works, and it is not wise for this body to ask them to throw away \$250,000. I oppose it on another ground,—I don't think it is put on a proper basis. We say, as soon as the Customs duties are to be raised to increase the revenue—that is, so soon as the Government want more revenue—they shall throw away \$250,000 which they already have. If this is a bad tax it should be opposed on its merits; if not, it should be maintained. If this resolution should be moved at all, it ought to be on the ground that the tax is bad. That would be a more frank way of putting it.

Mr. FRY'S amendment not being seconded, a vote was taken on Mr. THOMSON'S motion, which resulted in its adoption on the following division:

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Ayes.—Messrs. Brown (Adam), Brown (Peter J.), Corcoran, Clemow, Farrell, Frazer, Gillespie, Long, Mackenzie, McMaster, McKechnie, Oille, Paterson, Pennock, Rowland, Rosamond, Ross, Sanford, Skead, Stairs, Troop, Thomson, Walker—23.

Nays.—Messrs. Cameron, Darling, Dobson, Fry, Hannan, Joseph, Kerry, Kirkpatrick, Lyman, McLennan, Ogilvie, Rees, Robinson, Shehyn, White, Woods (Samuel), Woods (A.)—17.

INTERCOLONIAL RAILWAY FREIGHTS. (No. XI.)

Moved by Mr. A. JOSEPH, seconded by Mr. W. H. HOWLAND :

“ That this Board do represent to the Government the unfair and preferential action of the present freight tariff on the Intercolonial Railway; and that in framing any new tariff, the principle of rates in proportion to distance should be recognized to a greater extent than at present.”

I base this motion on the following figures :—Last summer a barrel of flour was carried from Toronto to Halifax, 1,192 miles, for 47½ to 50 cents. Of that 50 cents, the Grand Trunk received 27½ cents for carrying it to Riviere du Loup, 631 miles. I have no objection to these low charges, it being the principle that the Government should induce cheap rates of freight. No commercial man can object to it; but the objectionable part is, that while the Intercolonial carries a barrel of flour from Riviere du Loup to Halifax, 561 miles, for 22½ cents,—from Pictou to Halifax, 113 miles, a charge is made of 28 cents. There is no reason that I can see for increasing the rates for the shorter distance, except that flour is carried in vessels to Pictou, and the charge of 28 cents from that point to Halifax is in direct opposition to numbers of small craft owned in Quebec and the Maritime Provinces. I may state, as a fact, that while this Pictou and Halifax section was owned by Nova Scotia, and even for a year after it was acquired by the Dominion Government, the same barrel of flour was carried for 15 cents: so that the increase to 28 cents is in direct opposition to the policy established by the Government, of low freights for the carriage of produce from the far West to the far East. If it is thought necessary to reduce rates from Toronto to Halifax—and I approve of the policy—there can be no argument in favor of increasing the rate on the short section from Pictou to Halifax. As showing the extent to which this wrong practice is in vogue, I may state that the charge on a barrel of flour from Toronto to Pictou is 37½ cents, from Toronto to Quebec 35 cents, and from Quebec to Pictou 45 cents. This is prejudicial to Quebec.

The motion was put and carried.

UTILIZING THE INTERCOLONIAL RAILWAY. (No. XII.)

Dr. L. S. OILLE (St. Catharines) : It is within the knowledge of the members of this Board, that since its last meeting the Intercolonial Railway has been completed, and that being done, the next thing is to turn it to use. The Government of the day have already turned it to one use—as I think, and many gentlemen think with me, to the great advantage of the country—to make it a mail route from the seaboard. Of course this change from the old established practice, necessarily aroused a certain amount of interested opposition from certain parties. However, I have reason to believe, as is the case with the section of country I represent, the action of the Government in having the mails carried over this road meets with approval. This road forms part of our Confederation Act, so important did it seem that some prominent means of intercommunication should be provided between the Provinces of the Dominion. Every member of this Board should desire to have the road put to the full use it was intended for, and make it turn out as great a success as possible in promoting intercourse between the Maritime and the interior Provinces, thereby most effectually consolidating the Dominion, as was contemplated. As we become bound together by commercial ties, so will our political union be strengthened and cemented. The construction of this road, moreover, has entailed an enormous expenditure on the country—\$21,000,000 in round numbers. As a financial investment, it should be our desire to see it made as profitable as possible. The interest of this amount at five per cent. is over \$1,000,000, and the Government have the additional expense of keeping the road in operation. As it must be kept open, it is well it should be kept open in the interests of commerce. I believe it can be made the means of carrying on a large and profitable trade between the Provinces. This motion will be seconded by Mr. STAIRS, of Halifax,—that great winter seaport of the Dominion; a seaport that will make us independent for all time to come of our Southern neighbors—that position we have so long coveted. I move:—

“That this Board heartily endorses the policy of the Dominion Government in utilizing the Intercolonial Railway for the transmission of the European mails to and from the interior, and would recommend the adoption by the Government of such measures as will, in addition to those which have made it a successful mail route, so extend its sphere of usefulness as to render it a great and important highway of commerce between the Inland and Maritime Provinces, and thus accomplish in full the object of its construction—the consolidation of the Union of British North America.”

Mr. W. J. STAIRS (Halifax, N.S.): I second the motion with

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a great deal of pleasure. You all know when the matter of confederating these great Provinces was brought before the people, many of us were apprehensive it would not benefit us in Nova Scotia so much as the other Provinces. A large section of our people said :—" Before you unite us with the Upper Provinces, you must agree to establish communication between us by means of a railway." We passed the Confederation Act, some of us, and there was a feeling among our people that we were overborne. Perhaps in the future we will say, those who confederated the Provinces judged matters more wisely than we did. If we look upon the union more favorably now, it is because we see the consummation of what we wished for in the beginning. As I travelled over that road coming here, I became more and more satisfied with the construction of it. I think our deep-water terminus now is amply sufficient to take all the flour sent to us from Montreal and Toronto. A day or two before we left, I saw a steamer land eight hundred tons of freight for the interior, and the train moved it off with dispatch. Freight is being landed continually at Halifax for the interior, and there is a very respectable beginning of the trade between the Provinces. It was the month of December, I think, before it was determined that Halifax should be made the winter port of the Dominion. The local use of the road is as large as anyone could have expected. It opens up a section of country which has been very much shut up in winter time. This road, therefore, represents a great deal more than the carriage of flour for fifty cents per barrel. In that district it was not uncommon to find \$12 and \$13 per barrel paid for flour in the Spring of the year—in March—before the opening of navigation. That is an evil which is cured by the opening of this line. There are many other benefits besides these represented by the reduction of freight rates, and that is an enormous advantage, not only to the consumers at our end, but to the farmers who grow it and the shippers who send it to us.

Mr. HENRY FRY (Quebec): I do not rise to oppose the resolution; but I cannot allow a remark made by the delegate from St. Catharine's to pass unnoticed. He says certain Boards of Trade, from interested motives, have opposed the carriage of the European mails over the Intercolonial Railway—

Dr. OILLE: No, I said "certain parties."

Mr. FRY: Well, it is the same thing. The Boards of Trade of Quebec and Montreal opposed it. The gentleman from St. Catharine's does not know so much about the character of the road between Riviere du Loup and Quebec as we do. If he did, he would know that for a whole month last year the road was

blocked with snow. The trouble does not arise now, but in the month of March. How would the gentlemen from the West like to have their mails delayed by a snow blockade for a month, or even a week! Our petition to the Government was, that the carriage of the mails by the Intercolonial Railway be postponed for another year, until we should see whether the road could be kept open all winter regularly between Riviere du Loup and Quebec. If the road is in the same state this season as it was last Winter, I shall have difficulty in believing that it can be kept open at all times. No city in the Upper Provinces could have a greater interest in having the mails carried by the Intercolonial Railway than Quebec.

The PRESIDENT: As President of the Montreal Board of Trade, I may say the very same action was taken by us. Last year the road was blocked, and that is why we petitioned the Government as Mr. FRY has said.

Mr. HUGH McLENNAN (Montreal) thought the resolution was too general. He thought it would be unfortunate that anything should emanate from this Board which was not practical.

Mr. JOSEPH fully concurred in this opinion. The motion merely congratulated the Government on the completion of the Intercolonial Railway. If Dr. OILLE would read the report of the Executive Council, he would see that had already been done.

Mr. HENRY LYMAN (Montreal) respectfully suggested this motion was premature, the carriage of the mails by this route being merely an experiment. If, as is anticipated, the trains should be blocked by snow for weeks or days, the Board would conclude they had acted prematurely in congratulating the Government.

Mr. GEO. H. DOBSON (Sydney, C.B.): Don't you think, now that the Intercolonial Railroad has been completed, the through traffic will keep it open? If we can utilize the road in this way, it will be well for the whole Dominion.

Mr. G. I. TROOP (Halifax, N.S.): I would like to know why any difficulty is apprehended in keeping that road open. Certainly it is as likely to be kept open between Quebec and Halifax, as the Grand Trunk between Montreal and Portland. Last year there was no special necessity to keep the Riviere du Loup branch open, the mails being then carried by way of Portland. It was the Company's duty then, and they were urged by the Government to keep the Portland section open. This year the same thing applies to the road which those gentlemen are apprehensive may be obstructed. The explanation given by the gentlemen from Quebec and Montreal, I have no doubt, is

quite correct, but it fails to satisfy my mind in regard to the matter. Suppose the Government had not made the change, there would have been no object in keeping that road open all Winter because the mails would be going by Portland. I therefore think this resolution cannot do any harm, and it certainly would be an encouragement to those who are interested in keeping the road open.

Mr. THOMAS WHITE, Jr.: I am afraid it is introducing a very dangerous precedent. It is simply a congratulatory resolution and nothing more. There have been differences of opinion as to the advisability of carrying the mails by the Intercolonial this year, until what Mr. DOBSON suggests is tried. As to the advisability of having our mails carried through our own territory, I am sure everyone is most anxious that should be the case. There is a difference of opinion, however, as is manifested by the action of the Boards of Trade of Quebec and Montreal, as to the wisdom of having adopted this route at the present time. The experiment is being tried at this moment. Acting on their own responsibility, and with the information they had, which must be better than this Board possesses, the Government have adopted the plan of carrying the mails by this route this year. We are no more called upon to congratulate them on adopting this policy than on adopting any other. We might as well pass a resolution congratulating them for having passed the Supreme Court Act or adopting a particular tariff. That would be exactly an analogous case. If the Government had not done this, and this Board thought they should, we might pass a resolution petitioning the Government to have it done, just as we would pass a resolution to remove the Stamp Act. But suppose they had removed it last year, would it be advisable for us to pass a resolution congratulating them on having done it? If we get into the way in this Board of passing congratulatory resolutions to the Government, I fear we will soon lose the character we have so far happily preserved.

Mr. JOHN WALKER, (London,): I think there is something more in this resolution than Mr. WHITE sees. I think there is a disposition to affirm the satisfaction felt at the decision of the Government to carry the mails by our own road. What does that action mean on the part of the Government? I hold it is entirely different from the questions Mr. WHITE has referred to, such as the Supreme Court Bill and the Stamp Act. This is the opening of our own all-rail route to the Atlantic—something we have been looking forward to for years. We have had it discussed at this Board for years, and we have said it was much to

be regretted that we had no direct communication through our own territory with the Atlantic in Winter. The opportunity has been given to us, and the Government have availed themselves of it to send our mails by way of Halifax. This resolution expresses the satisfaction of the country at this result having been arrived at. It is a very proper subject to express congratulation upon, being an era in our history, and I cordially endorse the language the St. Catharine's Board of Trade uses in this resolution. Mr. WHITE says we might as well express approval of the tariff. Well, I think we have, on many occasions at this Board, expressed approval and disapproval of the tariff, and I dare say we will have a discussion very soon as to whether the present tariff is a proper one to remain in existence. Therefore, I think it as proper to congratulate the Government on having decided to carry our mails to and from the Atlantic through our own territory.

Mr. FRY: So far from there being no inducement for the Grand Trunk Railway Company to keep their road open to Riviere du Loup, they have a contract with the Government to keep the line open. But the fact is, I believe, certain portions of that road cannot be kept open without snow-sheds. It is also true that portion of the line has never paid its expenses; and therefore, until the Government purchase it, or compel the Grand Trunk to keep it open, it will not be kept clear throughout the Winter season. I am not aware of any Winter during the last twenty years passing without some difficulty of the kind occurring.

Dr. OILLE: With regard to the section of the road between Quebec and Riviere du Loup, of course, up to the time the line was opened, it began at Quebec and ended nowhere. How could it be expected to pay? Now that the missing link has been completed, this branch of the road can be made useful. I have no doubt if the Grand Trunk do not willingly keep this section open in the Winter time as a mail route, they will be compelled to do so. I notice a resolution from the Quebec Board respecting the purchase of this Riviere du Loup section, and I can, in connection with that resolution, understand the remarks of the representatives from Quebec. The resolution is something more than a congratulatory one.

The motion was then put and carried.

COMPLETION OF WESTERN SECTION OF INTERCOLONIAL RAILWAY (No. XII.)

Mr. A. WOODS (Quebec): moved as follows:

"That the desire evinced by the Government to render the Intercolonial Railroad an effective part of the great 'National Highway' of this Dominion, is fully appre-

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ciated and heartily approved of by this Board; but it desires to record its opinion, that the laudable object thus aimed at, can be realized only to a very limited extent while the whole traffic of the Road is dependent on mutual arrangement with another Railroad Corporation.

"Therefore, this Board would strongly recommend the completion of the Western Section of the Intercolonial Railroad, by acquiring control of a line from its present terminus at Riviere du Loup to a point opposite the City of Quebec."

As explained by Mr. FRY, the citizens of Quebec have felt the inconvenience of stoppages on this section of the Grand Trunk Railway. Until this section is purchased, there will always be stoppages in winter. Notwithstanding the fact that there are strong inducements now for the Grand Trunk Railway Co. to keep the road open, considerable expenditure will be necessary to maintain it in running order during the Winter season. The approach to Quebec from the East is now made by a circuit round the Chaudiere. It may be known to most of the Board, that a line may be taken from the St. Charles Station on the Grand Trunk, which would make the distance to be travelled from deep water to the St. Lawrence, something like thirty miles less than at present. If this section of the Grand Trunk were acquired, the Government could put it in such repair that it might be utilized throughout the year. Many interruptions occur on the Chaudiere section. From the stoppages in the deep cuttings there, passengers have very often to leave the cars at Hadlow Cove, and travel on foot to Quebec. I hope the Board will pass this resolution, and that the Government will get possession of the road, and bring it by the most direct line to Quebec.

Mr. A. JOSEPH (Quebec), in seconding the resolution, said: The word "purchase" is not used, because it is understood the Government are negotiating for the acquisition of the road. The Grand Trunk passes eight miles opposite Quebec, and travels eight miles back before reaching the city. Of course, going east, that could be accomplished in six miles, thus saving ten miles.

Mr. WM. PENNOCK: I cannot see my way to voting for this resolution. I think it is illogical. It points out that we cannot have the full benefit of the Intercolonial Railway until we get possession of the Riviere du Loup section of the Grand Trunk Railway. If that were acquired from the Grand Trunk—and I have no doubt they are very anxious to dispose of it to the Government—I could not support the resolution. We would still be dependent upon our connection with the Grand Trunk. It seems to me it would be unwise for this Board to pass such a resolution, and I will have to oppose it.

The motion was then put, and lost on the following division:—

Ayes.—Messrs. Dobson, Fry, Joseph, Kerry, Ogilvie, Rowland, Robinson, Stairs, Shehyn, Troop, White, Woods (A.)—12.

Nays.—Messrs. Brown (Peter J.), Cameron, Corcoran, Cle-mow, Darling, Frazer, Gillespie, Harman, Kirkpatrick, Lyman, Long, Mackenzie, McLennan, McMaster, McKechnie, Oille, Paterson, Pennock, Rees, Rosamond, Ross, Sanford, Skead, Thomsom, Walker, Woods (Samuel.)—26.

INTER-PROVINCIAL TRADE RELATIONS, &c. (No. XIV.)

Mr. S. NAPIER ROBINSON (Sydney, C.B.) moved, seconded by Mr. S. W. FARRELL (Toronto):—

“That Messrs. Geo. H. Dobson (Sydney, C.B.), A. Joseph (Quebec), W. W. Ogilvie (Montreal), John Gillespie (Toronto), Adam Brown (Hamilton), John Walker (London), and Dr. L. S. Oille (St. Catharine's), be a Committee to consider the resolution No. XIV. in the revised programme, and report the result of their deliberations as soon as possible, either at this or the next annual meeting.”

Motion carried.

FISCAL POLICY. (No. XV.)

This subject, relating to the “Fiscal Policy of the Dominion,” was withdrawn, its consideration coming up under a subsequent number.

On motion the Board was then adjourned until 10 o'clock, A.M., to-morrow.

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SECOND DAY'S PROCEEDINGS.

MORNING SESSION.

THURSDAY, *January 18, 1877.*

The Board met at 10 o'clock A.M., the President in the chair. The roll was called, and the minutes of proceedings of the previous day read and confirmed.

THE CENTENNIAL BANQUET.

Mr. THOS. WHITE, Jr., (Montreal,): Before the regular business is entered upon, I desire to mention to the Board, that Dr. MAY, of the Educational Department of Ontario, is in the room, and is anxious to address the Board with respect to the Centennial Banquet. I would move that Dr. MAY be heard by this Board.

Motion carried.

Dr. MAY said: Mr. President and gentlemen,—I am deputed to call upon you this morning with reference to the banquet to be held in this city. As many of you are aware, the exhibitors at Philadelphia, at a meeting for the purpose of taking into consideration the further celebration of the victory they have obtained in taking so many prizes, decided to have a banquet in Ottawa. We have received more awards, in proportion to our population, than any country in the world. A preliminary committee was appointed, of which Hon. Mr. Christie, the Speaker of the Senate, is President. The committee, considering the fact that you, as a body, would meet here on the 16th, have taken no definite action yet. They look upon you as the supreme body, in matters commercial, in the Dominion; and it would be wrong to proceed without inviting you, as the most influential commercial body in the country, to participate in that banquet. The object is, of course, to add as largely as possible to the importance of the demonstration. You are no doubt aware that Canada exhibited three hundred articles in the manufacturers' department, and two hundred in the machinery department, and to most of these prizes have been awarded. In 1854 we first demonstrated to the world that we had

large natural resources, and it was admitted then that no exhibit compared with Canada's show of minerals. We export every year a large amount of manufactured goods, but we import nearly double that quantity. It remains to be seen whether we cannot get more manufactures established, and keep that money in the Dominion. It will increase our population, bring capitalists among us, and let the world know that the Dominion is not the few acres of snow they think it is. In a public meeting held in Leeds, lately, it was stated that Canada consisted of a frontier line forty-five miles in length, and if it were not for the trees we would have no animal life here. Rev. Mr. Taimage, who lectured here a few weeks ago, thought these were State buildings, and that Toronto and Montreal formed the principal part of Canada. We wish to dispel such notions. We wish to invite strangers among us, and especially the Centennial Commissioners. Every Canadian who went to Philadelphia must have been impressed with the kindness of those gentlemen. We wish to show that we appreciate that kindness, that we feel blood is thicker than water, and that we are of the same race as themselves. We want to show them that we can supply even the United States with our manufactures. In 1875 we imported into the Dominion of Canada \$95,000 worth of philosophical instruments. During one week, since the Exhibition, one firm in this country received an order from the United States for \$6,000 worth of such instruments, showing that we can compete with them in their own market. We urge upon you to assist us in competing with them. We want you to co-operate with us individually. The Ottawa Board of Trade fully endorses this scheme; and so does the Toronto Board of Trade. It is for the advancement of this country we are working—to assist in getting amongst us more population, and to increase our manufactures and exports.

Mr. THOS. WHITE, Jr.: I trust the remarks of Dr. MAY in relation to this question will have the effect of inducing representatives of the Dominion Board of Trade, on returning to their homes, to excite a local interest in this banquet. The occasion is one of very great importance to the whole Dominion, and can only be made successful by the hearty co-operation of those who are interested in our industries throughout the Dominion. I sincerely hope we shall be able to have such a banquet in Ottawa as will prove a fair sequel to our good appearance in Philadelphia during last Summer.

Dr. MAY: I may state that the Committee wish to leave in your hands the selection of two representatives from each of the Provinces on the General Committee. The Committee will meet in Ottawa before you leave.

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THE CUSTOMS TARIFF.

Mr. W. H. HOWLAND (Toronto) wished to know how the tariff questions were to be brought in. It was usual to have them grouped together. Whether it was thought Barytes should be taken off the free list and protected, or the duties on raw sugars should be increased or reduced—there was no doubt they all belonged to one subject. He wished to say to the representatives from the Maritime Provinces, they would not have an opportunity of voting for protection to certain industries of Nova Scotia, and against the general principle of a protective tariff. The intention was to get the sense of the Board in a general way. He therefore moved, seconded by Mr. JOHN GILLESPIE (Toronto) :

“That the Report of the Executive Sub-Committee on business be re-considered, and that the questions Nos. XVI., XVII., XVIII., and XX., of the list as re-arranged by the Report on Order of Business, be discussed together.”

Mr. THOS. WHITE, Jr. took exception to the proposal, it being arranged at the close of the session last evening, that the consideration of No. XVI, relating to barytes, be the *first* order of business this morning, to be introduced by Mr. TROOP of Halifax. On examining the minutes, it was found that record of that arrangement had been omitted, and as the minutes of yesterday had been already confirmed by the Board, Mr. WHITE withdrew his objection. Mr. HOWLAND'S motion was there-upon adopted.

The SECRETARY was then called upon to read a letter which had been addressed to the President, respecting the question of Sugar Duties, as follows :

WOODSIDE HOUSE, HALIFAX, NOVA SCOTIA,
5th Jan., 1877.

ANDREW ROBERTSON, Esq.,
President Dominion Board of Trade, Montreal.

SIR :

I feel that no apology is needed for addressing you on a subject of such vast moment to Canada. I will confine my remarks chiefly to the practical part of the Sugar question in connection with the Sugar Refining Interest. ✓

1st. *As to the importance of Sugar Refining to Canada in an industrial point of view, and commercially in relation to West India Trade.*

The business of sugar refining has been considered by civilized Governments worthy of all the consideration accorded to any other business employing large capital, costly machinery, and extensive buildings, giving direct and indirect employment to many people, furnishing freight for shipping and railways ; it has been thought well in many cases even to stimulate the business by protective duties : but no example, except that of Canada, exists of its being repressed by legislation.

The importance of sugar refining to the Dominion is not limited to the trade itself. Not a ton of sugar can be refined without calling into activity various other trades. Each ton refined involves the getting and the transport of nearly a ton of coal, and the manufacture of seven or eight barrels, besides the employment of work people; its estimation can be indefinitely increased, when to it are added those employed in trades subsidiary to sugar refining—as well as double freights for shipping and railways—those inward upon the raw and outwards on the refined. Sugar refining furnishes business for bankers and engineers. Sugar refining creates a new industry, the manufacture of animal charcoal from bones. It is obvious that when the sugar is refined outside the Dominion that the profit from most of these industries falls into the hands of outsiders, who are neither interested in the Dominion nor contribute to its revenue.

Ships from Nova Scotia at the present time take fish and lumber to the West Indies, return with raw sugar for New York or other United States ports, and come here in ballast. Were Halifax the seat of the Refineries, the ships would be as much required to bring raw sugar to Halifax and Montreal as to take fish and lumber to the Tropics.

Sugar refining in Canada, if fairly treated, would stand on a very stable basis,—widely different from some of those protected industries that may never be able, from the dearness of labor and other causes, to stand alone. Halifax, from its fish and lumber trade to the Tropics, should be one of the best and cheapest raw sugar markets in the temperate zone. The harbor is never ice-locked, and the abundance of cheap coal, moderate local taxation and wages, makes it more advantageous than New York or Philadelphia.

The Dominion Government desire to foster a trade with the West Indies, and offers a subsidy for a line of steamers. Trade is the exchange of commodities. The West India staple is raw sugar, which the present tariff excludes. A policy *permitting* sugar refining would do much to encourage the West India Trade. A policy *encouraging* refining would ensure it. No large trade with the West Indies is possible whilst *raw* sugar is practically excluded, and without sugar refineries there can be no trade of any consequence with the sugar-growing countries.

Among rich and poor—everywhere—sugar constitutes a leading article of daily food—serving an important end in the support of life, and of great importance to the commerce and industry of most nations. The use of sugar has become as necessary as bread or salt, and all the arguments which would tend to keep them untaxed should apply to rescue sugar from the grasp of the tax-gatherer. It is quite evident, at any rate, that every reduction in the price of sugar would be attended with a corresponding increase of comfort and well-being among the people.

At present—chiefly in consequence of our absurd sugar duties—Canada is a very small consumer of sugar, using last year not over 26 lbs. per head. The consumption in England, where sugar is entirely free of duty, was 65 lbs. per head in 1875, (an increase from 35 lbs. in 1855.) The United States used about 48 lbs. per head during the same period.

As regards our trade with the West Indies and Brazil, our exports to them are yet very insignificant indeed, and we shall never get these countries to use largely

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our produce and manufactures, till we give the amplest freedom to the import and consumption of their productions.

What the sugar grower, the refiner and the consumer alike require, is the freer importation of the raw material; and let it be distinctly understood, once for all, that it is a fact that the true policy of the sugar grower is to devote all his ability to get as large a product direct from the cane as possible, and to send the sugar to be refined where it is consumed.

2nd. *The Canadian Sugar Duties* for the past eight or nine years have been quietly but surely strangling a valuable industry, until the sugar refiners were constrained to abandon the business.

Four penalties have been imposed on the would-be Canadian refiner.

- (1.) The incidence of a greater percentage of duty upon the raw than upon the manufactured article. (The very reverse of every other article in the Canadian tariff.)
- (2.) The imposition of a duty upon the machinery, filtering fabrics, and other articles and stores used, which his British competitor totally escapes.
- (3.) The easy admission of foreign refined sugars, the subject of bounty on export, an injustice in the case of British refiners that Lord Derby has vigorously dealt with.
- (4.) A grossly unjust duty on the packages in which the raw sugar is imported from the sugar-growing countries.

And let me here inform you that this is no small matter to the refiner. A hogshead which costs \$6 gold in Cuba pays here a duty of 25 per cent., or \$1.50, and when it is emptied it is worth from 30 to 40 cents, *if in good condition*, but the most of them are so broken up that they are only fit for fuel, and are burnt accordingly—the effect of this being to impose an additional duty of 10 cents per 100 lbs. on the refiners' raw material. The importation of *box* sugar has actually had to be abandoned altogether, solely because of the excessive and ridiculous duty on the empty boxes, which added a duty of 20 cents per 100 lbs. on the raw sugar contained in them. The refiners used to ship empty boxes to Cuba to be filled with sugar, which cost 40 cents a piece, free on board here, and when they came back the refiners had to pay a duty of 81 cents on them. The effect of that was to make the use of boxes an impossibility.

Search the whole world over, and you will not find such an unjust, iniquitous and foolish sugar tariff. Certainly it is neither "free trade" nor "protection," but out-and-out hostility to home industry and support of foreign.

3rd. *The remedy for this state of affairs.* (1.) The sugar duties will require to be completely altered. Color not now being a fair criterion on which to base duties—they must be levied by an *ad valorem* rate, complete distinction to be made between raw and refined sugar. (All sugar manufactured in the sugar-growing countries—no matter its color or grade—to be admitted as raw sugar under the tariff. I would here remark that the very highest grocery sugar produced in the West Indies are simply *raw* sugar of a high grade.)

Under an *ad valorem* tariff, each of the many grades and varieties of saccharine matter will bear its due share of the burden, and every class of consumers contribute in fair proportion to the exchequer.

(2.) The packages containing every description of sugar to be admitted free, or at a very low rate of duty.

(3.) A *special duty* put on refined sugar, which, like those from the United States, receive a bounty on export, purely for the purpose of *countervailing* the bounty which they receive.

This alone will counterbalance the present disturbance of the natural and free course of trade; and, let it be here remembered, the *retaliatory* duty condemned by economists differs altogether, in essence and principle, from a *countervailing* duty. Its vice was that one country injured itself in order to injure another. Protection vied with protection, bounty with bounty, prohibition with prohibition, *at the expense of both countries.*

A duty, however, which countervails a foreign bounty on exportation involves no protection, no bounty, and no prohibition. Such a duty, too, being paid by the foreign bounty which it intercepts, is clear gain and no loss to the revenue of the country enacting it. It also works fairly. Foreign countries cannot complain, as the remedy lies in their own hands. *Stop the bounty, and the special duty at once ceases.*

Such a duty, moreover, would not prevent the bounty on refined sugar being still received by this country, but it would go to *the community at large*, instead of to the *importer* and the *foreign refiner*. (It can be proved that no part, or almost no part, of the bounty ever finds its way to the consumer.)

4th. *My appeal to the Dominion Board of Trade.*—I now very respectfully and most earnestly solicit the Board to consider whether they ought not to bring all their great influence to bear, directly and indirectly, upon the Dominion Government, for the purpose of getting this manifest injustice righted at the coming session of Parliament.

What is needed in the case of the Canadian refining interest is not "protection" in the ordinary political acceptance of that term, but the opportunity to compete *fairly* and *freely* with foreign refiners.

This Canada of ours has a *possibly* magnificent destiny before her, but which she can never reach without a great increase of population of varied intelligence and industrial ability; and the industries that have existed, or do exist, cannot be crushed out without blighting our fair prospects.

I cannot close without thanking your able and excellent Secretary, Mr. PATTERSON, for his truly admirable "West India Trade Letter," which so fully confirms my views on the entire subject. The whole country is under a deep debt of gratitude to him for so clearly and forcibly showing that "there can be a very great enlargement of our trade relations with the West Indies and South America;" and I pray that you and every member of the Dominion Board of Trade will do everything in your power to aid in building up "a splendid industrial and commercial future for the Dominion of Canada."

I have the honor to be,

SIR,

Your most obedient servant,

GEORGE GORDON DUSTAN.

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Mr. W. J. STAIRS (Halifax N.S.) : I have been charged by the Halifax Chamber of Commerce with the duty of representing their views to you on a very important question, namely, the importation and refining of sugars. It had been allotted to a gentleman engaged in the West India trade, who is thoroughly acquainted with the subject. He, very unfortunately, has been detained by domestic affliction, which prevents him coming here. It, therefore, becomes my duty to present it to you as far as I possibly can. I need not tell you the magnitude of the consumption of sugar in the various civilized countries. It is sufficient for us to know that in this Dominion the consumption is something over 102,000,000 pounds—upwards of 50,000 tons. This is drawn from several sources of supply. The natural one would be the country in which that sugar is produced—the West Indies. The consumption of sugar among us formerly used to be in a raw state; but now it is running into refined, or partially refined, sugar. This industry is one which is too important for any people to overlook. Other countries have valued it very highly; France, Belgium, and the United States all foster this trade, even to excess. Our course in Canada has been an error the other way. (Applause). We trusted that the excessive fostering of the trade by other countries would correct itself; we also hope that the absence of this care in Canada will correct itself. It is the middle course we would urge as the healthy and wholesome one, and the adoption of this rests with the Government. They can amend the tariff so as to foster, and not oppress the trade. (Applause). They can measure the value and the amount of a bounty which is hidden in the drawbacks granted by other countries on their exports, and meet them with an extra or countervailing duty on their entering Canada, equal in amount to the bounty. The amount of this bounty is very clearly before the public. A gentleman who is thoroughly conversant with the subject writes:—"The Secretary of the Treasury of the United States, after a careful investigation, reported to his Government that the drawback was largely in excess of what it ought to be, and the Government ordered it to be reduced. The refiners, however, had sufficient interest to have a Commission, consisting of experts entirely in their interest, appointed to re-examine the matter, and these experts made up their report from information received from refiners themselves. In this report, the experts give the result of 100 pounds of raw sugar, No. 13, polarizing 60 pounds of hard sugar." The technical figures I will not quote, but they sent in an acknowledgment that \$3.60 per 100 pounds drawback is, by their showing, some 60c. over what it ought to be. We have a letter from an official of the United

States, who officially notifies the Government at Washington that the bounty was, by his calculation, from 60c. to 75c. per 100 pounds. This letter has been submitted to the refiners of New York, but it has never been replied to. It is quite unanswerable. It will be seen, on page 28 of the Trade Letter which our Secretary has very carefully prepared for us, that 61½ cents, in his opinion, are the figures of the bounty to exporters. While we are on this question of bounty, there is a matter which I would like to bring to the notice of this Board—that the sugar refiners of the United States have a sugar prepared for them in Germany which is admitted as No. 7, which should give 60 per cent. of saccharine matter, but which polarizes 95 per cent., and should be No. 18 or No. 20 sugar;—No. 7 pays 6c. or 7c.; No. 20, 20c. per pound. Sugar in the United States is graded by the color. There is no other test of quality, and color is no test. In this case the color is artificial, and while a bounty of 50c. or 75c. per 100 pounds is acknowledged by the United States officials, the real bounty by the use of these dark, but really very highly refined sugars, is nearer 2½c. per pound. This trade in sugar which is colored with aniline dyes, is new, and it is said thousands of tons have been entered since October in the United States. I would, with your permission, read from a letter from the Secretary of the British Sugar Refiners' Committee, of Great Britain. He says: "I send you two short papers received by the Central Committee of the French Beet Root Sugar Manufacturers. * * * * I also send samples of sugar made in Germany for the United States. Thousands of tons have been sold since October. This sugar polarizes 90 per cent of refined sugar." I may say the use by refiners in the United States of dark sugars from Cuba has been going on for three or four years. I have seen samples of it. It is very dark, but very pure. In presenting to you the question of these bounties, I would draw your attention to the fact of the large quantities of sugars coming relatively from the United States and Great Britain. We know that the consumption of sugar in Great Britain is greater than in any other country, in proportion to the population; that the trade in sugar is untrammelled there by any duties; that it goes in from all parts of the world; and if there is any spot where sugar can be refined more cheaply and economically than another, it must be Great Britain. All the sugars of the world can centre there free of obstruction. The opportunities for refining are better than in any other country; coal and labor are cheaper, capital is plentiful, and they should take the lead. We find, on the other hand, that the United States, with reference to sugar, is trammelled by a duty, and really cannot compare with Great Britain in abil-

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ity to refine it cheaply. Yet we find, while 15,000,000 pounds were brought into this Dominion in the year ending last July, from Great Britain, 23,000,000 pounds were brought in from the United States. It is evident, therefore, that the latter have granted a bounty to their refiners. It is said there are very heavy frauds in these duties in the United States, which lead to the production of sugar so cheaply that it can drive out of this market all others. It is said while the duty collected in the United States on sugar is \$55,000,000, yet from the substitution of dyed sugars for the naturally-colored article, the revenue is defrauded of not less than \$10,000,000 per annum. It is said that the whiskey frauds which startled the people of that country some years ago, are eclipsed by the frauds in the sugar trade. It has been said that low grades of refined sugar—this argument has been used in a very high place—can be bought in Canada at a lower price than raw sugar of equal appearance. This is so. By the peculiarities of trade, refiners take their products to the different markets, according to their class. Too much has been thrown into Canada of the refuse of the refineries, which the old country people are wise enough not to buy. High grades give the best profit,—just as in the cutting up of an ox, the sirloin brings more, and the coarse pieces less, than the average. If consumers knew how a good appearance is given to these sugars, they would be less willing to buy them. But now, let us look at the benefits of refining sugar in Canada. It is not too much to suppose that when the people of this country learn that refined sugar is more pleasant than raw, they will use 50,000 tons, either in a refined or partially refined state. The production of this quantity would give employment to 6,000 operatives, representing, with their wives and families, 30,000 people. If the refining of sugar in this country is to support 30,000 people, the difference between having that amount refined in our country and not having it, is all the difference between having one of our second-class towns in existence and not in existence. (Applause.) In Nova Scotia and New Brunswick we have cities which do not contain more people than this industry would cause to be added to our population, if fostered by the Government and people of this country. I cover in this estimate the people that are engaged in producing that which is required in refining sugar. To refine a ton of sugar, I have been told, requires a ton of coal. The mining and carrying to market 50,000 tons of coal is more than the average output of one of our collieries. To barrel a ton of sugar requires seven barrels; 50,000 tons would use 350,000 barrels. There is involved in the refining of sugar the use of animal charcoal;—the bones, now useless and scat-

tered over the Dominion, would be carefully collected and economized. But these benefits I have enumerated do not reach the advantage which, in the Maritime Provinces, we expect from the impulse such a trade would give to our export of dry fish to the sugar markets. We estimate that a pound of dry fish in the West Indies will buy two pounds of raw sugar as used in refineries. Our being buyers of sugar must affect us as sellers of fish. Our fishermen will soon realize that the merchant who has a good home-trade for his vessel in sugar, will be a freer buyer of fish. The export of fish to the West Indies is made in small brigantines of about 120 tons. There is no economy in running one of those vessels to the West Indies and returning with ballast, as is now done. In former times, the rule was to have a return cargo of rum, sugar and molasses. But our trade with those countries is gone,—gone to the people from whom we at present draw our largest supply of sugar, and to the Old Country. I will not detain the Board further, but simply move, seconded by Mr. TROOP (Halifax, N.S.), the following resolution:—

“Whereas, sugar in a refined state—or in a partially refined state—is largely used in this Dominion, in preference to sugar in a raw or unrefined state, and there being a growing change of demand, the refining of sugar has become a very important industry, the encouragement of which is desirable; and

“Whereas, the system of drawbacks at present in force in the United States affords a bounty to the American refiner on the exportation of his sugar, and has resulted in putting a stop to refining in Canada, and consequently, to the importation of raw sugar from place of production—thus at once destroying an important home industry, and a large branch of our foreign trade, in which the shipping and seamen of the Dominion might otherwise be profitably employed;

“Therefore, resolved,—That the Government be urged by memorial from this Board, to give the question such consideration in the readjustment of the duties on sugar, as will meet the case of so unfair a system of trade under bounties, as is pursued by some other countries, and that they be asked to regulate the incidence of taxation or duty upon sugar, so as to foster, rather than repress, the industry of refining sugar within the Dominion.”

Mr. A. T. PATERSON (Montreal): While I agree with much that has fallen from Mr. STAIRS, he has unintentionally underrated the importance of this trade. He speaks of the consumption of sugar in this country being likely to reach 50,000 tons. It has already come up to that.

Mr. STAIRS: I spoke of 50,000 tons of refined sugar.

Mr. A. T. PATERSON: It is important to our export trade to have return cargoes of sugar. I think, however, the subject is part of the larger question, and I quite concur in Mr. HOWLAND'S opinion, that the tariff should be dealt with as a whole.

Mr. ADAM BROWN: I quite agree with the opinion that this question had better be discussed under a more general resolution. I sympathize with Mr. STAIRS in the statement he

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has made, and I think we can do little better than take a leaf from the United States book. They, in their wisdom, have so protected their refiners by giving them a bounty, that, as I see by the *Toronto Globe*, the exportation to Canada alone has doubled since the drawback was given, having increased in one year from 7,000,000 to 15,000,000 pounds. I believe that in the discussion under a more general resolution, it will be found very many of us here would favor such a tariff on sugar as would enable our refiners to prosper in Canada.

Mr. W. H. HOWLAND: To show how entirely I sympathize with our friends from the Maritime Provinces, and to prove that our friends in the West are prepared to make a reasonable sacrifice in their behalf, I move in amendment:

"That the following words be added to the resolution: 'and *Resolved*, that the Board favors the imposition of a duty of 50c. per ton on all coal imported into the country.'

Mr. GEORGE H. DOBSON (Sydney, C.B.), seconded the amendment.

Mr. STAIRS: I appeal to that sense of manly generosity which I know I will find in this Board to vote down this amendment. We have come here to discuss carefully very grave questions. What we say here will go to men who study important topics, and when they see sober men have put this sugar question—which is a compound question carrying a duty on raw material, and a bounty upon a manufactured article—along with a mere duty on an article of coal, what will they think? I appeal to this Board not to group together subjects which are so diverse.

Mr. PATERSON: Underlying all this there is the important question whether or not we are to adopt a national policy. To bring the matter to a distinct issue without wasting more time, I move in amendment to the amendment:

"That in view of the depressed state of all the most important interests of the country, arising to a large extent from the differential duties and drawbacks in force in the United States, this Board favors the adoption by Canada of a national policy, calculated to maintain and develop the foreign and domestic manufactures of the country—and especially such a readjustment of the tariff as may be necessary to relieve our trade, manufacturing and agricultural interests, from the difficulties under which they labor, in consequence of the differential duties and drawbacks previously referred to."

Mr. JOHN GILLESPIE: I like consistency in these matters. I was quite astonished at the remarks of Mr. STAIRS, holding up his hands in horror at an attempt to burk the question which he so ably put before us in detail. I do not agree with him that the coal question is not at all akin to the one which he submitted. In the course of his argument he proved to us that not only was the sugar interest suffering, but also that the coal

industry was depressed. He tells us that we do not produce as much coal in our country as would be required in the refining of sugar, if that industry were established.

Mr. STAIRS: I did not say that. The average production of one colliery is what I said; the average output of one of our collieries does not exceed 50,000 tons.

Mr. GILLESPIE: His fellow-delegates from the Maritime Provinces come before us with the same object in view—the revival of the industries of their section. Mr. STAIRS comes on the sugar question, and his fellow-delegates on the coal question. They are closely allied, and we must all approve of both amendments. We cannot separate the questions.

Mr. JOHN I. MACKENZIE (Hamilton): The amendment proposed by Mr. PATERSON seems to cover the whole ground embraced in the resolution and amendment before the Board, and I presume that it is upon these three motions the discussion must turn. Coming here from the Hamilton Board of Trade, and representing that body, we have been fortified with the resolution calling upon this Board in very plain language to ask the Government to raise our tariff to twenty-five per cent. I urged upon our Board, as much as I could, not to place in our hands a cast-iron resolution of that kind, but to give us some latitude to work on; and I take it for granted the amendment now before the Board gives us ample latitude, to ask the Government to do what is necessary to relieve the country from the present depression. Everyone in the country must be aware we have been laboring under very great stagnation for the last two or three years. It would take much more time than we can spend at this meeting to go over the whole ground and describe what brought it about, and the ruin of many of our manufactures. Many reasons might be adduced. I myself have come to one conclusion very different from that which I expressed at a previous meeting of the Dominion Board of Trade, where I stated that I considered the question of protection in any country to be a relic of barbarism. I made that statement; I make it again; but the exceptional circumstances of the country cause us to change our views. The right principle of governing a country is a free trade principle; but inasmuch as our neighbors across the border have raised a Chinese wall between us and them, it is time for us to be awake to our own interest. (Cheers.) Now any man engaged in business in this country, especially in the business I am engaged in—because it has come home to me personally, and I feel it—must know that our neighbors, in consequence of the great rebellion they went through, and the protective principles they adopted in governing their

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country, have enlarged their manufacturing industries immensely. Gradually their currency has come down to a gold basis; gradually their people send their goods into other countries, and undersell those who are manufacturing in the same lines; and that is the condition we find ourselves in here in Canada. Instead of importing our goods from the Mother Country, (I speak of dry goods,)—from whom we will always desire to get goods, and with whom we will always desire to remain connected,—we buy from the United States. Instead of our imports increasing from the British manufacturer, we find them increasing from the American manufacturer,—and not only that, but we find the latter sending in their goods against our infant manufactures, and we are driven to shut down our spindles. I for one would like to stop that sort of thing. We can purchase from merchants in Britain equally well. We want to retain our connection with them; and until the Americans reduce their tariff as against us, I would be prepared to meet them with the same tariff on our side as they present to us on their's. I would be prepared to do that to-morrow. But I think the amendment covers the ground sufficiently to place the matter in the hands of the Government, who, in providing a means for the necessities of the country in raising the revenue, will discuss all those questions on their merits, probably better than we, in our selfish interests, can do. I sympathize very much with the gentlemen from Nova Scotia in the questions they have brought up. I would not like to see the original resolution killed by tacking to it the amendment of my friend from Toronto. I think it is unfair, and I hope the western men will not allow any such addition to be made. This matter should be dealt with separately from the general question.

Mr. DOBSON: Are we to have separate resolutions for each subject, or are all those questions relating to the tariff to be covered by the amendment of Mr. PATERSON?

Mr. A. T. PATERSON: My intention was to decide upon some distinct line of action, and then these questions could be dealt with separately. I think it is useless to pursue any other course. Let us settle the question of a general policy, and then we can have a ground-work for the different subjects.

Mr. DOBSON: As a representative of the Coal section, I don't wish to defeat the resolution of my friend from Halifax. I was sorry to hear him say that the Coal question was not on the same footing as Sugar refining. We have \$12,000,000 capital invested in coal, and we have untold millions of tons of coal in the earth in Nova Scotia. A great deal of capital has been expended in developing the trade; but the depressed

condition of the country has made all this useless. Hence I don't want the coal question to be spoken of in a disparaging manner.

Mr. R. McKECHNIE (Dundas) : I approve of Mr. PATERSON'S amendment. I think it would be injudicious to take up separate questions on which there might be a division of opinion, and votes recorded which might not give a clear idea as to the sentiment of this Board on the matter of a national policy. Let us deal with the broad question on its merits. While I would like to encourage the coal interest of Nova Scotia, as a manufacturer I would not like to vote for it now, and not have the votes of our Lower Province friends on the general question. I think this is a fair way to put it. It is best to be outspoken. This Board should not specify to the Government what particular industries ought to be protected, but should express a general opinion, and let them adopt the policy.

Mr. HOWLAND : I may explain to Mr. STAIRS that I had no intention to defeat his resolution. In discussing the development of our national industries, we must consider the whole of them ; and I am, therefore, in favor of the 50c. duty on coal to protect the coal industry of Nova Scotia. I moved the amendment to enable Mr. PATERSON to come in with the amendment to the amendment, which prevents any other coming in, and which brings before us the general question.

Mr. HUGH McLENNAN : It is well that we should understand what is meant by "differential duties" and "drawbacks," that we may vote intelligently ; for, if this amendment of Mr. PATERSON'S is carried, it disposes of the whole question,—being a blanket large enough, though very thin, to cover the tariff, leaving each one free to roll his own little log to suit his special interest. It is evident, in the case of the coal and sugar industries, that what would foster one would injure the other ; and so it is throughout this difficult question of protection. For this reason I would like to have the terms explained. I would like to understand what is referred to in those terms. I do understand there is a drawback on sugar, but I do not know any other article in the tariff to which those terms would apply.

Mr. PATERSON : Tea.

The PRESIDENT : I understand this amendment disposes of the whole question of the tariff. (Cries of "Yes.")

Mr. PATERSON : The words "differential duties" refer to special duties put on anything produced in and imported from countries east of the Cape of Good Hope, entering the United States otherwise than direct, such as sugar, coffee, tea, spices,

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wool, and other articles of commerce. The duty is ten per cent. The consequence is, any one bringing a cargo from any of those countries to Canada, and sending it to the United States afterward, has to pay that duty. If a fluctuation in the markets of the United States were to take place, and our merchants wished to take advantage of it, they could not do so. For instance, there was a sudden rise in wool in 1872, but in consequence of the differential duties, we could not take advantage of it. In the same way it bears on tea, spices, coffee, rice and sugar. The result is, a Canadian who wishes to import direct from the east of the Cape of Good Hope, must bring his cargo to the United States first; and experience has shown that it is impracticable to live in Canada and conduct business in the United States. The word "drawback" refers to the drawback on sugar.

Mr. G. I. TROOP: Cannot wool imported into Canada for manufacturing purposes be sent to the United States?

Mr. PATERSON: We, ourselves, imported two cargoes. If we had brought them to New York and held them there, we could have sold them either there or in Canada without paying the differential duty. If we had brought these cargoes to Canada, and wished to export them to the United States, we would have been obliged to pay not only the ordinary duty, but this differential duty also. Consequently we must bring these goods to the United States, and hold them there until they are disposed of.

Mr. TROOP: The wool grown in eastern countries is not the wool grown in Canada, and has nothing to do with a national policy. The gentleman who moved the amendment to the amendment has not explained what the national policy is. One gentleman says we want 25 per cent. against the United States; but it is impossible to do this without taxing English goods.

Mr. HOWLAND: That is quite possible.

Mr. TROOP: It is a policy which would not be permitted.

Mr. WHITE: It was permitted in the tea trade.

Mr. TROOP: It certainly is against the law of the country. With respect to the coal duty, as I understand it, the national policy means a duty to compel Canadians to use Nova Scotia coal exclusively. If the Americans should say we may export our coal to their country free, do the national policy men desire that American coal shall come into Canada free?

A VOICE: Certainly.

Mr. JOSEPH SHEHYN: I would like to know from the mover what he means by a national policy? Is it to raise duties on specific articles to protect them, or to raise a revenue generally on articles imported into this country?

Mr. PATERSON: My idea is, that at the present moment the trade of Canada is suffering from differential duties imposed on our goods by the United States and the drawback on sugar, and I think the policy of the Government ought to be to impose such corresponding duties on articles imported from the United States as would encourage home manufactures. The question must be looked at as a whole. In attempting to encourage direct trade, we must also endeavor to encourage home manufactures.

Mr. S. N. ROBINSON (Sydney, C.B.): When these gentlemen talk of a national policy, it seems to me they mean simply to tax coal coming from the United States. Now, it is almost as important for us to have a duty on coal coming from England. One of the great arguments used by Mr. STAIRS in connection with the sugar question was, that it tended to increase the population in Nova Scotia to the extent of some 30,000 people. We already employ more than 30,000 men in the coal trade, and owing to the depressed state of that industry, many of them are almost destitute. There are 30 collieries, but trade is almost crushed out. We are not only taxed 75c. per ton in the United States, but our own local Government collects a royalty of 10c. on the ton, and in addition to that, the value of the mines is so large in proportion to the other property that we pay the greater portion of the local taxes. In 1865 we exported 400,000 tons of coal to the United States. Under a duty of \$1.25 per ton, our exports ran down until that duty was reduced to 75c., when they were increased by 100,000 tons; but now our shipments to the United States are down again to a low point. Although there is a great deal of opposition to the introduction of this coal question, the people of this Dominion should look upon it from a broader stand-point. They should see that it is in the interest of the whole country to develop this industry. I do not think, therefore, this Board should vote down a resolution in favor of putting a duty on coal.

Mr. JOHN WALKER: I sympathize with the gentleman from Cape Breton in wishing for more light on this "national policy." I would like, before making a few remarks on it, to remove a misapprehension that seems to exist in the minds of some gentlemen, that there is a discriminatory tariff against us in the United States. It is true the wool imported from Australia, and other countries east of the Cape of Good Hope, was referred to; but the argument seemed a little indefinite as to whether Canadian wool was treated in the same way. Now, it is not so. The United States do not discriminate against any article of Canadian manufacture or produce. There is no discrimination against Canada in the American tariff. Canada is put on the same foot-

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ing as every other country in their tariff. I want to get some further light as to the length to which this national policy is to be carried. We have had the coal question referred to by the gentleman from Cape Breton; we have had the sugar question referred to by Mr. STAIRS of Halifax. There are other industries which I would like to ask something about. Are they to be included in this retaliatory policy? For instance, the article of Petroleum, which is a large industry, and largely produced in the district from which I come—is it to be included in the national policy? (Cries of "yes.") The present duty in the United States is forty cents on the gallon. Are we to raise the tariff on United States petroleum coming into Canada to forty cents per gallon?

A VOICE—Yes.

Mr. WALKER: Because, if I am not mistaken, the country is at present almost unanimously of the opinion that the present duty of fifteen cents per gallon on petroleum is too great, and should be reduced. I believe that is almost the unanimous opinion of the whole country, for it is a well-known fact that so great is it, that it has led, within the last few years, to the formation of a "ring," which has controlled our markets, by the practical prohibition of the importation of American petroleum. I am in the presence of one of our oil refiners, who can bear me out in what I state. Oil costs ten cents per gallon, and the country pays forty cents a gallon for it. That duty should be reduced. The refiners themselves admit that. They have not taken a hand in this increase of the tariff. In forming a "ring," they have acted within the law as they found it; but then, it is so framed as to be actually a prohibitory tariff against the United States, and they have been favored with a protection of some two hundred per cent. Is this evil to be aggravated by this policy? Then, I would like to know, as to Wheat. There is a reference in the motion to the agricultural interests. Is it intended that a national policy shall impose on the people of this country a differential duty of twenty cents per bushel on all American wheat brought into the country? I want to ask Mr. OGILVIE and other gentlemen largely interested in that trade if that would suit them? I don't think it would suit Mr. OGILVIE, whose mills are situated in various parts of the country.

Mr. HOWLAND: Will you ask me?

Mr. WALKER: Mr. HOWLAND will undoubtedly give an answer before the discussion is over. Then, as to Wool. Shall we have a duty of 12c. a pound on wool? I find we import into Canada 7,000,000 pounds of wool, and export 3,000,000 pounds. The reason is, our manufacturers can buy this foreign

Wool for the price received for the 3,000,000 pounds we export. They can import 7,000,000 pounds of an article that meets the requirements of the country, for the 3,000,000 pounds they sell. Then, we take the article of Coal. Is that to receive a protection of 75c. per ton as against the United States, since they charge 75c. per ton on the coal we send there? I don't think the gentlemen from Cape Breton would be satisfied with 50c. per ton, when the United States charge 75c. per ton on coal imported into that country. Then, we have some of our hardware friends here, some representatives from the foundries of the country, the agricultural implement makers, and the stove manufacturers of the country. These are all large industries, which have proved themselves suitable to the country by the success which has attended them, and the continually increasing demand for their manufactures, to such an extent that they have excluded (as the Trade and Navigation Returns show), any imports of such articles from the United States. I find the national policy would impose \$6.30 per ton on all pig iron imported from the United States. I wish to know also whether a duty of one cent. per pound is to be imposed on all wrought iron and spike iron; and whether on boiler plates, whether on tubes and pipes, which are used by the million feet in this country, and are imported from the United States, the national policy intends that a duty of 3.15c. per pound shall be paid. Those are the few questions that I would like to have answered before we are asked to vote on this resolution. When it is put as a substantive motion, I have an amendment which I will have the pleasure of putting on the table. At present, I am only asking our friends from Cape Breton and Halifax to beware how they are led into this ambushade; for if they give their votes for this national policy, I fear their purpose would not be at all suited by carrying the motion before the Board.

Mr. A. M. ROSS (London): As Col. WALKER has referred to the Petroleum question, I cannot allow his remarks with regard to that great industry, to go abroad without giving a few words of explanation. I am only sorry that I am not better prepared to give some more intelligent information or statistics on this subject under discussion. I only knew last Friday that I was appointed a delegate from the Chamber of Commerce of the City of London, to represent them at this Board. Having been forty-eight hours on the cars coming here, I have had little or no time to collect thoughts and give that information I would like to, to those who are not so well posted in this trade as myself, having had twelve years of practical experience in this industry, which was first commenced in Canada about thirteen years ago. Millions of dollars have been invested in the trade, (the greater part of

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which is lost,) and towns and villages had sprung up. In some of these villages nothing remains to be seen but some old shattered brown houses, and the remains of some old derricks and refineries, which went to show that in days gone by, oil was produced and manufactured. Take, for instance, the incorporated village of Oil Springs, in the County of Lambton, which County the Prime Minister of the Dominion represents, and the incorporated town of Bothwell, which is also represented by a Minister of the Crown. To be sure, there is some country trade done by a few stores in the vicinity of the station; but go north, south, east or west, and there you will see the remains of old refineries, derricks, &c., which cost millions of dollars, and which to-day are not worth the taxes paid upon them. There is no trade or industry in the Dominion of Canada to-day, in which more money has been sunk, and from which there has been no return. There is not a gallon of oil produced and manufactured in the district of Bothwell, where the gallant Colonel once figured, but what costs more than two dollars on the average. I know there is an impression among some of the people of this country that a few have amassed fortunes to the disadvantage of many. I am prepared to show that such is not the case: in fact there are not a dozen gentlemen to-day, who have followed the oil trade through all its ups and downs, who are better off than when they first entered the business. On the contrary, I know of hundreds of enterprising Canadians who invested all they had and lost every dollar of it, owing to the different depressions that frequently occurred in the trade. I also know of large numbers of Americans who invested their all in this trade, and whose intention it was to become useful citizens among us, but who, owing to the bankrupt condition of the trade on a number of occasions, were obliged to return to their own country. I know that if those engaged in the trade had a larger market, the trade would be healthier. But we are kept within the narrow limits of our own over-stocked market. The manufacturers of this country are met with a duty of 40 cents on the wine gallon going into the United States, while Americans are sending their refined oil into this country at 15 cents on the gallon. At the last session of Parliament, Mr. Colby, M.P., for Stanstead, introduced a resolution, which had for its object the reduction of this duty of fifteen cents to $7\frac{1}{2}$ cents, which would only have given us a margin of $1\frac{1}{4}$ cents, as we pay $6\frac{1}{4}$ cents of inland revenue duty on every gallon we manufacture, which contributes an aggregate of \$250,000 to the Dominion Treasury annually. It has been said if that resolution had passed, the consumers would get their refined oil at a lower figure than they are now paying for it. I am prepared to show that such

is not the case. At the present time, oil is quoted in large lots at 28 cents per gallon in New York. Adding the $7\frac{1}{2}$ cents import duty, which Mr. Colby was willing to allow, would make $35\frac{1}{2}$ cents per wine gallon in the United States, to say nothing in the difference in freight. In London, oil, by the car load, is 35 cents, f.o.b. To reduce the import duty to $7\frac{1}{2}$ cents, unless the Government throws off the $6\frac{1}{4}$ cents of internal revenue duty, means nothing more nor less than to drive this great industry and all its capital out of the country, and to hand over our trade to the American manufacturers, so that Canadian manufacturers would be hewers of wood and drawers of water for their opponents on the other side of the line. I do not think, however, that any Government would be so foolish as to do such a rash act; for if they would, the result would be to destroy the whole oil trade of Canada, and throw about 10,000 people out of employment. If such an Act were ever embodied in our Statutes, it would, practically, kill London East, as well as the town of Petrolia. Every dollar of the working capital of this industry remains, and is invested in our own country. It is sometimes asked what is the reason we cannot compete with the American manufacturers, with a margin of $1\frac{1}{4}$ cents on the gallon. I will endeavor to answer that question, from a practical knowledge of the business, and give facts which I think will be borne out by gentlemen present, who are able to say whether or not they are correct. There are gentlemen here, although free-traders, who must give in to facts, and as they know how oil is refined in Canada, and what it costs to manufacture it, I have no doubt they will bear me out in my statements. It costs from two to three cents per gallon more to manufacture Canadian refined oil than it does to manufacture American refined oil. The American crude oil is put in the stills, or charged, as it is commonly called, in the morning, and run off in the evening, so that they are enabled to run their stills five or six times per week, and take off from 80 to 90 per cent. of good burning oil. This large percentage is owing to the lightness of their crude oil, and the balance, which is commonly known by the name of "tar," is better than ours, as it is more condensed. In treating or deodorizing their oil, it only takes about one-sixth of the chemicals that our oil requires—a small quantity of sulphuric acid, say about two carboys to every hundred barrels, and a few pounds of caustic soda—while our oil takes from three to four days in distilling, so that we can only run our stills twice a week, and only get from 40 to 60 per cent. of distilled oil; and it must be extraordinary crude oil from which you can get 60 per cent. This is owing to the gravity of our oil. Our crude oil is considerably dirtier and heavier

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than the American oil. In treating and deodorizing Canadian oil it takes from six to eight carboys of sulphuric acid to treat a hundred barrels of refined oil, and about 300 pounds of caustic soda, some 400 pounds of litharge, and a large quantity of dry sulphur, besides some other chemicals, which are only known to part of the trade, in order to make good sweet burning oil. The Canadians are now trying to establish a foreign market, but we have to compete with the Americans in this market too, as they have a foreign trade established; so that at present Canadian oil is sold in Europe six or seven cents cheaper than American oil. I have endeavored to show the exact position of our oil trade compared with the United States, and I would repeat that the policy of the Government of this country should be to encourage every kind of industry, which increases capital in the country, as well as labor and immigration; and as a Highland Scotch Canadian I do not want to see the men who are here and established in this country, driven away by any rash act that might cause them to be deprived of employment. Our policy should be to encourage manufactures or any industry which helps to build up our Dominion, so that every branch of industry may be made a profitable investment. Then our people will be bound to be prosperous, contented and happy. (Applause.)

Mr. W. W. OGILIVE (Montreal): I am sorry Mr. WALKER has taken up the time of this Board with his allusions to Wheat. It is a subject so well known to all that I will not trespass upon your patience with any remarks on it.

Mr. HOWLAND: There seems to be some doubt as to the meaning of the word "differential." It is used in the Custom-houses in one sense, but that does not express the whole meaning of it. I understand it is used to cover three separate and distinct things. The first is sugar duties and drawbacks, and all that sort of thing Mr. PATERSON has spoken of; the next is in the fact that as between raw material and manufactures going to the United States they charge a much heavier duty; and the third is, they charge a larger duty on things from this country to theirs than we do on articles coming to us from them.

Mr. W. J. PERLEY (Ottawa): It seems to me Mr. WALKER has omitted one important item in his labored remarks, and that is lumber. As near as I understand the effect of discriminating duties, our lumber trade is discriminated against by the United States. We are not allowed to send them our lumber without paying a duty of \$2 per thousand feet. We may ship it to New York in bond, if we ship it in American bottoms; otherwise we cannot do even that. The people of the United States, on the

other hand, are allowed to come here with the products of the forest free of any duty whatever. I do not think it was intended to make this a discriminating duty. As an American, I have charity enough to think that; but in its effects, I submit it to this meeting if it is not as directly discriminating as any law could be.

The Board rose at 1 o'clock, P.M., for recess.

AFTERNOON SESSION.

THURSDAY, *January 18, 1877.*

The Board resumed business at 2 o'clock P.M., the President in the Chair.

THE CUSTOMS' TARIFF—(*Continued.*)

✓ Mr. GEO. H. DOBSON (Sydney, C.B.), presented the following petition on behalf of the coal owners of Nova Scotia:—

To the President and Members of the Dominion Board of Trade.

THE PETITION OF THE UNDERSIGNED COAL OWNERS AND PERSONS INTERESTED IN THE TRADE AND SHIPPING OF THE DOMINION,

Humbly Sheweth:

That, in 1867, during the first year of the Dominion Legislature, the necessity for counteracting the hostile policy of American coal monopolists, was brought before the House of Commons by a petition from the Nova Scotia coal owners.

After a prolonged agitation, public opinion throughout the Dominion warranted the Legislature in 1870 in imposing a duty of 50c. on American coal, and of 25c. on American flour. Although a long time is needed to create a new trade, or to divert trade into new channels, the effect of these duties was immediate and most beneficial; and, had they been fairly tested for a few years, they would not only have developed a most important and profitable trade between Ontario and Quebec and the Lower Provinces, but would have also led to the repeal of the American duty on our coal. In proof of this, we may point to the fact that almost immediately after these duties were imposed, the American duty was lowered from \$1.25 to 75c.

Your memorialists deeply regret that, in consequence of the subject of our coal trade having been lost sight of by the public, through the agitation on the subject having ceased when the duty was imposed on imported coal, the influence of American monopolists, and of those who sympathize with them in this country, was sufficient in the following year to bring about a repeal of the duty of 50c. imposed on imported coal. The disastrous effects of the repeal of this duty was not at first apparent, through a coal famine in England, which created a brisk temporary

demand for our coal in foreign markets. But though new mines have been opened and the capabilities of our collieries have been largely increased, our coal trade has been declining, and at present is in a ruinous state, that fully justifies the fears expressed in the memorial of 1867.

While the trade and shipping of the Maritime Provinces are deeply interested in this question, it is a matter of peculiar concern to the people of Nova Scotia. Having retained the possession of their coal mines, they assumed, with good reason, that an ample and increasing source of provincial revenue would be secured through the royalty of 10c. per ton on coal. There is no alternative now open to them but to remit the royalty which cannot now be paid in the present depressed state of the coal trade; and to call upon the Dominion Government either to compensate the Province for its heavy loss, or to abandon a commercial policy which is crushing a most important industry, and cutting off the main source of provincial revenue.

We respectfully beg to submit that the only free trade that has been promoted by our commercial policy has been confined to throwing open Dominion markets to American products, while we have sacrificed the great cause of free trade with our neighbors, which would have enabled the people of Canada to have sold their products throughout the length and breadth of the continent, and have deprived the friends of reciprocal trade in the United States of a lever by which they might have forced American monopolists to come to terms.

The policy of the Dominion, though so hostile to our coal interests, has largely contributed to develop the mining industry of our American rivals, and has encouraged them in their unfriendly policy towards us by throwing open our markets to them, and by surrendering, without any equivalent, every inducement which we might have offered for reciprocal concessions on their part.

That this grievous wrong which has been inflicted on this great industry is not approved of by far-seeing American statesmen, is clear from the following remarks made by the Hon. Elijah Ward, in the House of Representatives, last year :

"It would be improper to pass, without examination, our trade with Canada in coal, an article which is one of the essential elements of manufactures, and which in the North is becoming daily more and more one of the prime necessities of human life. It is found in abundance on the sea coast of Canada, whence it is advantageously exported to the New England States and New York. But it is not found in the interior and well settled portions of the Dominion. They depend on our mines for a supply, and obtain it free of all duties, principally from Pennsylvania, Virginia and Ohio. Anthracite coal is extensively imported into the Maritime Provinces. Altogether, regarding the subject from a national point of view, our imports of coal last year from Canada amounted to \$697,675, and our exports to her were, as shown by our returns, \$2,034,527. The imports, taking a series of years, are nearly stationary, but our exports increase enormously, and in the last three years were \$7,272,964, not far from four times as large as in the three years from 1863 to 1867. Under these circumstances any imposition of a duty on coal from the Dominion is manifestly unjust."

In the face of this injustice, which has hitherto been tolerated and encouraged by the Dominion, we do not ask for protection, though there are many who would respond to an appeal on that ground in this case; we simply ask that American protectionists should not be enabled to cripple and crush our trade. The prohibitory American duty of 75 cents has been imposed by Pennsylvanian monopolists, not out

of hostility to the Dominion, but simply for the purposes of keeping us from competing in their markets. The moment we can make the duty unprofitable to them, it will be repealed. We therefore ask, in the interests, not of protection, but of free trade, that you request the Legislature to neutralize this hostile duty of 75 cents, by giving an equal bounty on all coal sent to the United States; or else to impose a duty of 50 cents on all imported coal.

We are building up the mining industry and railway interests of the United States, while our canals and our shipping, as well as the Intercolonial Railway, are suffering from want of back freights. If Canadian coal can secure the supply of our home markets, the cost of transportation of the flour and manufactures of Ontario to the Lower Ports will be cheapened, and profitable employment will be supplied to our costly public works, and to the shipping of the Lakes and of the Maritime Provinces which are now lying idle in our harbors from want of freights.

It is even believed that a supply of back freights of coal and West India produce may ultimately reduce the down freights of Western grain by the St. Lawrence, and enable our great water highway to compete with American railways for the trade of the West.

But though we regard the measures we suggest as well worthy of adoption for the reasons we have urged, we respectfully submit that, entirely apart from their financial and commercial aspects, they are imperatively demanded of the Legislature from a political and national point of view.

While we have hitherto found, to our cost, that for the purpose of mutual protection and assistance, Confederation, on this question at least, has not yet fulfilled the hopes of its founders, American coal owners have had a great nation at their back, who have regarded American mining industry as a matter of national concern. Hence American markets on the seaboard, though readily accessible to our coal, and far removed from American mines, have been closed against us, not for revenue purposes, but in order to promote an important industry in distant States of the Union.

On the other hand, when we, believing the Dominion, if it means anything, means a union for mutual protection and defence, have urged that American monopolists should not be encouraged by our Legislature to shut up our collieries and to crush our coal trade, we have been met by the assertion that it is merely a matter of Provincial concern, and that Quebec and Ontario, having no coal mines of their own, are not interested in the matter.

In reply to this view, we beg leave to quote from a paper on "Intercolonial Trade," published by the Government in 1868, which states that Nova Scotia "will, as a commercial necessity, either be utterly ruined, or must have a market secured to her by the United States or by the New Dominion," and very naturally asks,

"Is it possible that a Dominion, aspiring to a future state of national existence, can hope to become a people, if it folds its hands and calmly allows one of its most important outposts, its outlet to the seaboard, to be starved into a surrender, simply because the scene of the contest is far removed, and because the inland portions of the Dominion have not yet felt the effects of the siege."

We humbly conceive that the time has at length come when a definite and satisfactory answer should be given to the question; and we trust that the Dominion Board of Trade will urge upon the House of Commons to deal with this important

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subject with a patriotism and a public spirit that will be worthy of the Legislature of a great country.

Signatures from County of Halifax and Cape Breton :—

T. D. Archibald, Senator.	Cunard & Morrow.
C. J. Campbell, M.P.	E. G. & C. Stayner.
W. S. Stirling.	Neil White & Co.
Jno. H. Symons.	Jas. Thomson (so far in respect to imposing duty).
John A. Sinclair.	Robert Boak & Son.
B. W. Saiter.	Alex. Stephen.
David MacKeen, Agent Caledonian Coal Co.	Wm. H. Hart.
J. S. MacLean & Co.	James McDonnell & Co.
Wm. D. Sutherland.	Bauld & Reynolds.
T. J. Wallace.	Mitchell & Sons.
John T. Wyld.	Corbett & Co.
Almon & Macintosh.	K. J. Hart & Co.
H. B. Paulin.	A. F. Salter.
Bauld, Gibson & Co.	A. H. Crowe.
J. & W. B. Seeton.	Geo. P. Black.
Muir & Scott.	A. Keith & Son.
A. & W. Smith.	B. O'Neill & Co.
S. Howard & Son.	W. B. Reynolds & Co.
Edward P. Archibald, Chairman of Meeting of Coalowners, Jan. 9th, 1877.	J. R. Jennett & Co.
R. G. Haliburton, Q.C., Secretary of Meeting of Coalowners.	Thomas Bayne.
D. Henry Starr.	Benjamin A. Smith.
Pickford & Black.	Bond & Co.
John Farquharson.	Chisholm & Co.
John Stairs.	Jos. S. Belcher.
W. M. Richardson.	Edward Albro & Co.
Lordly & Stimpson.	T. F. Hamilton & Co.
James A. Moren.	Wm. Roach, Jr.
John P. Mott.	P. & J. O'Mullin.
N. L. West.	John Hogan & Son.
John Taylor.	F. C. Stevens.
Augustus W. West.	J. J. Scriven & Son.
A. Burns.	W. M. Greer.
Lawson, Harrington & Co.	C. E. West.
E. Morrison & Co.	Parker & Grant.
Wm. Muir.	Jas. Butier & Co.
Alex. McLeod & Co.	John Pugh & Son.
W. S. Symond & Co.	S. Napier Robinson, Manager, Toronto Coal Mining Co.
Smith & Kays.	Jas. Cossip.
J. S. Cochran & Co.	West & Borden.
Wm. Boak.	John W. De Wolf.
Thomas A. S. De Wolf & Son.	John Taylor & Co.
Davidson & Chricton.	D. H. Pitts.
Wm. Chisholm.	Wm. Robertson.
Doull & Miller.	S. A. White & Co.
T. & E. Kenny.	R. Johnson.
Henry N. Paint.	Geo. A. Kent & Co.
W. M. Harrington & Co.	Anderson, Billing & Co.
J. Campbell.	S. Lynch.
Smith Brothers.	P. Walsh.
C. & W. Anderson.	John Uniacke.
W. L. Evans (excepting bounty).	M. H. Richey.
Macintosh & McInnes.	D. Falconer.
S. Cunard & Co.	D. Cronan,
	and others.

Mr. DOBSON then said : In 1871 Canada imported from the United States 216,633 tons of coal. In the same year she exported 270,000 tons to the United States—pretty nearly equal. In 1875 the imports of coal from the United States increased to 512,000 tons, and our exports of coal to the United States decreased to 89,000 tons. In 1876 the imports from the United States had again increased to 595,000 tons, while our exports had decreased to 69,000 tons. This will enable the gentlemen of this Board to see how the coal trade of Canada has been run down by the action of the Dominion Government—not the present Government more than the former one.

Mr. S. N. ROBINSON (Sydney, C.B.) asked whether the amendment to the amendment of Mr. PATERSON covered everything in the tariff, without discrimination ?

The PRESIDENT : Yes ; but if you kill this, both the original motion of Mr. STAIRS and the amendment of Mr. HOWLAND will be voted upon, subject, however, to any amendment you may make afterwards.

Mr. W. M. PENNOCK (Ottawa) : The subject now under discussion has been before the Dominion Board of Trade on several occasions, and been fully considered, while the opinions and resolutions arrived at have been recorded. Perhaps there is no subject upon which the partizans on either side have spoken with more positiveness than on the tariff and its effects ; yet, in their conclusions, they are as wide as the poles asunder. Protectionists express a fear that free trade principles will predominate. I think they may as well dismiss those fears at once, simply from the nature of our circumstances. Depending, as we are, almost wholly upon Customs and Excise for our revenue, there is no opportunity for free trade principles to prevail and drive out protection, unless we resort to direct taxation. If we are assured of that measure of protection that we now have, the fears expressed by the protectionists should be removed. A protectionist tariff, to be so in the true sense of the word, becomes prohibitory. Revenue ceases the moment it becomes a protective tariff ; and how are you going to supply any deficit ? Will you put an extra duty on those articles that enter into general consumption, or impose a burthensome tax for the benefit of the few ? It is asserted by the protectionists, that they do not fear that prices will be enhanced to the consumer by a protective tariff, but that they will be lowered, and the people will be benefitted. If that were true, there would be no antipathy to protection. But, the object of protection is to shut out competition and to increase prices. The resolution before the chair asserts causes for the depression under which we are

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laboring. I take exception to the assertion, that the depression arises from the lowness of our tariff; or, to the pretence that the moment we have protection, our manufactories will all be active, that the depression will cease, or that universal prosperity will prevail. That might be true, if we had a market; but you have to supplement protection by something further in this way. You have got to compel the limited market which we now enjoy to purchase four or five times the amount they require. Can you do that? We cannot. Then, instead of hedging ourselves in with these restrictions, we want new markets. The producing power of our manufactories has now largely outgrown the consuming power of the Dominion, and, no matter what protection you have, there is only a limited consumption. I cannot see how we are going to become prosperous by protection, unless we have some market where the articles which we manufacture can be sold. We are told we are to have a national policy. We have an instance of the log-rolling which it involves, to-day. Mr. HOWLAND offers to make a bargain with the members from the East: "If you will consent to put on 50c. on coal, we will compel the consumer to pay that, and force your coal to the West." But there is a point beyond which you cannot force coal; and then there are qualities of coal required that you cannot furnish from Nova Scotia. Geographical distances and natural barriers cannot be overcome by Acts of Parliament. There must be something further. We are told that all classes are to be benefitted by a national policy, not merely the manufacturer, but also the agriculturist, and others. We are told that the country is anxiously waiting for the inauguration of that policy—that they are almost united to a man for it. If that statement were true, what would it amount to? That the farmer would approach the Finance Minister, and say: "I wish you so to frame your tariff, that when I buy a waggon I will have to pay ten or fifteen dollars more than I do now for it, and I will be more prosperous." If he buys a plow it will be the same. He will follow with the manufacturer, and all will prosper by it. Is that the true state of affairs? Will his sugar be sweeter if he pays two cents more per pound for it? Will his flannel be warmer, or his boots and shoes assume a more becoming shape if he pays more for them? If his wife wears a dress from a print that costs a couple of cents more per yard, will she feel more satisfied, and the chimney never smoke? My friend Mr. BRONSON (lumberman), is paying a Customs' duty of \$2 per barrel upon his pork; but he will say to the Finance Minister, "I feel that I am not doing my share for the country. Trade is depressed; pork is a large item in the imports, and I would like

to pay a couple of dollars more per barrel for it." Would you like to do that, Mr. BRONSON? (Laughter).

Mr. BRONSON (Ottawa): No, Sir. (Laughter).

✓ Mr. PENNOCK: Then, if he gets protection, his timber will be free from knots, rots and shakes, and when it goes to Quebec he will have a higher price for it? And so on. They say that this depression arises from the operation of our tariff. I deny that. I say it commenced in the neighboring country; and is it owing to the action of our tariff on 4,000,000 of people that the depression was brought on a country of 40,000,000 of people, and extended to Europe? It may be flattering to us; but if it were so, it would add greatly to the responsibilities of our Finance Minister. (Laughter). Then the farmer is to be enlisted with the manufacturer in this policy. Nobody will object to the tax of 17½ per cent., which affords a fair measure of protection. Indeed, it is as far as I am prepared to go, unless the exigencies of Government require more. With the large public works which the Government have on hand, it is not unlikely that the tariff will have to be augmented to some extent; and, if it must be re-adjusted, I will be in favor of increasing the duty on articles that enter into competition with our own manufactures, and placing raw material on the free list. But, I contend, if you put 20c. per bushel on wheat, it will not increase the price of our wheat one cent to our farmers, as the price is not regulated by the supply here, but by the prices that prevail at Liverpool; and it will take away trade from our vessels and our canals without a compensating advantage. It has been stated that the depression in our trade has arisen from the "slaughter" of American goods in our market. I contend that the percentage imported—with the exception of cottons, of which the importations are larger than anything else—is very small; and, if American goods were excluded to-day, our manufacturers would not be prosperous from that alone. Then we are to have a reciprocity of Tariffs. I am at a loss to see how that is to be enforced. Are we to have one set of Customs duties to apply to American goods, and another to goods coming in from England? Is it practical to frame a tariff in that sense? I think not. There was a number of other points I intended to refer to, but it is scarcely necessary to do so. We had a national policy a number of years ago, and its lingering death is a matter of history. We had it again and again introduced in the public press, in speeches at elections, on the floor of Parliament, and now we have it again to-day. I am in favor of a national policy; but I am not in favor of one, the object of which is to build up huge monopolies

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at the expense of the people. I am in favor of a national policy ; but not one that will make our country so dear to live in, that it will repel from our shores those who would otherwise be willing to come amongst us, settle upon our vacant lands and render them productive. I am in favor of a national policy which will not impose arbitrary restrictions on trade, or raise artificial barriers against its action. I am in favor of a national policy that will tend alike to the benefit of the whole community, one of which all can enjoy the advantages, and under which we shall have a free, happy and contented people. (Applause.)

Mr. R. McKECHNIE (Dundas) : I am gratified to find an increase of the sentiment in favor of protection to the industries of our country. The remarks of the delegate from Hamilton were very flattering indeed, and show that he is conscientious in his opinions. Though at a previous session of this Board he had expressed an opinion that protection was only a relic of barbarism ; now he sees light, and is in favor of protection to our manufactures. I am gratified to find that the people of the Maritime Provinces are here to-day, also asking protection for their industries. Some of them in an ingenious manner say that they are not asking for protection ; all they ask is that the duty may be taken off raw material. Of course that is not protecting them ! (Laughter.) I assure you that when the sugar refiners pay a duty on their raw material, if the Government takes off that duty it is giving them protection. But I am in favor of imposing a duty on the refined article, and leaving the duty on the raw material, which will answer the same purpose,—afford a protection to the refiner, and at the same time yield a revenue. There is a great cry in some quarters against protection in this country, that it will raise the price of goods to the consumer ; and the last gentleman who spoke said this would be made a dear country to live in by carrying out a national policy. I contend the very opposite would be the case. The protection of articles in this country lowers the price to the consumer. If it had not been for the establishment of cotton manufactories in this country, such goods would not be so cheap as they are to-day ; and the same with machinery and woollens. I contend it is the establishment of these branches of industry in this country, competing with the foreign manufacturer and importer, that has made them lower to the consumer. Reference was made by Dr. MAY to-day to the fine appearance made by Canada at the Centennial Exhibition. It was an excellent exhibit ; but it was anything but pleasing to our manufacturers, who were exhibitors, to have the Americans extolling the quality and cheapness of our wares, and at the same time not be able to sell them our manufactures, in

consequence of the high duties against us. We submit to the Americans putting a high duty on our goods, and at the same time allow them to come in here and sell their manufactures at prices below cost. It is an unfair policy to those who have invested their capital in manufactures in this country, to allow them to be crushed out by foreigners, merely to oblige those who have entertained free trade notions from their youth. I contend that one of the best arguments in favor of protection is the example of the United States. I have a great respect and admiration for the people of that country, especially in the way they manage their business. When Mr. PENNOCK tells us that if we put on a duty we decrease the revenue,—how was it that after the great rebellion, when the United States had incurred an immense war debt, they put on heavy duties to increase the revenue?—and that it had done so the fact that they not only paid the interest, but a hundred millions of the principal annually, was ample evidence. We live adjacent to those people; we are much the same kind of folks, and we have the same natural products and advantages. Then, why should we not carry out the same policy that has so benefitted them? Another reason why we should encourage the manufacturing interests of this country is: it largely increases population. It is the policy of our Government to spend large sums of money year after year to bring immigration to our shores; but when the strangers get here they find nothing to do. A great many of them—the majority, in fact—are educated for manufacturing and not agricultural pursuits; and when they cannot find employment here, they go over to the other side of the line for it, after we have given a bonus to bring them to this country. There is no better way of increasing the population, than to find profitable employment for those who come to our shores. A great deal has been said about a renewal of the old Reciprocity Treaty with the United States. But what chance have we to obtain it? We give all that they require at present without their having to ask for it, or give us anything in exchange. To put ourselves in a position to ask them for a fair Reciprocity Treaty, we must be able to say: "We can give you something for it;" but as long as we maintain a low tariff, they will keep this bait, "reciprocity," dangling before our eyes, year after year, and we will never get a bite of it. (Laughter.) I think the surest and best way to effect our object is just to follow their example. Some of you will say that the Americans will be very much displeased, and find fault with us if we retaliate. I do not think anything of the kind. I don't think any American can find fault with us for defending ourselves. I have spoken to several Americans on the subject, and they said they could not conceive

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why we allowed ourselves to be sacrificed in the manner we have been. I hope we will now put ourselves in a position, so that if we wish to ask for a reciprocity treaty with the United States, we will have something to offer them in exchange for their markets. There is a feeling among some classes that it is unwise that the agricultural portion of the community should receive protection. But, I assure you that the farmers of the West are rapidly becoming alive to the necessity of cultivating manufactories around them, and of protection for themselves. They see that if their barley is sent to the United States, so many cents per bushel is taken out of it, while the American corn comes into Canada free. Mr. PENNOCK has stated that if we had a protective tariff, the farmer would be under the necessity of paying fifteen dollars more for his waggon, and two dollars more for his plough. I contend that home competition would regulate the prices of those commodities. One of the strongest arguments adduced by a leading newspaper which advocates free trade, is that if we increase protection we increase production to such an extent that it would bring ruin on our manufacturing establishments. Is not this what the free-traders ask for—cheap goods? Protectionists are willing that the manufacturers should run that risk as long as the money is kept in circulation in our own country. (Applause.) Let the weakest go to the wall, and let the competition be amongst ourselves and not with our neighbors. (Applause.) I have always been a protectionist, and am very glad to see a rapid growth of the principle among our friends. I hope that that policy will be carried out, and we will yet become—as it is intended we should be—a great and happy and prosperous country. (Applause.)

Mr. CLEMON: I did not intend to say anything on this subject, but for the remarks of my colleague, Mr. PENNOCK; and I do not wish it to be understood because he is a free trader and full of free trade notions, that he expressed the opinions of this section of the country. I think the very opposite is true. When I look at our lumber trade and see the heavy discriminating tariff against us, I think the people will hardly join in the opinions expressed by Mr. PENNOCK. When I tell you that Michigan timber and lumber are allowed to be brought into this country free, and are as much articles of barter in Quebec as that sent from Ottawa by my friends, Mr. BRONSON and Mr. PERLEY, I am safe in saying that this portion of the country is entirely averse to such a policy. It is all very well for Mr. PENNOCK to say that it is not a free trade policy that has caused the present depression; but I contend it had a great deal to do with it. Suppose the lumbermen had to pay four dollars per barrel duty on their pork instead of two dollars,

✓ provided the country could give them substantial employment, would it not be far easier for the merchants to pay four dollars under such circumstances, than two dollars now? To show how this free trade policy is operating, I have merely to tell you that last night a car-load of workingmen were taken away from this section of the country to go to Michigan, to manufacture timber and lumber for the Quebec market next season. This policy is depleting the country, and to-day it is almost impossible for working men to get even eighty cents per day, while three years ago it was almost impossible to get men enough for less than a dollar and a-half per day. But now our houses are vacant, and the people are leaving the country to find employment. This national policy that is proposed may not be all that is required; it may be necessary to go still further. For instance, we have brought before the notice of this Board the immense wealth of iron ore in this section. I wish to see such immense interests protected, as I believe the great success that has attended the United States is due to their protective policy. What would the United States have been to-day if it were not for protection? They would not now be in the proud position of being able to supply the world with iron manufactures. I feel that some change in our policy is required, and I for one am willing to vote for a national policy. I believe every man, woman and child in the country, when they see that they can get a fair return for their labor, will cheerfully submit to the inconvenience of a temporary advance in prices on their tea, sugar and other luxuries and necessaries of life, in order to establish a better condition of trade. In the present depressed state of the country I consider it is the duty of the Government to adopt some speedy remedy in order to prevent the Dominion from being depopulated.

✓ Mr. A. WOODS (Quebec): The gentleman who has just sat down speaks of the present state of our tariff as being something the reverse of, and contradictory to, the policy of former years. He speaks of men now getting only 80c. per day, as compared with \$1.50 formerly, leaving us to infer that there has been a change in the policy of the Government, and this its result. But we have more protection to-day than we have had for years, and the gentleman has entirely forgotten the history of the tariff of the country, and the legislation of the past twenty years.

Mr. HOWLAND: We had a twenty per cent. tariff twenty years ago.

Mr. WOODS: As far as the present legislation goes, I maintain that the experience of the country under a more protective policy, as compared with that of a few years ago, would

naturally lead us to infer that protection is a very bad thing for the country. We have had a 12½, a 15, and now a 17½ per cent. tariff. Under the 15 per cent. tariff men received \$1.50 per day for their labor, and now, under the 17½ per cent tariff, they get only 80c. per day. If we go to 25 per cent., they will only get 50c. per day. (Laughter). One argument harped upon by protectionists, very often, is the example of the United States. That country has been guided entirely by a protective policy; but we are very much deceived by the information we have received from the other side of the line, if the depression in the United States to-day, in commerce, manufactures, and every other interest, is not greater than it is on this side. I will mention the marine interests of that country, which have been almost completely obliterated by protection, and the United States carrying trade is principally done by foreign vessels. I repeat that the shipping interest—an important one in a country having such an immense seaboard—has been almost obliterated by the extreme protection of everything that enters into the manufacture of ships. We know the history of this industry in the United States. Ten or fifteen years ago, the clipper-built ships of the Republic were to be found in almost every part of the known world, competing with the vessels of Great Britain, and competing successfully. Look at the history of their legislation,—from protection to worse protection, until they have protected their ships off the face of the ocean. I contend there is nothing in the history of the United States to encourage us to adopt such a retrograde policy as protection. One of the principal reasons which has caused the progress and prosperity of the United States is not protection but free trade,—yes, a free trade, in a free country, producing everything in themselves that is required by a civilized nation. The United States, for a number of years, have produced everything in themselves. It is the internal free trade of the United States that has been the cause of its progress. The progress of the United States, from one end to the other, has been the same, and it has gone on to a certain point. But what is the state of their foreign trade to-day? It is being obliterated. I will give you an instance. Their annual export trade with Brazil is only seven millions of dollars, while free trade Great Britain exports to the same country forty-nine millions of dollars annually. I maintain that the progress of any country like the United States is easily understood. They have immense resources within themselves, and the immigration and internal free trade among the different States has, to a certain point, gone on to prosperity; but I fear that under protection it has reached its full flow, and that the present

history of that country is sufficient to show us that such a policy cannot be adopted as the national policy of any country for a series of years. I may add that my strong conviction is, that the proper fiscal policy for this young Dominion to-day, is that which has been carried out so far; that is, get as large a revenue from imports as may be necessary for revenue purposes, but without giving special bounties to any industry. Let us have a tariff for revenue purposes only. The first point to be considered in framing a tariff for revenue requirements, such as we have to-day, is, that articles of prime necessity should be dealt with lightly; luxuries should be taxed, and then a duty should be levied on such articles as this country can produce. It is not for protective notions that a change in the sugar duties is asked. What is wanted is, not protection for any particular industry, but simply to allow the raw material to be introduced into the country free, and give refiners an opportunity to handle it. What does this amount to? If you put the tax on refined sugar, it simply means that this large item of revenue which the Government handles for the purpose of running this Dominion, would go into the pockets of the refiners. To build up this one industry it would tax the whole community, and the only reason given for it is that it will encourage labor and increase the population. Of all the manufactures of the country this applies less to the sugar refining than any other, as the sugar industry will give less employment for the amount produced, and we will necessarily have to pay more for it. The United States Government give a bounty to refiners which enables them to export sugar to this Dominion cheaply. That bounty is represented at 61½ cents per 100 lbs. In other words, the twenty-three million pounds of United States sugar which we consume annually represents to us a saving of \$141,450. But the taxpayers of this country are so fond of the sugar refiners that they wish to pay that amount for the honor of having their sugar refined here! We are told that if the sugar interest were developed to its greatest extent, and all the sugar used in this country were refined sugar, the amount now imported might be produced by our own refiners. It is also stated that to produce fifty thousand tons of refined sugar would give employment to six thousand men. But if the United States are disposed to contribute the bounty on all the sugar used by the consumers of this country, we certainly get more benefit from it. The same policy was adopted by France; but the consumer in Great Britain gets the benefit, and the taxpayer in France has to pay for it. Supposing the United States had to supply Canada with all the sugar we use, and the United States Government had to give the

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bonus on it, it would simply be making us a present of half a million of dollars annually. If the people of Canada put a tax on refined sugar, we will be contributing half a million dollars a year to support this industry. The question that presents itself is: Would not that be paying too dear for our whistle? I think decidedly it would, and any action on the part of this Board that would lead to such a result would be very foolish.

Mr. W. E. SANFORD (Hamilton): I must say I am delighted with the remarks of the last speaker. I don't think he could have placed in the hands of the protectionists a more complete argument in their favor. He tells us that the prosperity of the United States during the past years arises from free trade within its own territories. That is all the protectionists of Canada ask—free trade within our own country so as to develop our natural resources. The gentlemen from Cape Breton want protection on their coal; we in the West would be reluctant to pay that; but when we consider the vast wealth that is lying undeveloped down there, we are prepared to meet it. (Applause.) A gentleman from Ottawa refers to the immense deposits of iron ore here undeveloped—

Mr. JOHN I. MACKENZIE: Yes, there's millions in it.

Mr. SANFORD: Yes, we are prepared to take the dictum of our friend who is sitting on the penitent bench to-day, that there are millions in it. (Laughter.) Before the war in the United States, the manufactures were in a very unsatisfactory condition. They were crushed from the vast importations from foreign countries. But protection was given; capitalists embarked their money in manufacturing, until every interest was developed; and they now occupy the proud position of being able to export their manufactures to all parts of the world. Let us develop the products of our own country. Let us not continue, as we have been, and as we now are, a "slaughter market" for our neighbors. Let us adopt a policy that will develop our native industries, and the people will be prepared to meet the burthen.

Dr. L. S. OILLE (St. Catharines): I deem it my duty as a representative of one of the Boards of Trade of the Dominion, to do something more than give a silent vote on this question. Colonel Walker opened the ball with a speech in which he thought he had driven the protectionists into a corner by a series of Socratic questions (laughter); but I, as a protectionist, do not consider that I have been so driven, even by the gallant Colonel. (Laughter.) He asks us if we would put six or seven dollars on pig iron, twenty dollars on bar iron, and twenty-two dollars per ton on what steel rails we may require. (Laugh-

ter.) The Colonel would lead us to think that we could get those articles proportionately cheaper by being saved these Customs duties. Do we get it? Is this great boon actually conferred upon us? I will leave woollens and cotton goods, and sugars, to those who are able to represent those particular industries; but I would like to speak on the question of iron. Are we getting our bread from the trade in these articles, or are we merely fooled and deceived by a stone? (Laughter). Most of the gentlemen who are engaged in manufacturing pursuits habitually consult the prices-current of the different countries. I have done so frequently during the past year; but, strange to say that notwithstanding the high duties imposed by the United States on foreign iron, and although we have a perfect free trade in steel, and practical free trade in bar iron, we have this strange anomaly presented us: that the Canadian consumer pays nearly the same price for foreign-made iron as the United States consumer does for home-made productions of the same kind. I appeal to the prices current in Montreal and New York to-day, for the correctness of what I say. Any day you wish to inquire, you will find the same prices charged for Scotch pig iron in Montreal as are charged for pig iron in New York under the influence of their protective policy. In the United States they have brought their manufacture of pig iron to such a state of perfection with their splendid facilities, that they turn out a quality equal to any turned out from the furnaces of any other part of the world. If we do not actually get foreign-made pig-iron any cheaper than the American gets his home-made iron, where, then, is the benefit we get from the Socratic questions of the Colonel? (Laughter). Precisely the same remark applies to bar iron. The Canadian consumer of bar iron, and of boiler-plate particularly, has to pay the same prices for foreign-made iron that the American consumer of the same articles obtains home-made iron for. Let me also touch on the steel rails, which have largely engaged the attention of the country of late. Of course, if the Colonel is right, we have obtained what steel rails we require at \$22.50 per ton less than the American railway companies have been obliged to pay for American-made steel rails; such is not the case. We have to pay as much for every mile of steel rails we use, as the Americans have to pay for rails of their own manufacture. When steel rails were first introduced to the trade, the price charged by the English manufacturer to the American consumer was about \$125 per ton. It was found, after trial, that the steel rails were an immense improvement on the old fashioned iron rail, and they grew in favor in the United States. Acting upon their policy, they determined to manufacture their own rails, and be independent of foreign supplies.

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They imposed a heavy duty to give them a start, and soon a steel rails manufactory was established in the United States. Soon another one went into operation, then another and another. The first steel rails were introduced to the American trade not more than eighteen years ago; and now, so many manufacturers are engaged in the business, that the United States consumer is perfectly independent of all foreign supplies for steel rails. A dozen or more manufactories are in successful operation, and the imports of English steel rails into the country have come down to only one or two hundred tons. Perhaps you will say that the requirements of the railways have fallen off. But the circumstances of the case do not say so. The demand for steel rails in the United States last year was greater than in any previous year. How has it been with prices? The rate at the commencement was \$185 per ton. As competition increased, the price of steel rails to the American consumer decreased step by step, and you can purchase any amount you may require there at the present day for fifty dollars per ton. Have you not to pay just as much in Canada under our free trade policy?—and we are without a steel rail factory in the country, while the United States have made themselves perfectly independent of foreign countries. Is it not flattering to them and humiliating to us? We are now without a single smelting furnace in this Province of Ontario in active operation; and as far as I have ascertained, there are none in Quebec, and only one in the Maritime Provinces, which turns out a few thousand tons annually. While the consumption of pig iron in Canada is 50,000 tons annually, we do not manufacture one-tenth part of it, but depend on Great Britain and the United States. The United States manufacture two millions and a quarter tons of pig iron annually, and at as cheap a rate to the consumer as we get it from the Scotch manufacturer. See the contrast between the two countries. Our side of the line, without a single furnace or rolling mill in operation for the whole length of it; while we have the humiliating spectacle of seeing the valuable ores about which we boast so much, mined by Americans, taken over to their country, smelted into pig iron by their furnaces, and then brought back here and disposed of to our manufacturers. We have invested vast sums of money on improvements in canals and railways, to promote the traffic of the country. Are we getting the return from it we ought to expect? No! We should adopt a national policy that would promote the development of our natural resources, and the articles that enter into consumption, so that we could not only supply our own wants, but those of our neighbors. There are 250,000 barrels of United States flour annually imported into the Maritime Provinces for

consumption. If the policy proposed by the protectionists were carried out, these 250,000 barrels of flour would be manufactured in Canadian mills, and taken in Canadian railways and vessels, down the St. Lawrence to the markets in Nova Scotia and New Brunswick. This would give the employment to our vessels and railways to which they are entitled; Nova Scotia and New Brunswick would get their flour just as cheap as they do now; and, on the other hand, our vessels would bring up return cargoes of coal and sugar and fish. By this means an inter-provincial trade would be created that would give us that high standard to enable the next census to place us in favorable comparison with the United States. I look upon the Maritime Provinces as what should be the prototype on this continent of what Great Britain is in Europe, as they can compare favorably with Great Britain in the wealth of their natural resources. (Applause.) By way of conclusion, I would say, if we turn to proper account the natural wealth of Nova Scotia, she will at an early date meet us with a ready market for our inland productions. She will have manufactories of iron and steel of which she may be proud, and we shall be able to furnish all the steel rails for the future wants of the country, and turn out sufficient saccharine matter to sweeten the asperities of political life in this Dominion. (Laughter.) I hope that the influence of this Board will prevail, although it did not last year. But I, for one, will keep up the agitation until the good cause of protection prevails.

Mr. W. H. HOWLAND: I cannot help thinking that our friends, the free traders, when they go into argument in favor of their policy, never go back far enough. I always think they should go back in the history of manufactures,—to the time when England was the best protected manufacturing country in the world; protected until her strength was so increased, and her machinery so perfected, that she was enabled to do without it altogether, and be in a position to beat the world in all branches of manufactures. When England found that she could outstrip everybody at manufacturing, then she had a race of political economists arise, who said that the whole world should adopt a free trade policy. While I have a great respect for Mills, and others of his class, I must say, that like other great men all through the world, their feelings and opinions may have been very largely colored by what they knew to be the true interest of their own country—by true patriotism. They felt that all other nations should be free trade and admit England's manufactures. But even under those circumstances, we find Mills reserve the point that in new countries it might be necessary to afford manufactures some protection in the beginning. We are in that position at the present time. I agree with Mr

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WOODS, to a large extent, that the way the duties have been altered in the last twenty years has been contrary to the interests of the country, and has not tended to promote our manufactures. The only satisfactory tariff we have had was Sir A. T. Galt's—20 per cent.—and any manufacturing interests we find established on a permanent basis in Canada to-day, were started at that time, and so strengthened by the fostering care of that policy as to be able to hold their own until now. I claim that throughout our history since that time, it has been a struggle with our manufacturers for an existence, which has only been continued by the indomitable pluck and endurance of the men who had charge of them. When Mr. WOODS says we have a higher tariff now than at any time for twenty years past, I say it is not so. Up to a short time ago the difference between American and Canadian currency paid the duties; but when the American currency gets back to par, there will, to all intents and purposes, be no protection at all. Those who have got British feelings of fair play, like my friend Mr. FRY, would, on seeing a man stretched on the ground, and another on his back pounding him, say, "Let him have fair play!" And it is only on questions of religion and politics that men who would be fair in everything else, would be unfair and fanatical. (Laughter). I claim that under our tariff we have been in an unjust position. When Colonel WALKER tells us that there are no differential duties in the United States as against Canada, I claim that every duty they have is differential, as they prevent us as importers from selling our goods in their country, unless we import direct to their ports. If you look at the tariff, also, you will find a distinctive differential duty in favor of raw material going into that country, as against it being in a manufactured state. While it is probably going too far to say that we shall impose the same duties as our neighbors, it is necessary that we should impose such duties as will answer our purpose. I claim we are now in the position of a man who is obliged to fight with his hands tied behind his back, when he can neither strike nor defend himself. I claim it is the greatest cruelty to the interests of this country, on the part of our Free Trade friends, that they hang on to their notions to the destruction of our industries.

[At this point, the Premier, Hon. ALEXANDER MACKENZIE, the Hon. Minister of Customs, the Hon. Minister of Militia, and the Hon. Minister of Marine and Fisheries, entered the room, and received the courtesy of the Board, being accorded seats beside the President.]

Mr. HOWLAND, continuing, said: I would say that the expression made use of by Mr. WOODS with reference to the tariff is one that has been the primary idea of every free trader I have met. They say, when an industry cannot exist without assistance it should not exist at all. Mr. WOODS says, "under no circumstances should an industry exist when you have to frame a tariff for it. We are fanatical to this extent. We will not allow any unusual circumstance to alter these principles; we will stand up to them to the last, and we will not allow industries to be protected; if they cannot live alone you shall not have them, and they shall die." The truth is, gentlemen, they are dying. Take such places as the village of Oshawa—a town containing a great many different manufactories. At the present time, out of eight or nine of them there are only two or three working, and they are only pretending to work. I am certain, whatever may be said about the commercial depression, that, in spite of its existence, we are all able to live if our business is sound. We may lose money by bad debts, but we will come out all right if the fiscal policy of the country is good; and to say that so many manufacturing firms have been closed from depression of trade alone is not true. I don't hesitate to say that if there is not some speedy change in our policy, in a short time anything in the shape of a flourishing industry in Canada will cease to exist. In Toronto we have the largest furniture factory in Canada. We all know with what pluck and perseverance the owner has carried it on for years; but he has finally become discouraged to such an extent that he has almost made up his mind to close. Once an industry like that is shut down, there is very little hope for its revival again. As far as agriculturists are concerned, they have felt the same effects as other businesses. They have felt it in their own practical way. The following are the conditions on which our farmers send their produce into the United States market, and on which the United States farmers send their produce into the Canadian market:

	<i>Canadian Duty.</i>	<i>American Duty.</i>
Horses.....	10 per cent.	20 per cent.
Cattle.....	10 " "	20 " "
Sheep.....	10 " "	20 " "
Hogs.....	10 " "	20 " "
Wheat.....	Free.	20 cts per bush.
Barley.....	Free.	15 " " "
Rye.....	Free.	15 " " "
Oats.....	Free.	10 " " "
Indian Corn.....	Free.	10 " " "
Wheat Flour.....	Free.	20 per cent.
Rye Flour.....	Free.	10 " " "
Cornmeal.....	Free.	10 " " "
Oatmeal.....	Free.	$\frac{1}{2}$ cent per lb.

The manifest injustice which this one-sided arrangement works to the Canadian farmer, is thus expressed in the petition of 5,000 members of the Dominion Grange, a purely agricultural and non-political body :

"That whereas, agriculture is a prominent interest of this Dominion, and the prosperity of all classes largely depends upon the success of the farmer, it is desirable to enact such laws as shall ensure that success ;

"As practical farmers, we cannot but view with regret our markets filled with American produce free of duty, while Canadian produce is heavily taxed when sent to the United States markets ;

"Your petitioners respectfully pray for such protection as will secure the home market for the home producer ; or, that the same rate of duty be levied on all agricultural products coming into the Dominion from foreign countries that is imposed by said foreign countries upon our produce."

This evidently shows a sense of injustice, that is becoming more wide-spread every day. There is no doubt that they must feel the evil results of want of protection, or they would not complain. I hold that we are failing in carrying out the idea of Confederation. I hold that the effect of our legislation has been to leave us pretty much as we were before Confederation, instead of drawing us closer together and making us one country. There is no better test of that than the fact that when any Nova Scotian or New Brunswicker speaks of coming to the Western Provinces, he does not say he is going to Ontario or Quebec, but he is going to *Canada*. Until we can make the people of this country feel thoroughly that we are one people, and that our interests are united, I am satisfied that we are not carrying out the intention of the promoters of Confederation, and that we will not succeed in our efforts to build up a nation. As far as protecting the different interests of the country is concerned, my idea is, that the expense to Ontario of a tax on coal will be very small. It is only a matter of finance. The fact that it is a little quicker and more convenient to get American coal, is all that prevents us from having Nova Scotia coal now. By utilizing our vessels, and our own coal and iron, the result would be to make this country a great nation—a nation that not only ourselves will be proud of, but one that all the countries of the world will respect.

Mr. W. J. STAIRS : I am always troubled to get to a definition of the term "national policy." It is to my mind the inherent constitutional law of our own old country, so that we will always have an inherent national policy based on the wants and feelings of the people of this country. I cannot agree with the gentleman moving this resolution, that it is possible, in hard words and hard lines, to define any national policy. That is my view of it. I would not wish to take any extreme free trade views which could embarrass this Dominion in raising a

revenue, nor do I wish to take any extreme protectionist views ; but I take the wholesome middle course, which I particularly urge in the resolution which I presented to you here, to favor and foster the refining of sugar, which is so intimately connected with the importation of foreign raw sugars into our Maritime Provinces. We ask, from our point of view, for some kind of care for that particular industry. But the peculiar way in which it has been endeavored to wrap it up with what you may call a dogmatic expression of a so-called national policy, puts me in the position of being obliged to vote against this resolution, and probably lose the benefit of the support of gentlemen who would otherwise be favorable towards fostering our sugar refineries. I am in sympathy with those who ask for a duty of 50 cents per ton on coal, in this way ; the reciprocity with the United States will cover the question of the interchange of coal from our side ; if fifty cents duty is put on it, we will have something to offer the United States in exchange, if we ask for reciprocity. It is in this way I sympathize with those gentlemen who are asking for this duty on coal. Looming up in this argument, I am sorry to see the question of a duty upon breadstuffs. If there is one thing above another in a civilized country which ought to be free, it is fuel and breadstuffs.

Mr. CLEMOW : Why not sugar ? (Laughter.)

Mr. STAIRS : The gentleman mistakes my argument on sugar. Mind, I never used the word "protection." Surely you can have a "fostering care" over an industry without "protection!" (uproarious laughter)—without that principle of protection which designates that policy adopted by the United States. When we talk of a free trade policy, we mean the policy of England ; and when we talk of protective policy, we talk of the policy of the United States. I ask you to take the middle course, and, I think, "the middle course" is a fair name for it. If, having a 17½ per cent. tariff, you put on enough to make it up to 25 per cent., do you gain an economic point ? No ; the people of the Maritime Provinces will certainly cry out, and vote against any such principle. There is no man in Nova Scotia more interested in manufactures than I am, and these are carried on without any protection in the sense of the term in which it is used here. I am very glad to say it has been kindly "fostered." (Roars of laughter from the Protectionists). When we began that manufacture seven years ago, we did so confident in the principles of free trade. I had been fostered in free trade, and I started that manufacture from a free trade point of view. We put our money into it. I put my son's life into it—

I don't mean to say I lost him; I put him in there, and from that day to this he has devoted all his energy to it, without that return, perhaps, we ought to have for it. (Laughter). For three or four years we went on without any protection whatever. The first few years the capacity of our works might be said to be two hundred and fifty tons the first year; we increased by one hundred tons the second year, and by another hundred tons the third year, without protection. It was then we represented to the Government at Ottawa—the gentlemen who now mould the destinies of the country—our condition. They didn't "protect" us: they "fostered" us. (Laughter.). They gave us a "fostering" duty, (roars of laughter), and I tell you that that fostering duty had the effect of turning the balance in our favor. (Tremendous applause and laughter.) Now, don't ask us when 5 per cent. has fostered us, to adopt the cast-iron rule of 25 per cent. I have asked resolutions to be passed here for the sugar duties—not arguing for any definite amount of duty to be put on it, but merely that the Government be memorialized to foster the sugar trade by a readjustment of the duties. It is not much to ask. It will have the effect of sweeping away about four hundred thousand dollars revenue. But where can you distribute an incoming duty on two millions of dollars with less loss to the revenue than \$400,000 ?

A vote was then taken on Mr. PATERSON'S amendment to the amendment, and it was negatived on the following division :

Ayes.—Messrs. Brown (Adam), Clemow, Farrell, Frazer, Gillespie, Howland, Lyman, Long, Mackenzie, McKechnie, Oille, Paterson, Perley, Rowland, Rosamond, Robinson, Ross, Sanford, White, Woods (Samuel)—20.

Nays.—Messrs. Brown (Peter J.), Bronson, Cameron, Corcoran, Fry, Hannan, Joseph, Kerry, Kirkpatrick, McLennan, McMaster, Ogilvie, Pennock, Rees, Skead, Stairs, Shehyn, Troop, Thomson, Walker, Woods (A.)—21.

Mr. JOHN WALKER (London,) then moved in amendment to the amendment, seconded by Mr. A. JOSEPH (Quebec), as follows :

"That this Board approves of the continuance of the protection which is given to our manufactures through the revenue tariff of 17½ per cent. *ad valorem* now in force, but does not recommend any increase of this rate, unless for revenue purposes, believing that a tariff based on this principle is fair to the producer and the consumer, as while giving protection to the manufacturer it only taxes the consumer to the extent of the necessary revenue requirements of the country; and that this Board cannot recommend a discriminating tariff against any country."

Mr. WALKER said: We have had a great deal of discussion to-day on the previous amendment to the amendment, which has just been voted down. You are aware that although the original

motion and amendment, as they now stand before this Board, comprise only two articles, namely, sugar and coal, the discussion is on a great variety of subjects. I feel, therefore, called on to put this amendment to the amendment, believing, as I do, that the manufacturers of the country are sufficiently encouraged by the present revenue tariff. I wish to preface my remarks by saying I heartily desire to encourage the manufacturers of the country. I would be sorry to say anything which would have any other effect. I think I can show that the manufacturers are wisely encouraged by the present tariff. It has been said that the manufacturers of Canada have been put to great disadvantage under this tariff; that we have slaughtered goods poured into our markets from the United States, which has led to the great injury of our manufacturers. That we have had goods sent into Canada and sold at low prices, none can deny; but that this has been to an alarming or a very hurtful extent I will not allow. We are all aware there has been a great depression of trade in the United States and Europe and all over the world. Canada has suffered by this depression, but not to the extent the United States or many other countries in Europe have. We have passed through it with less harm than has accrued to other countries, and I attribute this to the wise legislation we have been benefitted with in the past in Canada, and which still remains on the statute-book. I fear if this wise course of legislation were rudely disturbed, as we are called upon to do by many gentlemen sitting round this Board, we would not, on the next occasion when the wave of depression passes over the world, go through it so comparatively well as we have on this occasion. We have been told that our manufacturers have been overpowered by those importations into Canada of slaughtered goods. I contend they have not, and it is necessary for me to give a few statistics in support of the contention I have put before you. I quote from the Trade and Navigation Returns of 1874-5, the sure index of what is happening as to our imports and exports, and we have data to guide us as to the production of the various branches of manufacture in Canada in the last census taken in 1871. This is the latest publication we have as to production. It gives the production of our main staples, which are not infant manufactures as Mr. MACKENZIE, of Hamilton, says they are. They have been, many of them, established for a generation and meet the requirements of the country. I find in the agricultural implements manufacture we have an annual production in Canada of \$2,685,000; the imports of agricultural implements last year amounted to \$144,000. I find in boots and shoes—a very large and growing industry—our production was \$16,000,000 per annum, and the

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imports to keep in check that enormous production were \$245,000. I find our brewers produced \$1,240,000 worth of beer; the imports are \$243,000. Then in furniture and cabinet-ware—a very important industry, and which has been alluded to in this debate—the production was \$3,580,000, against an import to come in competition with it—an import which, we are told, has pressed down that manufacture to such an extent that one of the oldest manufacturers in Toronto is about to give up business—amounting to \$349,000 a year! I find carriages and waggons—an important interest in this country—(there is hardly a town or village throughout Canada where you do not find this manufacture carried on to a greater or less extent)—produced to the value of \$4,840,000 annually, while the import was only \$118,000. Our cheese manufacturers are making great strides. Since 1871—I am sure it is in the knowledge of those from the district where it is carried on so largely—the business has increased greatly since the last census was taken. In the census of 1871, I find \$1,600,000 worth of cheese was produced and only \$20,000 worth was imported, as appears by the last Trade and Navigation Returns. I have gone over the list of wearing apparel and clothing, which Mr. SANFORD has enlightened us on to-day. The production is \$9,345,000 per annum; the import against that is \$1,700,000. Foundries and stove factories are important industries, as we all know, in every city of Ontario, and very successful, also. The production is \$8,200,000; import, \$1,058,000. Of hats and caps—a growing industry—\$2,875,000 was produced in Canada and \$993,000 worth imported. Nails, tacks, &c., which are small matters, but which mount up to a large sum in the returns, were produced to the value of \$1,147,000, the imports were \$304,000; and so it goes over the list.

Mr. WHITE: What returns are you quoting from?

Mr. WALKER: Those of 1874-5, the latest published.

Mr. WHITE: That is eighteen months ago, and does not include the period during which the slaughtering has prevailed. But read on.

Mr. WALKER: I will. Saddlery and harness, production, \$2,465,000; import to slaughter the whole of our saddlers and harness makers, \$79,000. Leather,—we know there's nothing like leather, and in Canada leather seems a very important and profitable trade—the production is \$9,184,000 per annum; the amount of leather coming in to slaughter that is \$404,000. I won't detain you by going over the whole list. (Cries of "Read on!") The same fact appears all through, except in the matter of cottons and woollens.

Mr. HOWLAND: Give those.

Mr. WALKER: They are so subdivided, and there are so many grades and distinctions, that I have not separated them. I have taken the popular industries of the country. We are told also that we ought to take into consideration whether the farmer does not require to be protected. I have heard the farmer told throughout the country that he ought to join in this crusade—that he should join in the demand made by the manufacturers for more protection. He is told he will get protection, and it will be of great benefit to him. The farmer, I think, is beginning to become aware that this is not sound argument as applied to his case. While it might temporarily benefit one class, it certainly could not benefit him; for he finds, when he looks at the returns, his products are not interfered with much by the Americans or any one else. I find the number of horses imported in the whole year covered by these returns was 1,225; number exported, 4,382; and of the imported horses, 728 went to British Columbia, and 110 to Manitoba, so that the farmers in this part of Canada and the Maritime Provinces are not much hurt by the number of horses imported. Horned cattle: imported, 4,580, British Columbia and Manitoba taking nearly the whole of them; exports of horned cattle, 38,000. (Applause). Sheep imported, 8,690, British Columbia and Manitoba taking all, with the exception of three or four, while there is an export of 240,000 sheep. (Applause.) The farmer could not be very much hurt by the three or four sheep imported. So it is with eggs, wheat, flour and barley. In fact, there is not a bushel of barley imported into Canada, nor of oats and pease. Indian corn is the only grain of which there is an excess of imports, and that, I think the farmer is beginning to be aware, does not hurt him much, because the excess of 1,500,000 bushels per annum imported into Canada is used partly as feeding stuff, and sets free barley and those other coarse grains that he can sell and realize a larger price for in the United States and elsewhere. The corn he substitutes for them he can get at very much cheaper prices. He, therefore, would not be very much benefitted by joining the cry for more protection, and consenting to pay fifteen or twenty cents in the dollar more for goods he had to buy in the stores. You cannot make him believe, with such statistics before him, that he could be benefitted by having a protection put on what he grows and has for sale. So much for the general question. We have heard it said that our tariff ought to be the same as that of the United States, on goods which they send us—that we ought to charge the same duty on what they send to us that they charge on what we send to them. It is used as a cry; but when we come to details, where are we? We have seen to-day

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when Mr. STAIRS, of Halifax, moved to have the sugar duties re-arranged, and when a gentleman from Cape Breton asks to have coal protected, the national-policy-gentlemen are not willing to join them. No, they move an amendment to the amendment in general terms, cutting out those gentlemen from what they have put before the Board; and we are asked to vote on this question in this indefinite way. We are asked to vote on a national policy without having it put clearly before us. I now put before you a resolution, approving of the present revenue tariff, and asking you not to move from it until the interests of the country require it. I ask you whether it is not better to have some distinctive policy in this matter, rather than to put things in such an indefinite shape? I would, just before sitting down, say that I object entirely to this discussion being termed a discussion as between free trade and protection. I mean it for no such thing. I mean just what I say in my resolution. I approve of protection to our manufactures to the extent of the 17½ per cent. which is already imposed. I do not go behind the bush to say it. I wish it to be understood I am in favor of the existing tariff. It is a discussion between moderate protection and extreme protection. (Applause.)

Mr. HENRY FRY (Quebec): I do not rise to continue the debate on the general question, but will limit my remarks to the proposed duty on coal. The original motion was, to assist by a fostering duty the manufacture of sugar. To that, a Protectionist friend proposes an amendment to put a duty on coal, without which article, as I understand it, it is impossible for sugar refiners to manufacture cheaply. But this is only an illustration of the anomalies into which you get when once you go into protection. You travel in a vicious circle until you end in protecting nothing. It is proposed to put this duty on coal as a discriminating duty against the United States, because they put a duty on Nova Scotia coal. Instead of being a discriminating duty against the United States, it would act as a discriminating duty against Great Britain. Scotch coal is cheap, and we import 200,000 tons a year. Ten per cent. added to the cost of transport would be 80 per cent. on Scotch coal, while it would be only 15 per cent. on coal coming from the United States;—therefore, it would discriminate against Great Britain, and for that reason alone I would vote against it. We had a test of this national policy once before; and I remember coming to Ottawa on a deputation to Sir Francis Hincks when he proposed to put on this duty, to oppose it; but he carried it. How long did it last? Not a single year. When Mr. Holton rose to move an amendment, the Government at once gave in the very first session after the policy was adopted. Just to show how many interests

may be affected by this tax, I will mention some. I suppose no one would think it affects the lumber interest in any way—that enormous interest which towers over every other in this country. I was rather surprised at the remark made by the delegate from Dundas, that the effect of protection was to diminish the cost to the consumer. That was not our experience of the duty on coal. The Richelieu Co. at once put up their rates, because they had to pay more for coal. We cannot bring down the produce of the forest without steam, and we had to pay more for that, because the tugs had to pay more for coal. We have, in Quebec, probably 1,000 ships, which come out every year to carry home this lumber. They are ballasted with coal, on which they make very little profit; but they must have ballast, and they make something on it. The effect would be, if this tax should prevent them from bringing out this coal as ballast, to increase the freight on the lumber we send to England. There is hardly an industry, hardly a house in the country, but would feel this duty. A tax of so cruel and iniquitous a character, I hope we will never see again imposed in this country. (Applause.)

Mr. WALKER'S amendment to the amendment was then put, and lost on the following division:—

Ayes.—Messrs. Brown (Peter J.), Bronson, Cameron, Corcoran, Fry, Hannan, Joseph, Kirkpatrick, McLennan, McMaster, Pennock, Ross, Skead, Stairs, Shehyn, Troop, Thomson, Walker, Woods (A).—19.

Nays.—Messrs. Clemow, Dobson, Farrell, Frazer, Gillespie, Howland, Kerry, Lyman, Long, McKechnie, Oille, Ogilvie, Paterson, Perley, Rees, Rowland, Rosamond, Robinson, Sanford, White, Woods (Samuel).—21.

Mr. THOS. WHITE, Jr., (Montreal): I move, seconded by Mr. W. E. SANFORD (Hamilton), in amendment to the amendment, as follows:

"That all the words after "that" be omitted, and the following substituted therefor:

"In the opinion of this Board, the principle of protection to the manufactures of the country is of vital importance to its prosperity, and that in any revision of the tariff, this principle should be embodied, especially in the case of such articles as the unfair and unequal American competition has pressed most heavily upon."

Mr. WHITE: I do not intend to occupy the time of the Board more than two or three minutes, because I have already frequently addressed it on the subject of protection and free trade. I merely desire to correct one or two remarks that were made as matters of fact. I find one statement made by Mr.

WOODS which I was rather astonished to find re-affirmed by Mr. FRY—to the effect that under the influence of a protective tariff in the United States, their foreign trade had actually been destroyed and their imports had largely decreased. I may simply state that the imports into the United States in 1861, which was the year the Morrill tariff, which was protective, was adopted, were \$274,656,325. I find in 1875 the imports were \$518,364,825. That is, under those years of protection, and in spite of the troubles arising from the war, with heavy duties, the imports had actually doubled, and that in 1873 they had reached \$625,689,727. Those figures, at anyrate, are sufficient to show that the foreign trade of the country has not been injured by the adoption of a protective tariff. Then, I may say I am rather astonished at the position some gentlemen have taken at this Board. Mr. STAIRS, from Halifax, is anxious that sugar should be protected, and so am I. No doubt it is an interest of great importance, and is so considered in the Mother Country. The Commissioners who met in 1865 and agreed upon a system of sugar duties with other countries, it is well known, adopted at that convention this rule: Where anyone of those countries should adopt a system of bounties, any or all of the others should be permitted to put on a sur-tax equivalent to the bounty. If the principle laid down by Mr. WOODS is correct: that it is a matter of no consequence whether the sugar is manufactured here or not; that, on the contrary, if we can get the sugar cheaper in consequence of the bounty given to foreign manufacturers, the consumers are benefitted,—you would hardly find the free trade English Commissioners agreeing to a principle by which they reserved the right to put on a special duty to meet any drawback given to foreign refiners. It is not a fact, however, that these foreign bounties have had the effect of giving us cheaper sugar. They have had the effect of destroying an industry in this country, of driving people out of Canada, and preventing the success of the investment in that particular manufacture,—thus decreasing, to the extent of those directly and indirectly employed in it, the number of consumers of other products in Canada. We hear a good deal about the consumer. The consumers of boots and shoes may be those engaged in sugar refining. Take them away; compel them to find employment on the other side of the line, and you decrease to that extent the number of consumers of boots and shoes. So you may go on killing off one industry after another, by this unfair competition which is coming from the other side of the line, under the impression you are benefitting the consumer—while, in fact, you are driving the consumer out of the country, and reducing the consumption, not only of manufactured goods,

but of farm products as well. I was astonished at another statement of Mr. STAIRS'. He says he went into an industry in Halifax some years ago; if I mistake not it was material for shipbuilding.

Mr. STAIRS: Yes.

Mr. WHITE: The first year he turned out 250 tons, the next year he increased 100 tons, the next year 100 tons, and then what do we find? Why didn't he go on increasing his business if this system of free trade was so beneficial? He goes to the Government, through the representatives of Halifax, and asks—that the consumer shall have the benefit? No; but that about a dollar per ton be added in the way of duty, in order that his industry should have the “fostering” care which he says, and which I assume to be correct, enabled him to go on. I do not object that he should get that fostering care. They are adding to the wealth of the country; they are consumers of goods; they are contributing to the revenue in the same manner that the United States revenue has been so largely increased. But let not gentlemen come here and tell us they will not go for protection because the consumer will be injured by it, while they tell us, in their own persons and business, that they have caused the consumer of their own products (the shipbuilder) to pay five per cent. more for what he uses. (Applause.) Then, we had an assertion from Colonel WALKER. What is the statement made by protectionists to-day? That the circumstances of the country are changed, partly from over-production, brought about by the abnormal condition of things, and partly because during the last eighteen months we have had very serious competition from our friends on the other side of the line, whose travellers are found in every part of Canada competing with our merchants, and selling by a system of slaughter. Colonel WALKER comes here with the returns for the year ending the very time this system began—eighteen months ago—the very period during which this thing we complain of has been going on, not being referred to at all. (Applause.) That, I hold, is an unfair argument to present to this Board. I have not alluded to a national policy in this amendment, because it was included in the resolution just voted down; but I believe it is the true policy for this country. Wherever we find a policy in the United States which not only excludes our goods but destroys our manufactures, we should adopt some plan to meet it. Can it be a good policy for this country—can it be a national policy which drives merchants out of Canada to enable them to do a business in the country? Is it wise to permit this, when we can prevent it by adopting the policy which Sir Francis Hincks brought down

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in 1871—legislation to meet the legislation on the other side of the line? Take the sugar duties; what is the effect of that policy? It is not merely that a refinery has been destroyed in Montreal or Halifax, but that our whole West India trade has gone from us; that a trade on which our prosperity largely depends is being ruined, and the freight carried largely in American bottoms. We talk of subsidizing mail steamers, in order that we may have a trade with the West Indies, and, at the very moment we are going to pay a direct bounty to the shipowner, we are asked by the resolution of Mr. WALKER to perpetuate a policy which, on account of the exceptional policy on the other side, destroys the trade we are trying to build up. It is not a question which simply affects our manufacturers; it affects every industry in the country; and I believe, as firmly as I believe anything, a persistence in that policy will make us the slaves, the consumers of the lowest class of goods manufactured on the other side, while they become enriched by supplying us with what we require. The price which the consumer pays depends on the local competition that exists. The moment that competition ceases, the necessity which made the Americans send in their goods and “slaughter” them here, ends, and the price rises. They manufacture for 40,000,000 of people, and can send in their products here to be sold at low prices, while they maintain their prices in the home market. They do that because they find competing industries here which they wish to destroy. But let those industries cease, and no longer does this country become to them a country for slaughtering, but simply a part of their own market which they control and keep in their own hands. Only one word as to a remark made by Mr. WOODS. He says the United States owe their prosperity to-day to the principle of free trade, and not to the principle of protection—that it is due to the free trade between the States of the Union. I entirely agree with him in his statement. But let us take the position they are in. We practically, but not politically, thank God! occupy on this continent the position of a State of the Union. Let us suppose any State of the Union surrounded by other States which, by protective tariffs, built a wall against it, while the goods of the other States were admitted into its markets practically free. What would be the effect? The manufactures of that State would be destroyed, and the manufactures of the States surrounding it would prosper. That is our position to-day. We have in our confederated Provinces a large number of consumers, and that would be an advantage to us if we had a protective tariff. Strike away the custom-houses the world over, and there would be something in Mr. WOODS’S argument; but there would still be this particular element—

that a country like England, which had fostered its industries by protection and accumulated capital, which had coal and iron, and cheap labor, would have the advantage. But to talk of free trade, (which means simply the right of foreigners to send in their goods free of duty,) while we are compelled to pay duty on what we send to them, is to use terms which are not applicable to the case. (Applause).

✓ Mr. WALKER: Mr. WHITE, in his eloquent speech, says that the statistics which I quoted in my remarks were made up only to July, 1875—eighteen months ago—and that they did not cover the period over which the greatest suffering has been experienced in Canada from the slaughtering of American goods; that the last eighteen months cover the worst period. I say the returns up to July, 1876, will show a decrease in this import from the United States; and moreover, I can call to your recollection that, one year ago, in this room, we heard quite as much about the slaughtering of goods as we have to-day. So I hold I have not done unfairly in taking these figures, and I contend the evil has not increased. (Applause.)

✓ Mr. HENRY LYMAN (Montreal): I have observed since last year a very large increase in the sentiment in favor of protection. At one time protection could scarcely gain a hearing in the Montreal Board of Trade; but I am bound to say, from my own knowledge of facts, that I think the majority of that Board now are in favor of protective legislation. I see around me here gentlemen who are engaged in the importing business who would vote against any protection; and it has always puzzled me to understand how it was possible for men engaged in importing to see so imperfectly the bearing of this question;—for it is clear enough that, if these gentlemen are actuated by their own views of self-interest, they must see, in order that their own importing business should flourish, that they must have consumers in the country. Who will supply the half million of Canadians who are filling the mills and factories of the United States? Certainly the importers of Montreal and Toronto cannot reach them. They have been driven out of the country—and why? Because they have had no adequate employment in Canada. And here we come to the question of immigration. Our Government spends large amounts of money for promoting immigration, and we applaud them for it. Large sums of money are spent in the Province of Quebec for repatriation purposes; and when we get our people back, what becomes of them? We find them drifting off again to the United States to find the employment which is denied them at home. That being the case, it seems to me it is not a very patriotic policy

for us to say we are satisfied with our fiscal arrangements, while these men, women and children are sent to a foreign country to find employment, where they help to manufacture the very goods which are sent to us for our consumption. There can be no doubt it is the intention of the manufacturers in the United States, as it has been of the manufacturers in England, to make a market for themselves in this country, and, to accomplish that purpose, to submit to a very large loss. In fact, I happen to know of one particular article made in Boston, the manufacturers of which are combined together to protect each other, to send goods to Canada and share the loss between them, so that it may not bear unfairly on the individual who makes the shipment. I think the question has been remarkably well discussed here. We have been told time and again the United States has suffered very much. I would like Canada to suffer in the same way,—we could stand a good deal of that kind of suffering. (Hear, hear.) We have seen the Union raised from proportions as small as Canada—at the time the Prime Minister of England told them they would not be allowed to make a hob nail for themselves—to the proud position of supplying not only herself, but the world with manufactures. We are told here by one gentlemen that what we want is a market; and we were told by our President in his speech that we are in great danger of over-production. I take exception to those statements, because it cannot fairly be said there is over-production in the country, so long as we do not manufacture enough to supply ourselves. Why have we not a sufficient market for what we produce? Simply because it is invaded by the manufacturers of the United States. Col. WALKER has given us an array of figures with respect to waggons, agricultural implements, and a great many other things, a very small proportion of which had been brought into Canada in comparison with the amount manufactured in this country. But are we to be told that the prices of our domestic manufactures are not very largely, if not entirely governed by the importation of these goods? If we have a small import, it governs the market, because you find the American traveller going through the country offering goods at certain values, and the Canadian manufacturer has to conform to his prices. The manufacturer who has capital to invest is induced rather to go to the United States, where he can have the command of the markets of both countries, than to erect his establishment in Canada, where he is not only restricted to the home market, but finds that market invaded by foreigners, who take no part at all in bearing the burdens of the country. When such is the case—and it is demonstrably so—our policy is faulty. Therefore, I will vote for the amendment, with very great cordiality.

Mr. WM. THOMSON (Toronto): It is not my intention to give a silent vote on a question of this kind. I esteem it a very great privilege to have been present on this occasion, to hear this interesting discussion on the greatest question that now agitates Canada. I am sure we are very much indebted to those gentlemen who have gone into the particulars of the productions going on in Canada with which we are familiar. I am not one of those who make light of Canadian workshops. On the contrary, I cordially supported the increase of the tariff to $17\frac{1}{2}$ per cent. before the country required it. In consulting the interests of Canada, I am as truly loyal as any Protectionist; but we should guard against stimulating an unhealthy competition in our own country. I am in favor of a tariff which will foster any legitimate industry in our midst; and did I think it would require an addition to the $17\frac{1}{2}$ per cent., not to make it excessive or create an unhealthy competition, I would go a little farther than on the last occasion. But, to my surprise, on speaking to a gentleman in Montreal largely interested in the same way as myself, he said 20 per cent. would not suit him. I asked him if 25 per cent. would. He replied, "Well, it would make me a little more independent in my quotations." I asked the reason. He said: "The Americans, from the position which they enjoy, with perfect machinery and skilled labor at their command, and a great outlet for their production, are able to present to you one dozen articles for the one I can make in Canada with any great profit." I voted against the amendment of Mr. PATERSON, because it did not appear to me to have any definite purpose. The supporters of that amendment talked of a discriminating tariff, to which I am opposed. They talked also of a retaliatory policy, which, I think, it would be most unwise to adopt. Therefore, if we, in our judgment, or if the Government in their wisdom, see that they can so re-adjust the tariff as to carry out the object of Mr. WHITE'S resolution, I will certainly give them my most cordial support. But we must bear this in mind: Under a 25 per cent. tariff the great boot and shoe interest was created. Since then it has been extended under a lower tariff, and it is one of the most prosperous industries in Canada. It gives employment to old and young. I am informed by those engaged in that trade, they do not fear competition from the United States or elsewhere. If that interest thrives under a $17\frac{1}{2}$ per cent. tariff, why do not other interests flourish with the same protection? What country is better suited for wood manufactures than ours? We have the wood, we have labor, we have abundance of water power; and I wonder where there is a country that could produce furniture as cheaply as we can? It would be a sad

thing, if we should point in the direction of a retaliatory policy against our neighbors on the other side. We must bear this in mind: any great increase in our duties would sadly disturb trade. If a tariff anything like 25 per cent. were adopted, it would lead to a vast amount of smuggling on the frontier. Therefore, we should come to some proper ideas as to what is right and fair, looking to the great manufacturing country on our borders, and give to our manufacturers that support which we are necessarily obliged to extend, and which I give most heartily; but we must take care that we do not go beyond the limit and decrease industries to our own ruin. (Applause).

The vote was then taken upon Mr. WHITE'S amendment to the amendment, and it was adopted on the following division:

Ayes.—Messrs. Clemow, Dobson, Farrell, Frazer, Gillespie, Howland, Hannan, Kirkpatrick, Lyman, Long, McLennan, McKechnie, Oille, Ogilvie, Paterson, Perley, Rees, Rowland, Rosamond, Robinson, Sanford, Thomson, White, Woods (Samuel).
—24.

Nays.—Messrs. Brown (Peter J.), Bronson, Cameron, Corcoran, Fry, Joseph, Kerry, McMaster, Pennock, Skead, Stairs, Shehyn, Walker. Woods (A.)—14.

The amendment to the main motion, as thus amended, and the main motion, as amended, were carried on the same division.

On motion, the meeting was adjourned until 10 o'clock, A.M., to-morrow.

THIRD DAY'S PROCEEDINGS.

FORENOON SESSION.

FRIDAY, *January 19, 1877.*

The Board assembled at 10 o'clock, A.M., the President in the Chair.

The roll having been called, the Secretary read the minutes of proceedings of the previous day, which were confirmed.

Mr. HOWLAND announced to the Board that a gentleman had informed him that he had made a mistake in his vote on Mr. PATERSON'S amendment, which, if recorded properly, would have changed the vote. He merely mentioned this as a matter of interest.

The arrival of Mr. ANDRE CUSHING, representing the St. John, N.B., Board of Trade, was announced.

FREDERICTON BOARD OF TRADE.

The SECRETARY read a telegram from Mr. Z. R. EVERETT, delegate of the Fredericton, N.B., Board of Trade, stating that he had to return home, after starting on his journey to attend the meeting, in consequence of family affliction, thus accounting for the non-representation of that organization at the present meeting.

OYSTER CULTURE.

The following letter from THOS. C. KEEFER, Esq., C.E., was read:—

OTTAWA, *16th January, 1877.*

WM. J. PATTERSON, Esq.,

Secretary Dominion Board of Trade, Ottawa.

SIR,

I take the liberty of drawing the attention of the Council of the Board of Trade for the Dominion, to the subject of oyster culture in the Gulf of St. Lawrence. There

are no finer oysters, nor is there, I believe, any finer breeding ground for them than in those portions of the Gulf now rendered accessible by the Intercolonial Railway. This may be due to the fact that the summer temperature of the shore waters, south of the Bay Chaleur, is higher than that of the Atlantic coasts northward of Baltimore, which is said to be the Atlantic home of the oyster.

I believe there is no single article in which a greater development of national wealth may be made, in the same time and at the same cost, than by oyster planting and cultivation in the Gulf, by some such system as that which in France has recently been attended with such remarkable results. Whether for exportation to England (where oysters have quadrupled in value in the last twenty years), or for home consumption, the employment for men and vessels, and the tonnage inland which would be given to our railways and steamers by this trade, when developed to its possible extent, makes it, in my judgment, a subject of national importance.

I have the honor to be, Sir,

Your obedient servant,

THOS. C. KEEFER.

REPORT ON ORDER OF BUSINESS.

The Sub-Committee of the Executive Council on Business presented a report, as follows:—

That they have had submitted to them questions from the Cape Breton Board of Trade on the subject of the sale of liquor to seamen; and from the St. Catharines Board of Trade on the subject of the Welland Canal.

They recommend that these two subjects be taken up, after the official programme already before the Board, has been disposed of.

THOS. WHITE, JR.,

Chairman.

On motion, the Report was adopted.

GOVERNMENT LIFE ASSURANCE (No. XXV.)

Mr. WM. THOMSON (Toronto): In introducing this question of the advisability of the establishment by Government of a Life Assurance, I am scarcely as well prepared as I might have been, to go into the subject. I have given it some thought during the past year, and have had considerable communication with the Government of New Zealand, where, some years ago, it was considered advisable to establish Government life insurance. I am quite aware that many persons hold that it is not the business of the Government to conduct operations of that nature, and I have been met with arguments which, in my opinion, are somewhat absurd. They are to the effect that if the Government entered into that business, they might also enter into fire insurance. I hold that life insurance is vastly different,

inasmuch as it does not affect those now in life, but the security of those who have to come after. It is a sacred obligation, and there is no doubt that the greatest amount of security could be given by the State to the assured. There is another reason why it should be considered by the Government. It is this: A large sum of money goes out of Canada annually to foreign companies. I would direct the attention of this Board to the Act introduced by Mr. GLADSTONE for granting life annuities, and would remind members of the number of bubble companies that were established in Great Britain previous to this, causing a great deal of alarm,—so much so, that Parliament was petitioned strongly in favor of some legitimate and effectual protection to those who had insured their lives in those various companies. So alarming did it become that, at a time when there were four hundred insurance companies in Great Britain, only two hundred of them were sound; and many persons with fixed incomes, who had placed their money in them, found, when they advanced into old age, that their accumulations of years had gone to the winds. I want to call your attention to a clause in a speech delivered by Mr. GLADSTONE, who is no mean authority in this matter. But first, let me quote what was said by Mr. VOGEL in the New Zealand Parliament: "It seemed to him that the conditions which one desired to meet in this question of life assurance were: to give to those assured the greatest possible amount of security at the very least possible cost. Those were conditions which, he thought, could only be met by the State undertaking the duties of assurer." Mr. GLADSTONE, when he introduced his measure in 1864 to allow the Government to grant life assurance, on a limited scale, was met, as it was supposed he would be, with an amount of opposition such as was seldom levelled against a Government measure. A large number of the insurance offices—and they were a very powerful body in the United Kingdom—instituted an organized opposition to it. When the Bill approached its conclusion, and it was a subject of congratulation on all sides to Mr. GLADSTONE that he was carrying it through, that right hon. gentleman, with pardonable pride, said:—"Let me remind the House that this Bill was met by a powerful, concerted and organized opposition. There is nothing in the fact discreditable to the parties with whom the opposition originated, for they had a perfect right to organize an opposition if they thought right. But I certainly never remember the case of a Bill which was the subject of such an opposition out of doors, and yet gained ground by long delay. Generally speaking, a long postponement is fatal; but in this instance, during the considerable interval which has elapsed since the Bill was introduced, there has been

a remarkable development of public opinion in its favor. I appeal to the opponents of the Bill, as well as to its supporters; and I ask whether the opinions of the press have not been delivered in a very singular degree in favor of the measure, irrespective, as far as I know, of party interests and opinions. Certainly, in my public life of thirty years, I have never received so many letters on any one measure as I have with reference to this Bill, expressing approval, and even gratitude, from all classes of the community." That is the testimony of Mr. GLADSTONE. The State has on many occasions, and very properly too, devised means whereby frugal habits may be encouraged amongst the people, and security held out to them of an indefinite character—I refer to the savings bank. But I am sure that if the Government were to establish such a scheme as life assurance, it would be appreciated by the people of this country. Government life assurance will be safer and cheaper, as the business will not require great numbers of agents, to whom large commissions are paid. Since I have first spoken on this question, as I have done in Toronto, I have met with statements from gentlemen who had not made any provision for life insurance as yet; but they said if the Government would establish such a scheme they would insure at once; "but," said one gentleman, "until the Government establish such a scheme, I prefer investing my money in some other way." It is not my intention at all to press this matter upon the Board, but rather to bring it forward that the attention of the Government may be directed to it. I do not ask at your hands any particular expression of opinion in favor of such a measure. Much is to be said for it, and I grant that something is to be said against it. I notice that since I put this subject on the paper, a member of the local Legislature of Ontario has brought the question before that body. It has not met with the approval of the Government, I believe, for the reason that they could not see their way clear for the establishment of such an institution as I am speaking of, as the difficulty would be to keep it free from political appointments. In New Zealand the Government have nothing to do with the appointments, having secured the services of a gentleman who is eminently qualified to transact that business himself. He makes all the appointments, and is responsible to the Government bureau, who have supervision over the whole. I have compared a number of their statistics and accounts, which I do not intend to trouble you with further than to say, it would appear from the reports that its management is being properly conducted. They began business in 1870, and the result of the first three months was 103 proposals, of

which 78 were accepted; sum assured, £38,700, on which the premiums amounted to £1,050. At the close of the year, the number of proposals had reached 667; acceptances, 448; sum assured, £205,374; premiums received, £5,810. These premiums are invested in Government securities. In 1872 the proposals were 1,769, of which 1,638 were accepted; sum assured, £666,550; premiums received, £18,100 sterling. The fourth report shows satisfactory progress, there being 1,477 proposals, 1,161 acceptances; sum assured, £429,500; premiums, £16,430. In 1874 there were 1,968 proposals, 1,428 acceptances; sum assured, £506,910; premiums, £16,095. In 1875 the proposals were 1,978; acceptances, 1,450; sum assured, £498,715; premiums, £23,104; showing in all those years a steady increase in business. Of course, it is well known that, in the establishment of life assurance, early lives may be calculated on with greater safety. It is a well-known fact that actuaries, and those who have made a study of the life assurance business, have so arranged tables of statistics, that they prove that the business can be conducted with perfect safety and great profit. It is true we have in Canada two or three life assurance companies which, I believe, are well managed—I refer particularly to the Canada Insurance Company, of Hamilton, and to the Federation Life of Canada. These are the only two local institutions of importance. Of course, in dealing with this question by the Government, it would be their duty to guard interests of that nature; but my opinion is, that before any extension of life insurance is made, it would be wise to take this matter into their serious consideration. I desire to bring this matter before you as a great commercial subject. The resolution I move does not ask anything from the Government, but simply brings the matter before their notice from this Board. It is as follows:

“That inasmuch as it is the duty of all governments to protect the interests of its people, and do all they can in the promotion and furtherance of such measures as will tend to the extension of frugal habits among the industrial classes, as recognized in the establishment of Government Savings Banks;

“That inasmuch as the Government of Great Britain and some of its Colonies have in operation a system of government annuities and life assurances for the better protection of the interests of all classes of the community;

“That inasmuch as the principle of life assurance is one differing from ordinary commercial business, it is the duty of the State to give the greatest amount of security at the least possible cost;

“Resolved, That, while having due regard to existing interests, this Board would respectfully bring this subject to the notice of the Government for their consideration.”

Mr. JOHN GILLESPIE (Toronto): I have pleasure in seconding the resolution. I think it is very opportune at this time to bring such a subject before the attention of the Government and the country. I think if the Government found it necessary, in order to give perfect security to those with small incomes

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investing their savings, to establish savings banks, a much stronger reason exists that they should give security to those who have to leave behind them children unprovided for. I regard this not at all as a commercial operation; but I think it is much more sacred than the interests the State have secured by savings banks. I am very glad that the experiment has been tried in one of the Colonies, and that it has proved successful. While in older countries, where large capital is centred, companies can be established on a sound basis, in young countries like this I think it is indispensably necessary for the Government to do what they can to afford the security necessary for those with small incomes—living up, no doubt, to the extent of them while they are alive—to be induced to invest something to leave for their families when they are called away. I think the fact that this question has been brought before the local Legislature of Ontario shows it is one of great importance, and that it is engaging the attention of the public. I would not go so far as a member of the Legislature, who said it is not safe for insurers to invest in American companies, because I think some of these companies are just as sound as any others we have ourselves; but I should say that the numerous applications for insurance, and the number of companies that are seeking public favor, is certainly calculated more to puzzle than inspire confidence. I claim, therefore, that the Government would be justified in doing what they can to come to the rescue. I notice that one of our leading public journals, in commenting on the proposition for the Government to take up this question, while admitting that the subject is one which requires very serious consideration, rather objects to the Government interfering, but says:—"When funds so very large as are now invested in these companies, and when liabilities so enormous as those under which many of them now lie, are considered, it is very evident that any Government worthy the name must look sharply after such institutions, and see to it that the community has every possible guarantee for the good faith and solvency of those to whom they so far commit the care of their money and the future comfort of their children." If it be so, that there is a great risk from the enormous liabilities of these companies, and the numerous companies that are offering themselves for public favor, it would be, I think, very much more the duty of the Government to afford security in this direction than it is in the establishment of savings banks.

The resolution was then put, and declared carried on a division.

THE INSOLVENT ACT.

Mr. W. F. McMASTER (Toronto), presented a report from the Special Committee appointed to consider suggestions relative to the Insolvent Act, as follows:—

“That the Committee appointed to consider the report of the Insolvent Act, or the amendments which are desirable, beg to report as follows:—

- (1.) “That the Insolvent Act should not be repealed.
- (2.) “That the time for the first meeting of creditors for the appointment of an assignee should be twenty-one days from the date of the assignment or the issue of a writ of attachment, and that the notices calling the meeting should be posted to creditors within seven days of the date of the assignment or issue of writ of attachment.
- (3.) “That provision should be made for lessening the expense of advertising real estate.
- (4.) “That in the event of the official assignee not being appointed the assignee by creditors, that his remuneration shall be settled by a vote of creditors, but in no case to exceed one hundred dollars.
- (5.) “That if two sets of creditors or two assignees differ about the appointment of an assignee, and bring the matter before the courts, the creditors or assignee who are unsuccessful, should pay the costs; such costs should never be taken from the estate.
- (6.) “That Accountants in Bankruptcy should be appointed, one for the Province of Ontario, one for the Province of Quebec, and one for the Maritime Provinces, as suggested by the Dominion Board of Trade in 1876.

* (7.) [“That section 107 in the Insolvent Act of 1869 should be introduced into the Insolvent Act of 1875, which section refers to the discharge of insolvents.”]

WM. F. McMASTER,

Chairman.

Mr. McMASTER moved, seconded by Mr. Wm. Darling, (Montreal):

“That the report be received, adopted and communicated to the Government.”

Mr. Wm. Thomson said, before the report was adopted, he would like to call the attention of the Board to a circumstance that had come under his notice, and which might possibly occur again. He was informed that a meeting of creditors had been called in a case where there was a large estate. There were

* In the subsequent discussion upon the reconsideration of this report, it was amended in the sense of the following resolution, referred to on a subsequent page:—

“That the last clause of the report be struck out, and the following substituted, and that as thus amended the report be adopted:

(7.) “That the Insolvent Act should be so amended as to render the consent in writing of two-thirds in number of the creditors, representing three-fourths in value of the claims on the estate, necessary to obtain the discharge of the insolvent.”

some fifteen or twenty creditors, all of whom, with the exception of two, were in favor of giving an extension of time; but these two held out for better terms. The insolvent showed a surplus of \$14,000, which was not available at the time; but these two men, in the hope of securing better terms, held out, and were determined to put him into insolvency. He thought this was a case of extreme hardship, as the majority were at the mercy of these two men. He thought it should be enacted that whenever three-fourths of the creditors are agreed upon an extension, the remaining one-fourth should not be permitted to dictate an opposite policy to the general body of creditors.

The motion for adoption was then put and carried.

DEPUTATION.

It was then duly moved, seconded and adopted:

"That the following gentlemen be a deputation to wait on the Honorable the Minister of Justice, to present the report adopted by this Board as amendments to the Insolvent Act:—Messrs. W. F. McMaster (Toronto), Wm. Darling (Montreal), John Gillespie (Toronto), Joseph Shehyn, M.P.P. (Quebec), George I. Troop (Halifax, N.S.), and Wm. Pennock (Ottawa).

THE DUTY ON LOBSTER CANS. (No. XXI.)

Mr. GEO. I. TROOP (Halifax, N.S.): You are all familiar with the provisions of the recent Washington Treaty. We assume that all our fish is allowed, under that treaty, to be admitted free into the United States. Lobsters are very largely preserved and packed in tins on the shores of New Brunswick for export to the English and American markets. The Americans themselves have established factories upon our shores, and have done a very large traffic in this article. It was assumed that lobsters were to be admitted into the United States free. A certain firm made a shipment to that country, and it was claimed by the United States Government that they were entitled, under the treaty, to impose a duty on the packages containing the fish. This is a supposed infraction of the treaty; and as we have delegates here from the National Board of Trade, I would like to call their attention to the matter, and ask them to give it consideration in their Board, to ascertain if that body entertain the same view of the question. If they feel that it is an infraction of the treaty, we would ask them to press it upon their Government. I am sure the people of the Maritime Provinces will be grateful to them if they do this; for, though it is a very small matter, it has caused a great deal of angry feeling. I may say the Americans come down to our shores to pack our lobsters, and we are glad

to see them there. They have the full privilege of our waters; they compete with our fishermen, and we have asked for no protection. It is singular that so trifling a matter as the mere tins in which the lobsters are exported should be subjected to a duty, the revenue from it not exceeding three or four thousand dollars. The Americans who come to our shores to catch lobsters are permitted to do so, and they actually place their own labels on the packages, and export them to England as American lobsters. With these facts before us, I do not think it is improper to urge upon our Government the necessity of representing to the Imperial Government this infraction of the treaty. I would, therefore, move, seconded by Mr. W. F. McMASTER :—

“That this Board desires to bring to the notice of the Government the supposed infraction of the Treaty of Washington by the Government of the United States, in imposing a duty on the tins containing lobsters imported into that country from this Dominion, and urge the Government to bring the matter to the notice of the Imperial Government.”

Mr. T. C. HERSEY (Portland, Me.): I simply desire to say that this matter is receiving the consideration of our Government at the present time, and I have no doubt that it will be amicably arranged. (Applause.) It is a very small matter, and as far as the packing business being done is concerned, I think it is principally by people belonging to the State from which I come. Some years ago we had a very similar trouble with the West India trade. It was in regard to sending out casks for the importation of sugars and molasses, and when they returned, the casks were taxed as part and parcel of the cost of the sugars in estimating the *ad valorem* duties, causing considerable trouble. There is, no doubt, reason for this irritation now, and I hope it will soon be arranged. (Applause.)

Mr. J. D. HAYES (Detroit, Mich.): It may be remembered that last year I had the pleasure of bringing this subject before the notice of our Treasury Department at Washington. The matter will be considered as only one of the numerous things that constitute “the covering of free goods.” The thing was explained in this way. When the Portland elevator was burned, permission was procured to have our grain from the Western States brought down to Montreal, where it was transferred into bags and shipped to Portland, under the charge of the American Consul. The question was not whether the grain in those bags were subject to duty, but whether the bags in which it was carried should be taxed. The bags were of Canadian manufacture and could not be carried across the lines free. The remedy was to bond the bags and bring them back again into Canada. This entailed a very large amount of expense and

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trouble to the railway company in making their entry at Island Pond instead of Portland, the destination of the property. This little difficulty in the way of the Treasury regulations applying to the covers of all free goods, has to receive attention ; but such covers as lobster cans, that cannot be returned in bond, will have to come under a special regulation, by which such covers of free goods need not be taxed. (Applause.) It is now being attended to ; and I trust this explanation, showing the distinction between these classes of goods, will account for the supposed infraction of the treaty. (Applause.)

Mr. HENRY LYMAN (Montreal) : I am very glad to hear the explanations that have been made by the gentlemen from the United States. It is a satisfaction to know that this question, which appeared to us as being a purely vexatious attempt to evade the provisions of a wholesome treaty, is not of the character or application we supposed it to be ; that it is only an item of a general policy, and not laid hold of for the purpose of evading the treaty.

Mr. McMASTER : Being seconder of the resolution, I desire to give my entire concurrence. It has been a matter of vexation, for I think the value of this is so trifling that their importation cannot be looked upon by the United States as an embarrassment to trade. I am very glad to hear that the matter is under consideration ; and the amount involved is so small, that I have no doubt it will be arranged in a way that will be satisfactory to all parties.

The motion was put and carried.

FISHING LAWS OF INLAND LAKES AND RIVERS.

Moved by Mr. JOHN I. MACKENZIE, seconded by Mr. W. E. SANFORD :—

"That the industrial worth and commercial value of the Canadian Fisheries generally, have been much promoted by measures adopted during several years past, affecting their protection and development ; and that, as such industry and trade are yearly increasing, it is highly desirable to recommend the Dominion Board of Trade to urge upon the Government to continue their efforts in improving these valuable resources,—and particularly to renew their endeavors towards inducing the United States to assimilate their laws respecting the fisheries of bordering States with the Fishery Laws and Regulations applied to the inland waters of Canada."

Mr. MACKENZIE : I have been waiting for some figures and facts from the Fisheries Department, which have not reached me ; but I think the subject will commend itself sufficiently to the Board, even without the information I had purposed giving. We all know the efforts that have been made by the Dominion Government to utilize our fisheries, and make them a valuable

commercial interest in the country; and we also know that many have been in a measure very successful in promoting the culture and protection of our inland fisheries, thereby increasing the supply. While our Government have been doing this most effectually by the establishment of breeding houses on our lakes, on the Detroit River, and down towards the salt water, yet our neighbors on the other side of the lakes have not taken any measures of sufficient force to assist us in cultivating this very great interest. While we have our close seasons to allow the fish to propagate their kind in our waters; while we have taken the greatest pains to ascertain the habits of the fish in our inland waters, in order to have our close seasons effectively carried out, American fishery regulations seem to provide for no close season, or, if they do, it is totally disregarded. We find that on our side of Lake Erie our fishermen are bound down, very properly so, by the laws of the Fisheries Department. The reason why this subject has suggested itself to my mind is, that I have been, for the last few years, more or less engaged in cultivating a large fishery on the Canadian side of Lake Erie. I am but an amateur fisherman, and not able to give the information to the gentlemen present that I desire; but the question will impress itself upon the minds of all as one of considerable importance. While we have our close seasons, and every proper effort is made to punish any infraction of the rules and regulations of the Fisheries Department, by having overseers to protect those interests on the Detroit River, the American fishermen there fish at all times and at all seasons. It is a most aggravating matter to the people on our side, to witness the American fishermen, a few yards off across the river, killing and catching the fish when they are gathered together in schools on the spawning beds, and shipping them away, while our fishermen are debarred from the same privilege. It aggravates them to such an extent that local influences are brought into play; the fishermen complain to the local members, and the local members bring pressure to bear on the Government of the day. The result is that the Government have been compelled, through political influence, to relax the departmental laws on the Detroit River, which will lead to the total destruction of the fisheries if it is continued. I read, a short time ago, a statement from the *Detroit Free Press*, in which the diminution of the catch of fish in the Detroit River was bemoaned as the result of over-fishing. The statement is also made that the catch of fish is diminishing immensely every year, and the average size of white fish in the Detroit River does not exceed three pounds. Any person acquainted with our lake fisheries, knows that that is a very small size for white fish. I

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know that at our fisheries at Long Point, Lake Erie, which have not been over-fished, and cannot be over-fished under our stringent regulations, the average size of white fish is eight pounds. This shows what the protection by the Department has done. The whole of our fishing industry is in its infancy. Until the building of the various fishing stations on lakes Erie and Huron, the fishermen could not dispose of their catch at a remunerative rate, except as salt fish. But since railway communication has been established from Goderich, Port Dover, Southampton, Collingwood and other ports, fish can be sent from the ice-houses to any market on the northern part of this Continent as fresh as when they came out of the water. At one place they have facilities for freezing the fish for shipment as soon as they are caught. The railway facilities have increased the value of our fish enormously, and hence the necessity for protecting the inland fisheries. As far as my experience has gone, the Fisheries Department, during the terms of several Governments, have done all in their power to protect the fish; and it is wonderful, in a country where freedom of fishing and hunting has impressed itself so much upon the minds of the people, that the residents along our lakes and rivers have been so willing to submit to the departmental rules and regulations. It is seldom that a breach of the laws takes place. The game laws should also be more effectually enforced than they are. It is a fortunate thing that the fisheries have been placed in the hands of the Federal, instead of the local Governments. The local authorities do not seem to be alive to the fact that the game of the country is rapidly disappearing; and it is only a matter of a few decades until the whole of it will be swept off, unless some protection is afforded by the local Governments, or the game laws are taken hold of by the Government of the Dominion.

Mr. J. D. HAYES (Detroit): I would ask the gentleman if either he or Mr. WILMOT, the Canadian fish breeder, have met Mr. SETH GREEN, the Commissioner of Fisheries—I am not certain whether of the State of New York, or of the United States. I think Mr. WILMOT has had several meetings with him on this question. So far as the Detroit River fisheries are concerned, I can confirm all that has been said on that subject; and I think there can be no difficulty in the way of united action to assimilate the fishery-laws on both sides. I think if you Canadians keep your laws as you do, we will be very likely to catch some of your fish.

Mr. MACKENZIE: I have been informed by Mr. WHITCHER that he has had several communications with Mr. GREEN and

the State authorities, but thus far to no purpose. With the Board's permission I will read a few facts I have put together, which may explain things more concisely :

"The difficulty is, that the fisheries in the United States are controlled by the several States. The annual value of the produce of the Canadian fisheries reaches the considerable sum of \$11,000,000. About \$6,000,000 worth of this valuable produce was last year exported from the country; the remainder is absorbed in domestic trade and local consumption. The business is yearly increasing, and is described by the Government officers as capable of very great extension. Owing to increased railway facilities and improved methods of preserving fish by artificial freezing, or by packing in snow and ice, and by transport in refrigerator cars, the demand for fish food in the United States and Canada has been greatly stimulated. The prospect of a still greater demand renders it important to consider the permanence of this natural resource, and to neglect no means by which its prosperous condition may be maintained. The Government have, in addition to protective measures, adopted the artificial system of fish culture, which has been so successfully prosecuted in some parts of Europe, and is now extensively pursued in the United States. There are seven or eight public fish-hatching establishments now in operation in Canada. These have turned out during the three or four years past the immense quantity of 15,000,000 young fish bred by the artificial process, and there are now in course of hatching at these establishments about 13,000,000 more of different kinds of fish. Such an enormous addition to the chances of fish increase must certainly result in heavy returns from our inland fisheries within a short time, and as many of the districts within which these young fish have been liberated are situated between Canada and the United States, it seems probable that our neighbors will benefit nearly as much as ourselves by the improvement. From all the enquiries made, it appears that Canadian fishermen, whose pursuits are confined to these border-waters, have hitherto labored under some disadvantages by being obliged to quit fishing, in conformity with our fishing laws, during the spawning seasons, whilst their competitors in the neighboring States continue their fishing throughout the seasons, without being subject to any legal restrictions. This is felt by Canadians engaged in the fisheries to be somewhat invidious. Mr. Whitcher, the Canadian Fisheries Commissioner, sets this forth very fully in his reports, and urges the necessity for assimilating the fishing laws on both sides of the boundary line. He apprehends that otherwise Canada may be forced, in justice to her own fishermen, to relax or abandon entirely the wise provisions hitherto adopted to protect and increase the fish frequenting these border-waters, so as to place the fishermen of both countries on an equal footing; such a contingency would be adopted by those disinterested persons who feel the importance of all our fisheries as a source of good supply and a valuable article of commerce. If the breeding of vast quantities of fish in these Government establishments is also likely to be a benefit to the United States citizens, in common almost with our own people, the other grievance will be aggravated. The bare possibility of such a result is cause for regret, because it might have the effect of discouraging such successful efforts as we have been already making to improve our fisheries both by natural and artificial

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means; hence I think it very desirable that the Government should be strengthened in their endeavors to negotiate a fair approximation on the part of the United States. There have been communications on the subject between the Federal and the Dominion Governments, but what practical advance has been made does not appear. It is probable that the delays of dealing with several States, each having control of fishing rights, and the possible powerlessness of the Federal authority to influence the action of the State Legislatures, will retard the accomplishment of any such purpose as that which seems so very desirable; but there can be no doubt that public opinion on both sides of the line will eventually produce its effect in leading to the assimilation of our fishery laws."

However, you can easily see from these facts that we are exceedingly protective on our fish question, and Americans are free trade—while in fiscal matters the Americans are protective, and we are free trade; so, you see, in this way the disturbance takes place. (Laughter).

The motion was then put and carried.

THE CENTENNIAL BANQUET.

Mr. THOS. WHITE, Jr., asked the Board for the privilege of introducing a resolution respecting the question brought before the meeting by Dr. MAY yesterday. He believed that the gentlemen who were charged with the matter in Ottawa were exceedingly anxious that something should be done. He begged to move:

"That this Board, recognizing the creditable display of Canadian manufactures and products, made at the recent Centennial Exhibition, at Philadelphia, is pleased to learn that the event of the distribution of awards to successful exhibitors, by His Excellency the Governor-General, is to be marked by a public banquet; and that the President be requested to appoint two gentlemen each from Ontario and Quebec, and one each from New Brunswick and Nova Scotia, to act as members of the Central Banquet Committee."

If there is no objection by the Board, I should like very much to have the resolution passed. I think it would indicate, at any rate, the sympathy of this Board of Trade with the act of self-assertion that is about to be made in connection with the Centennial prizes. Many persons would naturally ask, "What is the value of this banquet?" It is this: We have made an excellent display at the Centennial, and this banquet, in connection with the distribution of prizes, will be an advertisement which will be a benefit to the commercial community of Canada throughout the world.

Mr. W. F. McMASTER, in seconding the resolution, said the Board of Trade of Toronto had taken action in the matter. It was the intention, at first, to have the prizes awarded by the different Provincial Governments, but it was afterwards decided

that it would be better to make a Dominion affair of it, and have the prizes distributed by the Governor-General; and this banquet, as Mr. WHITE had said, would be the means of advertising our manufactures all over the world.

The motion was carried.

OCEAN CABLE AMALGAMATION. (No. XXIII.)

Mr. JOHN WALKER (London): I have been requested to bring this subject before the Dominion Board of Trade, believing that it is a matter that will meet with attention; and I hope the resolution which I now propose will receive a unanimous vote. I move:

Resolved, "That this Board has learned with regret that an attempt is being made by the Globe Telegraph and Trust Company of England to effect an amalgamation or joint-purse arrangement between the Direct United States Cable Company and the Anglo-American Telegraph Company, whereby a monopoly of Atlantic telegraphy would again be established.

Resolved, "That this Board regards such an attempt as a violation of the policy of Canada, upon which the Marine Electric Act of 1875 was based, in direct opposition to the charter and articles of association of the Direct United States Cable Company, upon which it received its letters patent of incorporation in Canada, and as calculated to inflict serious injury upon the country.

Resolved, "That the Board cordially approves of the determination of the Canadian Government, as expressed in the letter of the Honorable Mr. Mackenzie, to resist by every means in its power, any violation of the Dominion Act referred to, and expresses its earnest hope that such resistance may prove effective in preventing the accomplishment of the proposed arrangement."

In support of the motion, I will say that this Direct Cable Company of the United States took out their patent under the Act referred to in my resolution. That Act was passed by the Parliament of Canada, expressly for the purpose of destroying the monopoly that had come into force under the Anglo-American Cable Company. This latter Company had, as you are aware, procured a monopoly for laying wires in the colony of Newfoundland, and they refused to allow any other company to land their cables on that island. At the same time, they had the privilege of landing their wires in Nova Scotia, and the Parliament of Canada, in a spirit of regard for the interests of the commercial public and the community of Canada generally, said, by their Marine Electric Telegraphy Act, that unless they gave up their monopoly in Newfoundland, they could not continue to land their cable in Canada. The Act was passed. The Anglo-American Company never questioned the right of the Government since then, to have passed an Act of such a character. The Direct Cable Company took out their patent under the Act, and expressly bound themselves, in their own memorandum of association, that they should never enter into an amalgamation or a joint-purse arrangement with the Anglo-

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American Company. But very lately the stock of the Direct Cable Company has been largely bought up by a syndicate of the old company, and an amalgamation or joint-purse arrangement is being attempted. In all quarters the universal opinion seems to be that it ought to be put a stop to, and a resolution from this Board, sustaining the Government in interfering, will go a great way to prevent the completion of that threatened arrangement. Hon. Mr. MACKENZIE, the Premier, on being appealed to as head of the Government, wrote in the following terms to the manager of the Dominion Telegraph Company of Canada :—

OFFICE OF THE MINISTER OF PUBLIC WORKS, CANADA.

OTTAWA, *January 10th*, 1877.

To THOMAS SWINYARD, Esq.,

Managing Director Dominion Telegraph Company, Toronto.

SIR,

In reply to your communications on the subject of the proposed Amalgamation of the Cable Telegraph Companies, or, what is equivalent thereto, a Joint Purse Arrangement, and your enquiries relative to the course which the Government of Canada will adopt in the premises, I have merely to state that their policy is contained in the Act, Cap. 26 of the Statutes of 1875, and that they will resist, by every means in their power, a violation of this law, and the adoption of a course of a contrary nature.

The Direct Cable Company will, as a matter of course, forfeit any rights which they may hold under our Act, should they pursue the course indicated by recent movements; the promoters of which cannot be ignorant of the policy and determination of the Canadian Government in reference thereto.

I am, etc.,

A. MACKENZIE.

It seems the Directors of the Direct Cable Company, and the general body of the shareholders, apart from this syndicate, are averse to this joint-purse arrangement. The Manager, in a letter regarding the state of their Company, says that it is prosperous in its present shape, so that there is no excuse in that way for the amalgamation of the two lines. The excuse of over-competition destroying their business does not exist; and he writes to their shareholders, under date 30th September last :—“The chief reason assigned by Mr. PENDER in favor of his resolution is, that it would put an end to ‘unremunerative competition.’ On this point the Directors would observe that his remark cannot be taken as applying to this Company, which is now realizing an income at the rate of £190,000 per annum, and that every shareholder who is alone or principally interested in the affairs of this Company, must regard as healthy a competition from which the public are deriving a substantial benefit,

and this Company increasing profits." That is the opinion of the Directors of the Direct Cable Company, so that they do not wish for this amalgamation. President GRANT, in his message of last summer, says :—" No line should be allowed to land on the shores of the United States, which is not by treaty prohibited from consolidating or amalgamating with any other cable telegraph line, or combining therewith for the purpose of regulating and maintaining the cost of telegraphic communication ;" so that there seems to be a universal opinion among the Governmental powers of both countries, and among commercial communities, averse to this amalgamation. In England, we find that the shareholders of this very Company do not desire this amalgamation ; therefore, I trust the resolution will carry.

Mr. WHITE seconded the motion. It was then put to the vote, and carried unanimously, without debate.

THE CENTENNIAL BANQUET COMMITTEE.

The PRESIDENT announced that he had named the following gentlemen as members of the Centennial Banquet Committee, viz. :—

MESSRS. THOMAS WHITE, JR.....	Montreal.
JOSEPH SHEHYN, M.P.P.....	Quebec.
W. F. McMASTER.....	Toronto.
W. E. SANFORD.....	Hamilton.
GEO. I. TROOP.....	Halifax, N.S.
ANDRE CUSHING.....	St. John, N.B.

EXTENSION OF TELEGRAPH SYSTEM TO THE GULF.

Moved by Mr. THOS. WHITE, Jr., seconded by Mr. S. W. FARRELL (Toronto) :—

"That, in the marine and shipping interests of the Dominion, it is of the highest importance that sub-marine telegraph cables should be extended from the mainland in Nova Scotia, New Brunswick, Gaspé, or from the Island of Cape Breton, to the islands in the Gulf of St. Lawrence, say Anticosti, the Magdalen Islands, and Bird Rocks, and to the mainland on the north shore, Belle Isle, Grand Manan, Sable Island and Brier Island ; and that the Dominion Government be again petitioned, urging the importance of its immediate construction at the public expense, or a liberal grant of money to aid its construction and maintenance."

Mr. WHITE : Those members of the Board who were here last year will remember the exceedingly interesting statement made by a delegate from the Quebec Board of Trade on this subject. That statement is in the printed report of the proceedings at that meeting. I express my own conviction that it is very important we should keep this matter before the Government, in the interests of the shipping of the Dominion.

Motion carried.

THE INSOLVENT ACT—RECONSIDERATION.

Mr. W. H. HOWLAND asked for a reconsideration of the report of the Insolvent Act Committee. It was passed over in a hurried way that its importance did not deserve. The public would expect a very thorough discussion on it this year. He felt, from what he had heard since the question was passed over, that the chairman and members of the Committee were expected to have explained what these amendments were that they proposed, what the object of them, their reasons for reporting against the repeal of the Act, and why it was desirable to introduce section 107, of the Act of 1869, into this Act. He would be inclined to move for the reconsideration of the report.

The PRESIDENT said he did not think it was the wish of the Committee to hurry the report through. At present, Mr. DARLING was attending the Supreme Court, and he would like him, as a member of the Committee, to be present when the matter was discussed. As to the introduction of section 107, of the Insolvent Act of 1869, into the present Act, by which the same majority of creditors, in number and amount, to give an insolvent his discharge, could, if they pleased, prevent the discharge from being granted for five years, by depositing it with the judge, before whom the application was made,—it was considered in 1875 that it should be introduced into the new Act, but the Government, in their wisdom, could not see it. They thought a man should get his discharge at once. In speaking about the ease with which some insolvents got their discharges under the Act of 1869, creditors strongly objected to it. He had invariably asked them if they had taken advantage of the provision in section 107 of the Act of 1869, but he never found a man who had done it.

Mr. HOWLAND said there was considerable discussion going on in Ontario as to whether the Insolvent Act should not be repealed. This report of the Committee said the Insolvent Act should not be repealed; and he thought it would do a great deal of good if they had, from the advocates of the insolvency law, their reasons why it should not be discontinued.

The PRESIDENT said the discussion was out of order.

Mr. W. F. McMASTER expressed his willingness to give required explanations.

Mr. THOS WHITE, Jr., said this was irregular. Mr. HOWLAND should have been present when the report was submitted, if he desired to discuss it.

Mr. HOWLAND said he was present at the time.

Mr. WHITE said he was all the more to blame, then, for allowing it to pass without first stating his objections.

Mr. HOWLAND thought the members of the Board were all in favor of having some explanation.

Mr. HUGH McLENNAN said there was a feeling in the minds of the people of Montreal that the law was not working satisfactorily, and they expected that the matter would be thoroughly discussed by this Board.

Mr. JOSEPH SHEYHN, M.P.P., said the Board should keep in view the fact that it was an extremely difficult thing for the Committee to go through the Insolvent Act in the course of a few hours. If the matter had been before the Committee for a month or six weeks, they would have been in a better position to discuss it than they were now.

Mr. HOWLAND then moved :

"That the Insolvency question be reconsidered, and the Report of the Committee be laid again before the Board for discussion."

Mr. JAMES CORCORAN (Stratford) seconded the motion.

Mr. HENRY LYMAN was quite astonished that a subject of so great importance, and which had had the careful consideration of the Board which he represented, should have been passed over in such a summary manner. He expected a debate would have taken place, and he was extremely glad that an opportunity would now be afforded for that purpose.

Mr. JOHN CAMERON (London), asked if it was according to the rules of the Board that every gentleman present must vote yea or nay on motions brought forward.

The PRESIDENT: Yes, it is.

Mr. CAMERON thought it a very difficult matter for members to cast their votes on questions on which they were not thoroughly informed. What he considered as a defect in this Board was that there were too many motions. Except on questions on which they could have thorough deliberation they should not have formal resolutions. This Board should be more like a Social Science Congress, where the views of both sides could be brought out and go to the country, where they would have their proper effect. Take this insolvency question, for instance. He had no doubt that it had received considerable attention from the Committee; but there was not sufficient information from them to warrant this Board, on a moment's notice, in voting yea or nay on it. They had been asked the previous day to record their vote as to whether a law was *ultra vires* or not, without deliberation, on a resolution to confer with the Minister of Justice respecting it. This was an injustice to

all parties, as it was frequently difficult, even for the Minister of Justice and his colleagues, to say whether an Act was *ultra vires* or not.

The motion was declared carried.

Mr. W. F. McMASTER then again moved, seconded by Mr. WM. DARLING, the resolution carried on the first submission of the report to the meeting (see pp. 140, 141), as follows:—

“That the report of the Committee [on the Insolvent Act] be received, adopted, and communicated to the Government.”

Mr. McMASTER said he would be happy to give any explanation in his power, but he regretted the absence of Mr. DARLING, who had more experience than he had at this Board. The first clause of the report was “that the Insolvent Act be not repealed.” Their reason for this recommendation was, that all business men would admit it was of the utmost importance that no great or volcanic change should be adopted that would affect the commerce of the country, as the doing away with this Act would. The second amendment was:—“That the time for the first meeting of creditors for the appointment of an assignee be twenty-one days from the date of the assignment, or the issue of a writ of attachment, and that the notices calling the meeting should be posted to creditors within seven days of the date of the assignment or issue of a writ of attachment.” In the present Act it provides, in clause 20, that “immediately after the assignment shall have been made, or in the case of an attachment, immediately after the delay within which the attachment can be contested, or immediately after the contestation has been rejected, or, with the consent of the insolvent, immediately after the writ shall have been returned, the Official Assignee shall forthwith call a meeting of the creditors of the insolvent, to be held at the place and on the day and hour to be mentioned, notice of which meeting shall be published at least twice in the *Official Gazette*, the first publication of which notice shall be at least three weeks before the day fixed for such meeting.” Now, assuming that the assignment was made on Monday, the first notice in the *Official Gazette* would only appear on the following Saturday, and thus a period of four weeks must elapse before a meeting could be had. Business men know that there is a great deal of perishable goods in some stores where assignments are made, and the business being left in the hands of an assignee during all that time before the meeting could be had, was an injustice to the creditors. It was, therefore, considered advisable by the Committee that twenty-one days’ notice would be sufficient to call the creditors together.

The third recommendation was, that provision should be made for lessening the expense of advertising real estate. A case had presented itself in Toronto, where real estate was amongst the assets. The total liabilities of the estate were \$65,000, and the advertising of the real estate alone amounted to from \$2,200 to \$2,500. The Committee had information of a similar character before them, and they thought this recommendation should go before the Minister of Justice. The fourth recommendation was:—"That in the event of the Official Assignee not being appointed the assignee by creditors, that his remuneration shall be settled by a vote of creditors, but in no case to exceed \$100." In Quebec, he understood, very heavy charges had been made by *interim* assignees, so much so, that when they had been removed and another appointed as Official Assignee, the charge had been a heavy tax on the estate. 5th.—"That if two sets of creditors, or two assignees differ about the appointment of an assignee, and bring the matter before the courts, the creditors or assignees who are unsuccessful should pay the costs; such costs should never be taken from the estate." He thought this would be patent to every gentleman present, that where a portion of the creditors are in favor of one assignee against another, and take it to a court, contrary to the wishes of the majority of creditors, they should be obliged to pay their own costs for such dispute, and not take the expense out of the estate. 6th.—"That Accountants in Bankruptcy should be appointed, one for Ontario, one for Quebec, and one for the Maritime Provinces, as suggested by the Dominion Board of Trade in 1876." He considered it a matter very essential for the proper carrying out of the Insolvent Act, that accountants should be appointed to supervise the actions and conduct of assignees. The PRESIDENT had already explained the seventh clause of the report. He thought it was of very great importance that before any insolvent obtained his discharge, the majority in number and amount of the creditors should give their assent.

Mr. HENRY LYMAN thoroughly concurred in the proposition that the expense of advertising insolvent estates should be materially diminished. He had in mind now the case of an estate where the whole amount of assets was considerably below the amount of a privileged claim for rent, but notwithstanding that, the assignee advertised the sale of the effects in nearly all the newspapers in the Dominion. At all events, it swelled to a very large amount, for no ostensible reason, except it was to pocket the commission for advertising. It was a manifest injustice to the party who held the preferential claim. Another evil was, the facility with which an insolvent obtained his discharge. Then there was the cost of discharging the assignee,

which was considerable, though he did not suppose there was any injustice in requiring that those costs should be taken out of the estate. He imagined that no one will say it should not be taken out of the estate, but he considered that the amount ought to be reduced very materially, as it often formed a serious item in the administration of an insolvent estate. When expense of that kind was absolutely necessary, an effort should be made by some simple process, to carry out the administration of the estate without robbing unfortunate creditors. He thought the facility with which insolvents could obtain a discharge, very often, in the first place led men into business, and then into insolvency.

Mr. McMASTER said, in reply to Mr. OGILVIE, that it was the intention of the Act that the creditors shall present a petition to the Judge before the insolvent should get his discharge.

Mr. W. W. OGILVIE thought they would all admit that at present no one took this trouble; and yet the insolvents got their discharge. A lawyer had told him the other day, that he got a discharge for an insolvent without even a certificate from the assignee. He thought if the case was reversed, so as to compel the debtor to get the signatures of two-thirds in value and one-half in number of his creditors before he could get his discharge, it would meet the views of the Board better than the plan proposed.

Mr. McMASTER said it was possible for a debtor to go to two or three of his creditors and buy them, or impose upon them by false statements; but, if it were left to the creditors to present the petition, they would be more likely to guard against his getting his discharge, unless it was a proper one.

Mr. A. T. PATERSON agreed with Mr. OGILVIE, that it would be exceedingly difficult to get a number of creditors to go round and get a petition signed for the discharge of an insolvent, and that the onus of getting the discharge should rest with the debtor.

Mr. HUGH McLENNAN never heard of an assignee who was philanthropic enough to take hold of the administration of an insolvent estate unless he could make something out of it; he knew they did not do it in the grain trade. (Laughter.) He was opposed to the appointment of interim assignees, and considered that once an assignment was made the estate should be held by a custodian until the official assignee was appointed by the creditors. It was a difficult thing to remove interim assignees after they are appointed, as they were generally under the impression that, once they are appointed, they should receive

the appointment of official assignee by the creditors also. He believed the true principle on which to base the working of the Insolvent Act was, to make the appointment of the assignee and the discharge of the debtor subject to the direct action of the creditors. By this means the administration of the estate would be simplified, and it would remove from the Act the evil principle that is in it, of having a person who is not interested granting a discharge for a debt incurred by another. It was a serious fact that the Insolvent Act had brought into insolvency men who, without the operation of this law, would have pulled through and fulfilled their business engagements. One such man was worth a dozen who, by mismanagement and want of business tact, had to resort to this law to extricate themselves from the effects of their own acts. Unless some radical change was made in it, he feared this insolvency law would pass from the records of our legislation. They talked of the insolvency law as being old in its working, and traced it back twenty years. But it was still older. As far back as the beginning of the Christian era the unjust steward was giving discharges at that time, and the dividends were very much larger than they appeared to be under the working of the present law. (Laughter.)

Mr. JAMES CORCORAN suggested that when relatives loaned money to a young man to go into business, unless they registered that loan, they should not be allowed to rank on the estate in the event of his becoming insolvent. As an illustration of the present mode of evading debts, he would mention a case that had come under his own observation. A young man went into business three years ago on a capital of two thousand dollars. He carried on for three years, but failed last September, and left the country without settling with his creditors. The day after he left, his brother issued a writ of attachment on the estate for \$1,046. At the first meeting of creditors, the liabilities of the estate were found to be \$5,310. Of this amount there were \$3,379 due to relatives—to his father and brothers. The total amount of his commercial liabilities was \$1,931, and the assets were \$2,151. This would have paid 60 cents on the dollar on the commercial liabilities, whereas, the creditors got only 12 cents on the dollar when the relatives' claims were allowed to rank. This was an evasion of the law that might be put a stop to, by compelling relatives who loan money to a friend in business to register it.

Mr. FRANCIS CLEMOW, said as he had had long experience of the Insolvent Act, he would be entitled to give some opinion as to the working of the law. Taking the report of the committee into consideration, he would say, in the first place, with respect to the time for the meeting of creditors after the assign-

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ment, that it was too long, and might be advantageously reduced, even below twenty-one days; for he found, in the great majority of cases, he could give sufficient notice—even if the creditors were in England, for they were generally represented in this country—in much shorter time. The next point was the advertising of the estate. As far as personalty was concerned, he was aware that a very large amount of advertising was incurred; but in reference to real estate, it was governed by the law which obtains in the different Provinces. In Ontario it required two months; but the time could be shortened by an express vote of the creditors, though it was generally considered better to carry out the law as it is, than by resolution of the creditors. Of course, it would be well if the time could be reduced; but two months' advertising for real estate, as a general thing, would not be found excessive. With respect to the remuneration of assignees, it is almost impossible to establish an arbitrary rule; but the fact that it is now almost discretionary with the creditors what remuneration the assignee shall receive, ought to be sufficient security for them, and if it is not satisfactory, the Judge of the County Court can settle it. The creditors have the appointment of the assignee in their own hands, and they had availed themselves of that power, for in the majority of cases that had come under his own observation, they had appointed their own assignees, and taken the precaution to have the estate managed, previous to the appointment of the official assignee, by some one in their own interests. In most cases, the merchants send a man of their own, and on that ground they could have no cause of complaint. A great many merchants in Montreal, who have estates in this section of the country, prefer to have young men of their own to do their work for them until the official assignee is appointed. Under the law as it stands now, the insolvent is charged with the duty of preparing the statements for the first meeting of creditors, which relieved the assignee of much of the responsibility imposed upon him by the former Act of Parliament. With respect to the suggestion for the appointment of guardians, he believed in it, and he also considered that the re-enactment of the 107th section of the Act of 1869 would be beneficial, because he held that no Court should give assent to the discharge of a debtor without the assent of the required number of creditors;—while the Judge of the County Court could, at the present time, give an insolvent his discharge without the consent of the majority in number and value of creditors, after the expiration of a year, unless some creditors appear to oppose it. He was sorry to say that creditors did not give themselves this trouble in any case. His experience had been, that the creditors will not take the trouble even to set aside a

discharge from a fraudulent assignment or fraudulent transfer, and the assignee was at the disadvantage of not having the cooperation of the creditors to bring such parties to justice. There was another matter in the Act that was worthy the consideration of the Committee, one which, in many instances, is a damage to the estate; he referred to the number of privileged claims that were allowed. A landlord was entitled to one year's rent as a privileged claim. He knew this was a great injustice to other creditors, because some landlords allowed the year's rent to accrue, knowing that they had a privileged claim on the estate for it, in case of the tenant's insolvency. This privileged claim should in no case be allowed for more than a quarter's rent. The same remark would apply to privileged claims for wages. Under the present Act, clerks and other persons in the employ of the insolvent could rank in the dividend sheet, by special privilege, for three months' arrears of wages that might be due before the assignment, and two months of the unexpired term. He thought this should be restricted to the claim for arrears in wages only, as there was nothing for clerks to do about the estate for two months after the store or business was closed. He was in favor of the total repeal of the Insolvent Act, although it might be considered it was an anomalous position for him to occupy, seeing that he had been an official assignee under the Act for several years. He thought that insolvency had become so chronic that it was almost impossible to transact business on honest principles. Take this city, for instance; so many estates had been thrown on the market at reduced prices, that it was almost impossible for the legitimate trader to sell his wares and pay 100 cents on the dollar. He believed it would be better in the interests of the whole community that this law should be repealed, if only for a time. At the present day, we did not labor under the disadvantage of old; that there were many men held for old liabilities who could not go into any kind of business, and were forced to leave the country. He believed the very fact of the present law being in force induced merchants to give credit, under the impression that if the parties they trusted were unsuccessful they could get their claim out of the insolvent estate. His experience, however, was, that the insolvent, as a rule, made arrangements by which the whole of his estate could not be got hold of by the creditors. He had never yet known a case where an unfortunate debtor, able to show a clean sheet, did not find the creditors in favor of meeting him in a fair and equitable manner. He did not consider that any person outside of the creditors should have the privilege of saying whether the insolvent should have his discharge or not. These were his opinions, after a practical experience of the working of the law,

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and he believed it would be manifestly in the interests of the public that the Insolvent Act should be repealed. (Applause.)

Mr. JOSEPH SHEYHN said he was in favor of an insolvency law. His experience was, that before the Insolvent Act was in force, an insolvent could sell out his stock before creditors could get a judgment, and when they got possession of the estate there was nothing left for them. He had seen it over and over again in Quebec; but he hoped that in Ontario more honest principles prevailed. According to this insolvency law, if a debtor fails to meet his payments, his creditors can compel him to make a statement of his affairs, and then appoint their own Official Assignee, and if they do not give effect to the law—which is efficient if properly carried out—it is their own fault. But after the first meeting of the creditors, at which they appoint inspectors, they usually never bother themselves again, and the inspectors generally leave affairs in the hands of the Official Assignee. He was perfectly satisfied that the insolvency law is a good one if it were properly worked. Mr. CLEMOW had stated that the throwing of insolvent stocks on the market injured legitimate trade; but he must remember, that whether they had an Insolvent Act or not, many persons would fail in business, and their stocks would generally be disposed of in the same manner. There might be other amendments proposed than those in the report of the Committee, but it could not be expected that a Committee who were appointed only twenty-four hours previously, could go thoroughly through a law of one hundred pages, and do their work properly. If the suggestions of the Committee were not considered sufficient, it might be well to leave the matter over until next year, in order to give them time to consider it.

Mr. W. W. OGILVIE then moved in amendment, seconded by Mr. A. T. PATERSON:—

“That the last clause of the report be struck out, and the following substituted, and that, as thus amended, the report be adopted.

“That the Insolvent Act should be so amended as to render the consent in writing of two-thirds in number of the creditors, representing three-fourths in value of the claims on the estate, necessary to obtain the discharge of the insolvent.”

Mr. R. McKECHNIE (Dundas) said he agreed with the remarks of Mr. CLEMOW with regard to the injurious effect which the insolvency law has had on the business of the country. He believed it was the means of cultivating very loose commercial principles among business men generally. The Act had made it so easy for an insolvent to get a discharge and then go on again, that it caused an unfair competition among merchants by throwing cheap stocks on the market. He thought it would be

well to have the law repealed altogether. There were good points in the Act, but its faults counterbalanced its benefits.

The chair was here taken by Mr. A. JOSEPH, Vice-President.

The PRESIDENT, Mr. ANDREW ROBERTSON, said, this was the only subject before the Board on which he desired to speak. Mr. HOWLAND had asked the Committee why they wished to have the Insolvent Act continued, while others were in favor of its repeal. He could talk from now until Saturday night on the insolvency law, and then he would not be done. He could read it over clause by clause, and every clause might be discussed if that were wanted. Mr. DARLING and himself had spent eleven days in Ottawa in 1875, trying to get such amendments as were considered desirable in the Act of 1869, and got as many as possible introduced. But they could never have a perfect law, and the only way was to amend it until they made it as perfect as possible. Even could they frame what the Board would consider to be a perfect law, they must remember that it had to be passed through the House of Commons, and there every member got his amendment or crotchet put on, so that when it became law the Board would not know their own child. (Laughter). Scotland had the best bankruptcy law in the world. There were few failures in business in that country, and the reason was, that they did not over-trade to the same extent. The idea of saying that a man goes into business in order to fail was, he considered, a libel, even in Canada. Take the case cited by Mr. CORCORAN, where a young man went into business with \$2,000, which he said was his own, but which, when he had absconded, and his estate was put into insolvency, was found to have been borrowed from his father and brothers, who had to rank for about two-thirds of the gross liabilities. Was this the fault of the law? He should have taken more care, before he gave away his goods, to ascertain that the money was the young man's own, and not borrowed. All would remember that in olden times, when a man failed in Canada West, the Montreal creditor would find, when he went to look after his interest in the estate, three or four fellows in the store trying to get preferential judgment. (Laughter). What was wanted was, a law that would give the creditors control of the insolvent's estate, and get the greatest amount of benefit from it for their claims. If merchants only conducted their business properly in the first place, they would not have so many insolvent cases. They over-buy, and then are compelled to sell to Tom, Dick and Harry, indiscriminately; and then, when they went into

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insolvency, they threw the whole work of winding up the estates on the Official Assignee. If, in such cases, the creditors would look more after their own interests personally, there would not be half the trouble so constantly found. Some men tried to evade the Act, and did all they could to keep out of insolvency. A year ago a man came up from Quebec to Montreal, showing assets to the amount of \$100,000, and liabilities to the amount of \$50,000; but owing to the hard times, he found it impossible to meet his obligations as they fell due. His creditors allowed him to go on, giving him an extension of ten months, each of his creditors agreeing to continue to give him goods as before. In October, 1876, instead of \$50,000 liabilities, he owed \$80,000, and he then proposed that his creditors should accept 50 cents on the dollar. They immediately compelled him to go into insolvency. If there had been no insolvent law, they would have been compelled to accept his offer, or probably they would not have received a cent. He (the speaker) never knew, in his experience, a man to make an assignment until it was too late, and until the estate was nearly eaten up. What did the creditors do with this man? They forced him into insolvency, and next day sent down three young men to take charge of the estate, as the creditors had not complete confidence in the assignee in charge, he being supposed to be too friendly to the insolvent. When the books were examined, they found that the insolvent had been perpetrating a deliberate fraud. When he came up to get his settlement, his creditors said: "No! You must give us up all the goods you have." He refused, and they took out a *capias* and put him in gaol. He did not like to put a man in gaol; and it was not because of the Insolvent Act this man was imprisoned, but through it they obtained the necessary information, and the creditors secured about \$20,000 additional goods belonging to the estate. Under the Act of 1869, an insolvent could appoint his own assignee. In the law of 1875, they said, let there be only one Official Assignee for a district, and allow the creditors to appoint their own assignee. In Montreal, where they had twelve to fifteen assignees, when one of them gets an estate, he thinks he has a perfect right to hold it, and when the creditors, at their meeting, appoint another, there is trouble; the first thing they know there is a dispute in Court. One case occurred in Montreal, in which the costs of deciding which assignee had a right to administer the estate, amounted to \$2,100. Under the Act of 1869, the same majority in number and proportion of liabilities that could give a man his discharge, could, if they wished, prevent him from getting his discharge for five years. The merchants had fought for that clause in the Act of 1875, but they

could not get it. When they had this provision in the Act of 1869 it was hardly ever used. And whose fault was it? Not the fault of the law, but of the creditors, who never would trouble themselves to take the benefit of it when they had it. He believed Parliament would never sanction an insolvent being compelled to get a discharge from every creditor. He considered that if a man gave up everything he had, the law should make some provision for him. When it came to a man being compelled to go round to each of his creditors in order to get his discharge, they would find that some creditors were as hard as flint. Such men would never give up a cent; and it was to prevent creditors of this kind from getting control of an estate, and keeping the insolvent from obtaining his discharge, that he opposed the clause proposed by Mr. OGILVIE. The only man they wanted to prevent from getting his discharge was the fraudulent debtor. He considered an insolvency law was necessary, and if the present one was not satisfactory, they should amend it again and again until it was made as perfect as possible. He considered Mr. OGILVIE's proposed amendment was a mistake, and did not think Parliament would grant it, because it was, in his opinion, unreasonable. It was an utter impossibility to adjust the law so as to suit everybody. Mr. CORCORAN's proposal was an especially bad one—that money loaned to a merchant by a relative should be registered in order to allow the claim to rank on the estate. Supposing he (Mr. ROBERTSON) had to borrow ten thousand pounds from his friends to tide him over a difficulty, and would be required to put it on record in the Registry Office in Montreal, how long would his credit stand good? Not a moment. And yet, perhaps, such a loan would help him through a tight place, while otherwise he would have to succumb. He thought such a provision would be a perfect farce. When a man came to him for goods and said he had \$2,000, they invariably asked him if the money was his own, and, if he said it was when it was not, it was a fraud. He hoped the report of the Committee would be carried, as the country required an insolvency law.

Mr. HENRY LYMAN said, to meet a case such as that referred to by the last speaker, when a person makes a false statement to his creditors, rating his position contrary to what it was, it would be very simple to make it a misdemeanor under the Act.

Mr. W. W. OGILVIE said, no doubt Mr. ROBERTSON's sympathy for the insolvent was commendable. He must have been exceedingly fortunate in finding a great number of honorable insolvents. But his (Mr. OGILVIE's) experience was, that three-fourths of the insolvents he had had to deal with were dishonest. He

would consider himself in a very mean position as creditor, if he had to go round to other creditors of an insolvent, asking them to prevent a man from getting his discharge. It was an unpleasant thing for a man to have to do an unkind act. The insolvent has had the use of his creditors' money, and put it away or spent it, and the least he could do is to go to his creditors to get his discharge. When creditors find that a man has been honest, very few would be found hard-hearted enough to refuse him his discharge. At present a man goes into business representing himself as having a few thousand dollars capital; fails for \$18,000; compromises at 50 cents on the dollar, and then goes into business again with \$9,000 capital! He thought it was so clearly a case of fraud, that he would not take up the time of the Board, but would ask that the last clause of the report be amended as he proposed.

Mr. McMASTER accepted the amendment.

The Report, as amended by Mr. OGILVIE'S motion, was then adopted.

On motion, the Board adjourned until 2 o'clock P.M.

AFTERNOON SESSION.

FRIDAY, *January 19, 1877.*

The Board met again at 2 o'clock P.M., the President in the chair. The Secretary called the roll of members.

FINANCES OF THE BOARD.

Mr. WM. PENNOCK (Ottawa) from the Finance Committee presented the following report:

The income for the past year was \$1,799.50, and the expenditure \$1,888 87, showing an excess of expenditure of \$89.37, which was met by a small balance in hand from the former year. The expenditure for the current year is estimated to be fully up to that of the past year.

Two of the affiliated Boards have repudiated their indebtedness to this Board without having severed their connection in accordance with the rules. They are legally liable and may be sued.

We have connected with us local Boards having a membership of 2,041, which, at 75 cents *per capita* will yield an income of \$1,530.75, a sum insufficient for meeting the requirements of this Board. We trust that the incoming officers may bring into

affiliation a number of new Boards, and that in this way the anticipated expenditure may be met.

If the finances of the Board were in a state to permit of its being done, your Committee would recommend that the "Trade Letters," recently issued by the Secretary, be printed and distributed. It can be done at an expense of \$412.

Your Committee have examined the several accounts and vouchers, and have found all correct.

WM. PENNOCK,
Chairman.

Mr. HUGH McLENNAN said the last paragraph in the report referred to the "Trade Letters" prepared by the Secretary of the Board. They were considered so valuable that it was thought very desirable they should have a still wider circulation, and it was for that reason the suggestion was made by the Committee. He hoped the Board would hear from Mr. PATTERSON on the subject of those letters when they came to consider the question of the West India trade, and the best means of increasing our connection with those islands.

The report was adopted.

COMMITTEE ON CREDENTIALS.

Mr. W. W. OGILVIE presented the final report of the Committee on Credentials, as follows:—

OTTAWA, *January 19, 1877.*

The Committee on Credentials beg to present their second report, which shows that six (6) additional organizations have presented Credentials since those submitted at the opening sederunt on the first day. There are, therefore, nineteen (19) organizations represented by forty-seven (47) delegates, indicating an aggregate membership of 1,785.

Two new Boards have applied for admission, in addition to the two already received, viz. :—Walkerton, Ont., and Pictou, N. S.,—although their delegates are not present at this meeting. Your Committee recommend their admission according to Article II. of the Constitution.

Respectfully submitted,
W. W. OGILVIE,
Chairman.

ELECTION OF OFFICE-BEARERS.

Mr. THOS. WHITE, JR., moved that ADAM BROWN, Esq., of Hamilton, Ont., be President of the Dominion Board of Trade for the ensuing year.

Mr. W. H. HOWLAND: I have great pleasure in seconding it.

The PRESIDENT appointed scrutineers of elections, and, a ballot being taken, Mr. BROWN was declared unanimously elected.

The PRESIDENT: In our past history, I have been reminded that in reading the History of England there were certain kings—King John, William the First, bluff King Hal,—represented here by Mr. FRY, who is a much better man than his old namesake; William of happy memory, whose beaming face always shines on us; Charles the First—and though we have no King Andrew, we have a Saint of blessed memory. But we are degenerating to the sinners, and we have now as our own ruler, Adam, the sinner. (Laughter.)

Mr. ADAM BROWN: I very highly appreciate the honor that you have conferred on me in electing me to be President of this Dominion Board of Trade. I can assure you, gentlemen, I accept the position with no little degree of diffidence, having had so able a predecessor. I cannot hope to fill the office as my friend Mr. ROBERTSON has done; but I will do my best. During the interval between the sessions, I will seek to do my duty in furthering the interests of the Board; and if we are spared to meet again in Ottawa, I shall strive to follow the model of our friend who is about to hand over the seals of office, in presiding over your deliberations. I hope the delegates here, in returning to their homes, will seek, by their influence, to urge other Boards of Trade to affiliate with this Board, so that this "Commercial Parliament," as it has been happily called, will increase in numbers and influence, conveying suggestive legislation and the business thought of the community to the Government of the day. All I can say, gentlemen, is that I thank you very highly for the compliment you have paid, not to me alone, but to the Province of Ontario, in electing me as your President. I hope when my term of office expires, I shall be found not to have forfeited the good opinion you entertain for me to-day. (Applause.)

Further nominations and ballotings resulted in the election of the following gentlemen:—

Vice-Presidents.

HON. JAMES SKEAD, Ottawa, Ont.
JOHN KERRY, Esq., Montreal, Que.
GEO. I. TROOP, Esq., Halifax, N.S.
ANDRE CUSHING, Esq., St. John, N.B.

Executive Council.

W. F. McMASTER, Esq., Toronto, Ont.
 THOMAS WHITE, Jr., Esq., Montreal, Que.
 WM. PENNOCK, Esq., Ottawa, Ont.
 A. JOSEPH, Esq., Quebec, Que.
 W. E. SANFORD, Esq., Hamilton, Ont.
 HENRY FRY, Esq., Quebec, Que.
 JOHN GILLESPIE, Esq., Toronto, Ont.
 W. W. OGILVIE, Esq., Montreal, Que.

ANNOUNCEMENT.

The PRESIDENT read the following telegram from ex-President, C. H. FAIRWEATHER, Esq. :—

ST. JOHN, N.B., *January 19, 1877.*

ANDREW ROBERTSON, Esq.,
President Dominion Board of Trade.

Our mutual friend, Robert Marshall, Esq., was to-day elected by acclamation to represent the city of St. John in the General Assembly of New Brunswick. Kind regards to the Board.

CHAS. H. FAIRWEATHER.

WEIGHTS AND MEASURES. (No. XXVI.)

Mr. JOHN WALKER moved, seconded by Mr. WM. THOMSON, as follows :—

"That this Board, while approving of the objects of the 'Weights and Measures Act,' desires to represent to the Government that the inconvenience and charges which the trade is put to in the working of the Act are excessive, and that the yearly compulsory inspection, if enforced, should be at the public cost, and not made a charge on the individual trader. * [Further, that there be recommended to the consideration of the Government the expediency of so modifying the law that provision shall be made for stamping two and five-gallon wet measures, and that the shape of such measures of capacity may be conical instead of cylindrical.]"

Mr. WALKER : I would say just a few words with reference to the grievances which trade labors under since this Act came into operation. It has been found in London, where the Act has been put fully into force—I understand it has not been brought into operation in some cities—to impose a tax on traders varying from ten to thirty dollars, and to entail great inconvenience from the mode in which the Act is carried out. It presses most heavily on the class of small traders. Schedule "H," under which the charges are made on the smaller class of balances and weighing machines, is altogether out of proportion to the

* This addition was made on subsequent motion of Mr. HENRY LYMAN (see page 168), and accepted as part of the original motion.

charge on the larger scales. For instance, take the case of a retail grocer. The balances on his counter cost one dollar to one dollar and twenty-five cents, while the charge for verification is one dollar, equal to 100 per cent. on the cost of the scale itself. In addition to that, there is a charge for adjusting each individual weight, if any of those weights are wrong—which adjustment is quite right to make; but when they charge for each individual weight inspected, it is too much of a good thing, as the inspection then mounts up to something like \$2.50 before they have finished with that small balance and the weights attached to it. So it goes on through the schedule in an unequal manner, and in a manner oppressive to the trader. Then again we come to the measures. The charge for inspecting and verifying a bushel measure by the Government officer is 50 cents; if there is anything wrong with that bushel measure it is to be made right at the cost of the owner, which is right and proper. But the charge for testing a bushel measure is 50 cents, for a half bushel, 40 cents; peck, 30 cents; gallon, 25 cents; and so on down to a half gill, which is 5 cents. Those charges amount virtually to the cost of the measures. We all know that, in the country districts, the first cost of a half bushel measure is not much more than 40 cents, the charge for verifying it. Those charges are loudly complained of by the traders. I think they complain with good reason, and it is a proper subject for this Board to make representations on to the Government. There is yet another grievance which aggravates what I have pointed out. There is a clause in the Act making this inspection compulsory every year. That means, that the test of those weights and measures has to be gone through once a year at the expense of the trader. But the cost is not all; for the trader is bound to take his weights and measures to the Inspector's Office, which may, in cities, be a long way off. The only exceptions are the large Fairbanks' and other scales which are fixtures. Any one can see that this is an intolerable nuisance to traders in the cities. I can quite agree in the opinion, that if this inspection takes place, and the trader's weights and measures are found deficient, he should bear the expense of rectifying them; but the public, seeing the inspection is for their benefit, should bear the yearly tax for verification, apart from the adjusting. It is with this view I have framed the resolution. I know representations are being made from many Boards of Trade in the West; and I think the individual Boards represented here might take this matter into consideration, and petition the Government for some relief from what promises to become a sort of poll-tax on every trader in the country, and a great inconvenience, owing to the mode in which it is carried out.

Mr. HENRY LYMAN suggested as an amendment, the expediency of having provision made for stamping two and five gallon wet measures, and the making of such measures conical instead of cylindrical,—and then said: I quite agree with what has fallen from the mover of the resolution. There can be no doubt that it is important to have proper weights and measures, but at the same time this inspection should not be made burthensome to the country. If it is carried out with anything like correctness to the utmost extent the law will allow, it will cause a great deal of annoyance. What I wish to secure by my suggestion is this: at the present time, no wet measures are stamped larger than one gallon, and it becomes troublesome in handling fluids not to be able to use a larger measure than a single gallon; and more especially is it so when the shape of the measure is concerned, being that of a cylinder. The cylindrical measure being as wide at the top as at the bottom, any one can see that a very slight difference in the height of the liquid in the measure would make a considerable difference in the quantity measured; and it becomes exceedingly difficult to measure with any degree of rapidity without making some difference in the quantity; whereas, if we could obtain a conical measure, such as is used in England, you bring the diameter at the top to so small a point, that a small quantity, more or less, in vertical height, would not make any appreciable difference in the amount of the liquid. I have here a drawing which shows the difference between the two measures.

Mr. WALKER said he accepted the suggested amendment, and would incorporate it in his motion. (See p. 166).

Mr. HENRY D. LONG (London): As a delegate from the London Board of Trade, I may say we have considered this matter, and reported that it is very vexatious. I fully concur in the remarks of Mr. WALKER, and hope that the Dominion Board of Trade will recommend that the matter be altered. The London Board of Trade recommend that a practical mechanic be appointed to go around and regulate the weights and measures.

Mr. HUGH McLENNAN: Mr. WALKER, in his opening remarks, dwelt largely on the expense connected with the working of this Act. Some points have been furnished me, and I feel that it is necessary to remit this question to Committee. It is so wide in its operation that we can hardly deal with all the amendments necessary. I will simply discuss the question of expense. The country requires that all weights and measures, whether for sale or use, shall be stamped, subject to fine. Another of the details of the Act requires that a certain description of scales, with moveable platforms, or scoops, should not be

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used. This would involve the destruction of a large number of small scales now in use. I think there is an exception that, where any are in use, they shall be allowed to continue until they are used up. But what becomes of the manufacturer who has a large stock on hand? We find in those matters that if there has been anything wrong, it has been the result of neglect, or if there has been dishonesty it has been to a small extent. In weighing half a pound with the scoop off, there cannot be much gain or loss one way or the other. A broader question, which affects us as commercial men, is another provision which requires that in a certain length of time, all computations of weights shall be entirely by the cental system. Any one connected with the grain trade will see how difficult this is. Take the Port of Montreal, for instance, where a large amount of grain is brought from different countries, which is not subject to our laws on this question; and yet we are obliged to compute the weights by the cental. We send grain to another country which is not subject to our laws, where the computation is on an entirely different system; hence the operation of a law of this description would be very inconvenient to the trader. It may be considered that this law is a dead-letter, inasmuch as it has not been put into effect. But it is a bad thing to have laws on our statute book which are dead-letter laws. It might turn out incidentally to be very inconvenient. By way of illustration, I may mention a circumstance connected with the trade of Montreal. The Government had procured a correct standard of weights. The merchants found, by comparison with the old standard under which they had been acting, that there was some variation in the result. The Elevating Company, of Montreal, desiring to have their weights proved, applied to the Revenue Department to have them tested, but the officer at Montreal stated, that by the law, he was not allowed to test a weight of sixty pounds. The matter was referred to the Department at Ottawa, and after some considerable correspondence, and a deputation coming here on the subject, the difficulty was overcome, it being made apparent that the trade would suffer very much if the defect was not remedied. This shows how a law in existence, even if not generally applied, may be inconvenient and unjust to trade. Hence it is necessary that this law should be in some points remodelled, and this clause in particular repealed. I would, therefore, like to move as an amendment:

"That the Executive Committee be instructed to endeavor to secure such amendments to the Act regulating Weights and Measures, as they may find to be necessary, more conveniently and equitably to give effect to the intentions of the Act."

Mr. WALKER suggested that this should be moved as a separate resolution.

Mr. WM. THOMSON: It is sufficient for us to point out any defects in the law to the Government, and it is for them to appoint a Committee to deal with the whole matter.

Mr. WALKER'S motion, as amended, was then put and carried.

Mr. McLENNAN then formally moved the resolution he had first read as an amendment, but withdrawn in order to submit it as a separate motion, and on being put to the meeting it was carried.

Mr. WM. THOMSON called attention to a matter which the railway employees had brought to his notice. Formerly scales in exposed situations were regulated by beam adjusters. Since the Weights and Measures Act came into force this had been stopped, and the scales were continually varying. He therefore moved:—

"That the attention of the Government be also called to the constant deviation of scales in use at railway stations and other exposed situations, and which was formerly obviated by the use of the beam adjuster."

Mr. JOHN GILLESPIE seconded the motion, and on being put it was carried.

THE OFFICIAL PROGRAMME.

Mr. GILLESPIE asked for information respecting the powers or functions of the Executive Council of this Board. He wished to know what means they had to enforce the regulation that the different Boards of Trade throughout the country should send in the subjects which they wished to have discussed before the annual meeting of this Board, in proper time.

Mr. A. WOODS (Quebec) said the experience of this session had shown the necessity for some stringent regulation on the subject. He thought the Secretary should be instructed to rule out subjects which were not properly set forth and sent in in good time.

A brief discussion ensued.

NOTICES OF MOTION.

Mr. A. JOSEPH gave notice that at the next meeting he would move to amend Art. VIII., Sec. 1, to substitute "thirty" for "fifteen" (days before the date of annual meeting); and that it be obligatory on local Boards to send subjects for discussion,

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accompanied by the resolution on the subject adopted by such local Board.

Mr. JOHN WALKER also read the following notice of motion:—I beg to give notice that, at the next annual meeting, I will move that sections 1 and 2 of Article VI. of the Constitution of this Board, be amended, by declaring that the annual meetings be held alternately in the cities of Toronto and Montreal, and changing date of meeting.

FOREIGN TRADE WITH THE WEST INDIES, ETC. (No. XIX).

Mr. A. WOODS (Quebec), moved as follows:—

“That this Board being strongly impressed with the desirability of encouraging direct trade with the British and Foreign West Indies, would reiterate the suggestions made by it to the Government on a former occasion, viz. :—‘That a sufficient postal subsidy be granted to a semi-monthly line of steamers to leave Quebec or Montreal in summer, and Halifax in winter, for the West Indies.’”

“That efforts be made to obtain a more uniform and less obstructive Fiscal Policy on the part of the British West Indies, as applied to this Dominion, in return for such reciprocal action on the part of our Government as may be within its power to concede.”

In 1874, when this question was last before you, this Board passed resolutions urging the Government to subsidize a line of steamers to establish fortnightly direct communication with the West Indies, and also to endeavor to procure such fiscal legislation as would facilitate trade with those parts. The Government appeared to agree with the action taken by you in the matter, and they made enquiries and issued advertisements inviting tenders for the performance of such mail service. So far as I am aware, for what cause or reason I cannot tell, no result has followed from the action then taken. Are we, then, to acknowledge that all efforts to extend the foreign trade of this country are futile, and must be abandoned? For my part, I do not believe that such is the case. I am satisfied the feeling of the country is, that our manufactures have already increased to such an extent as to far more than supply our own territory, and the demand is for a more extended market for these and for our mineral interests. I am convinced that the great reason for the depression existing to-day is over-production rather than foreign competition. What we want most is more extensive markets—or, in other words, more customers. The trade which the West Indies and Brazil now does with this country amounts, in round numbers,—imports and exports—to about six millions of dollars annually. The trade which is done with the same countries by the United States, amounts to about one hundred and forty-five millions of dollars—in round numbers! The trade done by Great Britain with the same

countries amounts, in round numbers, to about ninety-four millions of dollars annually. What is the reason, that out of these imports and exports (which, I think, amount to about four hundred and fifty millions of dollars annually) this Dominion does a matter of only about one and a half per cent. of that trade? This is a question which I think well deserves the attention of our statesmen. Two conditions are absolutely necessary. As has already been pointed out by this Board, we want, in the first place, increased facilities for direct communication with the West Indies; next, to endeavor to procure some amelioration in the obstructive fiscal policy of those countries, and to get such aid as our Government can grant to establish this trade. Anyone who doubts that these facilities would be of the greatest possible importance, has only to examine the very able *Trade Letter* which has been issued by our talented and industrious Secretary, Mr. PATTERSON, on the trade with the West Indies. By the examination of these figures, which are presented in a very concise and succinct form, you will be convinced of the large amount of the staple imports of the West Indies, which now appear as exports of the United States—of which it may be said our Dominion is the place of their native growth. You will be struck with the fact that of the very large quantity of imports into the West Indies, this country would be the best market for them to be purchased in. I do not propose to go into this question with any very extensive arguments. I understand the matter has already been before you frequently, and I am satisfied you are fully in accord with me as to the important trade we aim at securing, and also the means to be adopted for the accomplishment of that end. I will mention one trade as to which I have some special experience and knowledge. I find, by reference to the pamphlet of Mr. PATTERSON, that there has been shipped in 1874, from the United States into those countries, hard bread and biscuits to the value of \$514,652, while not a dollar's worth has been sent from this country. It is easy to understand the reason, as we all know it is for want of proper freight facilities. Of the three and a half millions of dollars worth of exports sent by Canada to the West Indies, most of it is fish and lumber; and you can easily understand how impossible it is to ship biscuit in cargoes of wet lumber and fish. The attempt would not be made by any manufacturer. But I am prepared to state—knowing whereof I affirm—that with a fair freight, this half million dollars worth of manufactured goods could be laid down in Barbadoes, where four-fifths of them go, as cheaply from Canada as from any other part of the world. (Applause.) All we want to assist in this matter is a reasonable mail subsidy towards direct communication.

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Mr. ANDRE CUSHING (St. John, N.B.) : I have great pleasure in seconding the motion, from the fact that our Board of Trade, in St. John, felt it so important that they presented this topic for consideration here, though without proposing any special plan of action. It has been brought forcibly to their minds by the publication of "Another Trade Letter," by our industrious SECRETARY, and it was entered in their programme as a matter of first importance to the Maritime Provinces. The remedy for the present condition of affairs is altogether in the hands of the Government, according to my view of the case. They can establish this communication in two ways: first, as recommended in the Trade Letter of Mr. PATTERSON, and also proposed by the Commissioners who were sent to the West Indies in 1865, by establishing a line of steamships which will make communication easy and regular. The advantage of that, it is not necessary to argue. Whether it is based on mail facilities, or upon commercial grounds, is of little consequence. At the same time, the policy of our Government in opening up thoroughfares with the view of enlarging the trade of this country, or establishing steamship lines, would be quite as proper as opening up inland communication by railways or canals, in which the Government are expending such large sums for the benefit of commerce. As to the propriety of the Government assuming this work, it is not for us at present to discuss. I see no reason why, if our trade can be increased by establishing new lines of steamships, the public funds should not be expended for that purpose. There are no other means which appear to me to be so well adapted for the enlargement of our trade, as the establishment of this line of steam communication with the West Indies. We are fortunately so situated that we have most excellent sea-ports open all the year round, and the only sea-ports in this northern region with which the West India trade is carried on that are open in the winter season. Our port at St. John has never been troubled with harbor or river ice within the memory of man, and Halifax is rarely so; so that we have always two ports open. In the summer season, vessels could ascend the St. Lawrence. There is seldom much to export from the sea-ports in summer, and there has been a decrease in our trade with the West Indies. The export of box-shooks has decreased from one million to about 600,000 feet. If this trade could be extended, it would employ, under any circumstances, a very large amount of tonnage. In the export of more valuable goods—which would, of course, take precedence in steam navigation—in the absence of sufficient freight to make up cargoes, there would always be from St. John, at least sufficient to fill up, of the more bulky article of lumber. There would

be no difficulty whatever in furnishing outward-bound freights for a line of steamships all the year round from those Atlantic ports. I question, in fact, if after a time it would not be necessary there should be not only one line from the Atlantic ports, but also one from the St. Lawrence in the summer season. Then there is the question of importing such classes of sugars as will enable us to establish refineries. It has come to that pass now that not only the wealthy, but the poor, demand refined sugar; and the day is not far distant when sugars in their raw condition will scarcely be saleable, even in Canada. At the present day our principal sugars consumed in the raw state come from Porto Rico. It seems to me there should be a revision of the tariff on this article, more than any other in the list. The trade is large and important, and we can never arrive at that true condition in regard to the consumption of that article, or the manufacture of it, until we adopt a specific duty for the purposes of revenue, not only with regard to sugars, but also with regard to molasses; and that revenue should be based upon the weight and color of the articles, rather than upon the *ad valorem* principle. Specific duties would do away with much of the trade that now exists in introducing that unfairly favored class of goods. It would also enable us to adjust the duties on the various grades, so as to encourage the refining of sugar in our own country, and possibly enable us to export refined sugars. I trust, in this general manner of treating the subject, it may again be brought to the attention of the Government, and that some action may be taken on it before another season closes.

In response to calls for the SECRETARY,

Mr. PATTERSON said: It would be out of place for me, in ordinary circumstances, to take up the time of the Board when the session is so near a close; yet I confess to a desire to avail myself of the privilege so kindly afforded, although, had the Sugar question been discussed on its merits, what I may say might have been more timely then, even if it were partly a repetition of what is more fully stated in the pamphlet on West India trade, copies of which have been laid on the table. As to that "Trade Letter," I imagined that care enough had been taken to avoid anything that might be fairly construed into political allusion. Nevertheless, a leading newspaper in a Western city has, in its criticism, classed me for what was said with supporters of the present advisers of her Majesty in this Dominion; while another print, recognized as supporting the Government, has, in half-joke, half-earnest, tried to sneer the pamphleteer and his brochure into limbo. Permit me to repeat what I have before said, that if I have striven to do any one

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thing more than another during the many years of labor in the commercial interests of Montreal and of Canada, it has been to perform my duties without the slightest reference either to so-called Toryism or Gritism. As an old member of the "Press," I respect the impersonality of the newspaper; but, if I mention a critic, it is because he has acknowledged the paternity of a critique over his signature. Most of the criticism accorded to me has been fair enough, though some little of it had a smack of the Old Bailey practice. One Editor, I am sure, would be the victim of mis-placed confidence,—he who would so unhesitatingly confide the re-arrangement of sugar duties in the interest of Canada to Sir FRANCIS HINCKS. In noticing the West India pamphlet, the latter gentleman said the sugar duties in force in Canada in 1865 (*which, according to him, gave intense dissatisfaction in the West Indies*), "has been continued with little change up to the present time." The facts are, that in the three years before Confederation, the volume of the sugar trade had been steadily increasing,—the public revenue from it augmenting, and consumers seemed content with the article of home manufacture. It was believed, however, that the tariff rates admitted of great profits to refiners, and it was alleged that the clamor for a modification came solely from wholesale importers. The Ministry of the day, though forced to yield, admitted their willingness to concede a scale of duties which, while less protective, came nearer the views of refiners than the one adopted by Parliament. All the refiners, except the Messrs. REDPATH, declared the new tariff would force them out of the business,—and so it did. REDPATHS said they would be compelled to cease using and producing certain grades of sugars, but would try to continue working on other kinds. They continued for several years, but had ultimately to succumb; and now sugar refining in the Dominion is a thing of the past. If, as Sir FRANCIS says, there has only been a "little" change in the sugar duties since 1865, where are the refineries that were so highly protected?—and where the profits that envious importers wanted to share? You must all have a vivid recollection of Mr. STAIRS' graphic utterances yesterday, as to what the Dominion would gain if the increasing consumption of refined sugar were all supplied by our own refiners. As an off-set to what was said by another gentleman, he might have further stated, that the refining of 50,000 tons of sugar annually in the Dominion, meant the expenditure of about \$1,000,000 (independently of the cost of the raw material), among the industrial classes of the country! Now, gentlemen, one of the most encouraging signs of the times is, that Halifax representatives here to-day are the most vigorous in their efforts

to repair the deadly breach which Nova Scotia (much against her best interests, as is now seen), was so forward in effecting. Ten years ago, a belief prevailed in Halifax that the interests of the Dominion were antagonistic to those of Nova Scotia; and a member of the House of Commons from our winter ocean-port, was the determined leader in an endeavor to achieve a further "little" change, which, if carried, would have wiped out all the refineries without a single day of grace. I have the Parliamentary record here before me, but need only refer to that episode. Such an upshot would, of course, have been gratifying to economists and patriots of a certain stamp,—as well as to intensely dissatisfied gentlemen in the West Indies; but it deserves to be gratefully acknowledged here that Nova Scotia now realizes that her true interests are identical with those of the whole Dominion—that we are all citizens of a common country, and, as Canadians, are cheered by the same hopes, and animated by the same prospects. (Applause.) The SECRETARY went on to speak of the question of re-adjusting the sugar duties, as one to be dealt with in the interest of the whole population, in a broad enlightened sense—expressing belief that it would be as inexpedient, so far as the *people* of any West India Island is concerned, to discriminate in favor of a particular quality of sugar—as it would be in Canada to discriminate in favor of millers who produced the higher grades of flour. Sir FRANCIS HINCKS takes exception to what was said in the pamphlet about the repeal of the sugar duties in Great Britain; but I have no hesitation in repeating that in repealing these duties, the British Parliament was solely influenced by the disadvantages which the refining interests suffered under, in the matter of drawbacks granted to Continental refiners—perhaps largely by a popular cry for "a free breakfast table"—and that British refiners are now better off. But after all, it may be asked, do refiners want to have a tax put upon the people of Canada for their special support? I gather that they do not even seek to have the duty removed from the raw material which they manipulate—they only ask that there be margin enough between rates upon the raw and refined article, to enable them to compete with the foreign refiner. Mr. DUSTAN, of Halifax, in his letter read to you yesterday, says: "What is needed in the case of the Canadian refining interest is, not 'protection,' in the ordinary political acceptance of the term, but the opportunity to compete fairly and freely with foreign refiners." But I find I have taken up too much time without getting to the direct question of West India trade, and will not trespass too far. (Cries of "go on.") Letters have come to me from different quarters, representing the necessity for direct communication by steamers, at regular intervals

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between ports in the Dominion and the West Indies. A correspondent, in an old established firm in the Maritime Provinces, has mentioned some of the disadvantages under which the trade labors, and he emphasizes the present mail facilities as wretched.* In this connection it ought to be observed that our very efficient Deputy Postmaster-General informed me that (as stated in the pamphlet) Canadians had the privilege of corresponding with the West Indies *via* New York, by every mail steamer from that port, on the same footing as merchants of the United States. But you hear what West India merchants in the Maritime Provinces say about that privilege; the fact is, we want adequate communication at stated intervals from our own ports. (Applause.) You will readily see the necessity for this. If we continue to send our letters, and much of our merchandize to the Colonies at the Tropics, *via* a United States port, our merchants and shipowners will continue to lose a great deal of incidental advantage and profit that would accrue from *direct* communication. For instance, if our friends in Halifax or St. John wish to ship potatoes to any of the Islands through an American port, there are commissions added by merchants there, transshipment charges, and other items; and all these, to a large extent, enhance prices to the consumer, our American friends getting the main profits, and all the credit of the trade. Potatoes purchased in St. John, Halifax and Charlottetown at 40c., 32c., and 25c. per bushel, have been taken to an American port, and entered outward from thence to the West Indies at an average of nearly \$1.00 per bushel. You will readily observe that the middle-man makes an excellent per centage in such transactions; it is not a "small potato" affair! The potatoes *may* sometimes be small, but the *profits* are large—to our American agents. If you examine some statistics given in the pamphlet, you will see that about three-fourths of the British West India trade might be participated in by establishing direct and intimate commercial relations with Barbadoes, British Guiana, Jamaica and Trinidad,—and from

* The following is an extract from the letter here referred to:

"The Government must take the initiative, by giving a good subsidy to some reliable company who will place a sufficient number of good steamers on the route, and in this way the trade will develop itself. You will remember how large a subsidy was given by the British Government to Samuel Cunard, when he first started the mail steamers; and now see how many lines are afloat. In the meantime, *individual* speculation or enterprise is covered by importations of West India produce in sailing vessels; and until Government takes hold in some way, no further progress will be made. Communication with the West Indies is little better now than it was thirty years ago. Intercourse by mail with Barbadoes, Trinidad, and others of the Windward Islands is wretched. Instead of being able to correspond by letter, it costs us \$20 to \$30 for cablegrams. We have had experience of the West India trade for thirty years past, and find the great inconvenience which arises from lack of proper postal communication. Further, if there were steamers running regularly, we would not be compelled to lay in such heavy stocks at crop-time, involving the laying out of \$20,000 or \$30,000 at a time; one-third of that outlay would amply suffice, for the steamers could be relied upon to bring along supplies regularly as the markets required."

these points the other Islands could be dealt with in coasting vessels. But, here again, my critical friend interposes with a sort of "no use trying" apology for continuing to let our trade filter through the United States,—that we have the bonding system, and what on earth more can we want! If our Canadian seaports are not quite so near some of the West Indies as are certain U.S. seaports, Canadian merchants avoid the delay, expense and other vexatious inconveniences of the precious bonding system,—I say *precious*, as Canadians are made sometimes to experience its workings. Large quantities of lumber are imported annually at Barbadoes, Trinidad and British Guiana. If a lumber merchant in this region wanted to send that article in bond *via* New York, he would very naturally want to employ Canadian bottoms in which to do the forwarding, as far as New York, at any rate. What has Mr. PERLEY told us? He says: "We are not allowed to send them (the Americans) our lumber without paying a duty of \$2 per 1,000 feet. We may ship it to New York in bond, if we ship it in American bottoms; otherwise we cannot do even that." There are some other remarks I would have made—(Cries of "Go on!"),—but I must stop, by requesting that you will give the subject of trade with the West Indies careful consideration on your return home, bringing it specially before your several Boards; and if your Secretary's pamphleteering contributions towards extending the commerce of the Dominion can be of any service to you, he will be satisfied.

Mr. HOWLAND: I am sure we are all very grateful to Mr. PATTERSON for the information he has given us, and I trust when we go home we will all endeavor to see if we can get our local Boards to subscribe for a certain number of copies of this valuable pamphlet, to be distributed to non-subscribing merchants of the different cities. With regard to Mr. WOOD'S motion, I quite approve of its thoroughly protective spirit. The only trouble I see about it is the providing of those manufactures which he says are necessary to load those vessels. I know a large steamship line has been in communication with the Government for some time, but nothing has been arrived at, from the fact that there is no basis whatever for an outward cargo. What we want is manufactures to send. I am shipping regularly to New York, for the West Indies, and I know there must be articles which they can take to complete the cargo, and they fill up with American manufactures. There is no use trying to get postal communication alone. We must have manufactures to send and raw materials to bring back. We should be able to provide articles of our own manufacture to export, and this we cannot do now. I move in amendment:

"That all the words after "to obtain" be struck out, and the following added:—

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"Fostering protection for manufactures in the Dominion, so that some basis may be created for our export trade with the West Indies, and also that such alterations be made in the sugar duties as will make it possible to import raw sugars profitably; and also, that the Executive Council be requested to make a strong representation to the Government, with the view of carrying out the above recommendations, and to induce reciprocal legislation in as large a sense as possible."

Mr. A. T. PATERSON (Montreal): In seconding the amendment, I may say I consider all attempts to open up communication with the West Indies quite futile, until you put the importers of the country in a position to import raw sugar from those islands. To give a subsidy in our present circumstances would be throwing away money.

Mr. ANDRE CUSHING (St. John, N.B.): One gentleman claims we have not sufficient goods for exportation; the other, we have not enough to import. If that is the case, it kills the project. It seems to me we have enough to export. If we establish communication this year, it is possible we may have to land return cargoes at New York or Boston; but as for exports, I will guarantee to give cargoes for four months myself. Potatoes are an important article of export, and other articles might be sent, especially in the line of hardware and nails. These have been exported before and may be exported again, and profitably so. I feel this amendment is a mixing up of matters. The manufacture of sugar and the importation of raw sugars, are a separate and distinct matter from other questions, and they should be left entirely on their merits, apart from this West India matter. I hope the amendment will not be maintained. It seems to me the general character of the resolution, as offered by the member from Quebec, leaves the position to be dealt with by the Government on its merits. The sugar duties are certainly an important feature of the matter. It is impossible now for us to import raw sugars and compete, under our present tariff laws, with the imported sugars of the United States, or the manufactured article which comes from Scotland. The Scotch sugars and United States sugars will drive us out of the market every day of the year; but if a specific duty is adopted, and that duty so arranged that raw sugars may be imported and manufactured for our own consumption, we shall have a basis upon which to establish a line of steamers. We shall be able to manufacture all the sugar we can consume; but without this it will be hopeless to establish a large trade with the West Indies. The original cost of sugars at the port of export is probably three to five cents per pound. Our tariff is excessive—one cent per pound, and an *ad valorem* duty of 25 per cent. It is equal to 50 per cent. of a tax, and the consumption of sugar is very much reduced, in consequence of this excessive tariff. I meant to have touched on this point when I spoke before. It seems

to me if we bring this matter in any but a general way before the Government, it should be to show that the tax on sugar is excessive. The quality of sugar being fixed by polarization, the adjustment of the tax would be made by specific duty far better than any other way. The quality and color of the sugar should form the basis. In adopting such a system, we would do away with a vast amount of trouble.

Mr. A. JOSEPH : Mr. HOWLAND has a peculiar way of assisting a measure. He assisted Mr. STAIRS' resolution respecting sugar yesterday, by tacking an amendment to it respecting the coal interest, and killed it; and now, when we ask a subsidy to a line of mail steamers, he wants to bring in protection again.

Mr. HOWLAND : Fostering, you mean.

Mr. JOSEPH : No; call it by the right name. He wants to bind this Board to protection. I trust that the amendment will not be carried. This Board has on former occasions expressed itself in favor of getting steam communication with the West Indies. It is not by bringing in a motion to make this Board declare itself in favor of protection that we will get a postal service with the West Indies. There is only one way to secure it—by paying for it. As to getting cargoes, there can be no trouble. Our manufacturers will supply as many cargoes as the vessels leaving the St. Lawrence will carry.

Mr. W. J. STAIRS (Halifax, N.S.) : This export trade from our Maritime Provinces is now a very large one; it is not at all a trade that is to be made. From New Brunswick they have shipped a large amount of products. We have our fish trade, and there is, on an average—I think I am safe in saying—one brigantine every day of the year leaving Halifax with a cargo of fish. The trouble we have is one which you are going to obviate. We cannot send safely our fish to market in large parcels. Fish is a perishable article, and we do not like to put into one vessel more than 1,000 quintals. A mixed cargo is a very important affair; and I feel quite sure that this looking forward to a line of steamers running from our Maritime ports is a step in the right way. It is one of those experiments which has got to be tried to see if it will succeed. For the last twenty years there has been a fortnightly vessel leaving Halifax and calling at Bermuda, but it has not gone further than St. Thomas. Her room is always taken up, but she cannot carry all the goods. I believe if other steamers were put on they would have to get some help until trade develops. What is wanted is, facilities to send our goods away more freely, accompanied with the goods which you could send from this upper country. Our Halifax merchants are availing themselves of only a part of that route, and

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every week there are large shipments of fish to New York. They go there in one steamer, are transhipped into another, and sent to Havana. I have a return here which shows that, in a period of ten days, 5,000 tons of fish left Halifax, and in ten or twelve days afterwards were landed in Havana. You may ask—Why don't we send them ourselves? For this reason: The West Indies being a number of small islands, makes it a difficult market to supply. This, however, can be remedied by subsidizing a line of steamers. I only hope you will not amend this resolution, but will accept it as originally proposed.

Mr. W. H. FRAZER (Toronto): This is a question that has engaged the attention of Ontario manufacturers for the last two years. Of the value of the West India markets they are fully convinced. Considerable correspondence has taken place with the merchants of the West Indies as to the cost of transportation direct, and by New York. I am firmly convinced that we cannot ship our manufactures advantageously by way of American ports, in consequence of the cost of transportation, the heavy expenses of transshipment, and the bonding charges. I am fully satisfied it would be to the advantage of the manufacturers of Ontario if we had this line of steamers, and I can assure this Board we will heartily favor this resolution.

Mr. HOWLAND: I have gone over the figures, and, from what knowledge I have of the loading of vessels, I say there must be a very large proportion of manufactured goods in a cargo. I am quite willing to admit that the bulk of the cargo will consist of perishable articles. Mr. WOODS speaks of fiscal alterations, which means simply protection for sugar, and protection for refineries. Free traders all know that to be the case; and yet you are not frank enough to admit it. You have to enlighten your minds on the subject. You have got to be broader in your views; you have got to conclude that we must help each other, and you may as well understand that you will not be assisted in fostering your own interests without joining us in protecting ours. (Applause).

Mr. A. WOODS (Quebec): It is amusing to hear an extreme protectionist lecturing us free traders on the narrowness of our views. I regret that this amendment has been moved. It is simply one other illustration of how some gentlemen, when they get hold of a hobby, are likely to ride it at most inopportune moments. I deny entirely that fiscal alterations in the tariff necessarily are protective. I deny it to be so in this case. Mr. HOWLAND ought to know that fiscal regulations in the sense of making a specific duty on sugars would not be a protective duty. It is something new to find our manufacturers cannot supply any

more customers. It is amusing to see how protectionists contradict each other. Yesterday, they said: "Give us our own market, and keep out the United States slaughterer; our manufacturers are suffering from our market being invaded." To-day, we are told that our manufacturers are so full of work that they cannot supply any more customers.

Mr. HOWLAND: That is not what I said;—I said nothing of the kind.

Mr. WOODS: We are told that they are unable to provide suitable cargoes for the West Indies from our ports, as well as they can from New York. Looking over the list of manufactured goods produced in this country, you will see that the item of agricultural implements is very large, and that we are sending to Australia to find a market for them. And yet, we are told they cannot give anything to the West India trade. The item of pot and pearl ashes, the item of beer, ale and cider in bottles; these are very heavy items, and are sent there to a large extent, and are now shipped from Quebec by way of New York, to the West Indies. There are many other items which I could easily mention, but those I speak of I know we are capable of supplying to a much larger market than we possess. In speaking to a Minister of the Crown on this subject, I offered to give two hundred barrels of biscuit every fortnight towards making up a cargo, and guaranteed to continue this. I have got offers from Barbadoes which I cannot supply, because I have no way of sending the goods. We are shut up four months of the year.

Mr. HOWLAND: That is because your manufactures are not prospering.

Mr. WOODS: It is because we have not customers. We have home manufactures of cable and cordage, iron, boots and shoes. Will anyone tell us we cannot supply boots and shoes on better terms than the United States can? I maintain the great bulk of boots and shoes supplied to the West Indies could be better supplied by Canada than by the United States. We all know match splints are manufactured in Quebec, and are sent away by the car load. They are "dipped" in factories in the United States, and are then shipped to the West Indies. Will anyone say we cannot "dip" them in Quebec, and send them complete to the West Indies? My feeling is that our manufacturers are in every respect fully equal to the emergency of providing properly assorted cargoes, and all we want is some facilities to encourage return freights. We want such duties as will encourage return freights, and there can be no trouble about outward cargoes.

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The vote was then taken on Mr. HOWLAND'S amendment, which was carried on the following division :

Ayes.—Messrs. Brown (Adam), Dobson, Farrell, Frazer, Gillespie, Howland, Lyman, Long, MacKenzie, Oille, Ogilvie, Paterson, Robinson, Sanford, White.—15.

Nays.—Messrs. Cushing, Fry, Joseph, Kerry, Kirkpatrick, McLennan, Rees, Skead, Stairs, Shehyn, Troop, Woods (A.)—12.

Mr. W. E. SANFORD then moved in amendment, seconded by Mr. W. F. McMASTER, as follows :

"That the following words be added to the said resolution : "And that, with the view of encouraging an export trade to these countries and the Australian Colonies, it is the opinion of this Board that a rebate should be granted of the duties upon such material as may be used in the manufacture of goods to be exported."

Motion carried.

The main motion, as thus amended, was then carried, the entire resolution reading as follows :

"That this Board being strongly impressed with the desirability of encouraging direct trade with the British and Foreign West Indies, would reiterate the suggestions made by it to the Government on a former occasion, viz. : 'That a sufficient Postal subsidy be granted to a semi-monthly line of steamers, to leave Quebec or Montreal in summer, and Halifax in winter for the West Indies.'

"That efforts be made to obtain fostering protection for manufactures in the Dominion, so that some basis may be created for our export trade with the West Indies, and also that such alterations be made in the sugar duties as will make it possible to import raw sugars profitably ; and also, that the Executive Council be requested to make a strong representation to the Government, with the view of carrying out the above recommendations, and to induce reciprocal legislation in as large a sense as possible.

"And further, that, with the view of encouraging an export trade to these countries and the Australian Colonies, it is the opinion of this Board, that a rebate should be granted of the duties upon such material as may be used in the manufacture of goods to be exported."

CUSTOMS EXAMINATION OF GOODS. (No. XXVII.)

Mr. GEO. I. TROOP (Halifax, N.S.) moved, seconded by Mr. JOHN GILLESPIE (Toronto) :

"That this Board would urge upon the Government the importance of exercising the same system of examination and survey upon the Custom House entries made in country towns as is practised in the larger cities of the Dominion ; that is, that they require an official examination of goods and invoices equally in all cases."

Motion carried.

BANK NOTE CIRCULATION. (No. IX.)

Mr. W. E. SANFORD presented the following report :—

The Committee to whom was referred the question submitted by the Hamilton Board of Trade, on the subject of Currency,

Beg to Report,

That the question is one of such great importance as to deserve a very thorough

investigation, and your Committee have, unfortunately, during the present Session, found it impossible to give to it such consideration as to justify their reporting any opinion.

They recommend, however, that the Executive Council be requested, during the recess, to consider the question, with a view to reporting upon it at the next Annual Meeting of the Board.

W. E. SANFORD.

Chairman.

LONG CREDITS.

Mr. JOHN GILLESPIE moved as follows:—

Whereas, "The practice of selling goods on long periods of credit—which has been a fruitful cause of the numerous failures for the past two years,—still extensively prevails; be it

Resolved, "That, in the opinion of this Board, the shortening of the periods of credit, both in the wholesale and retail trade, is imperatively necessary in the interests of a sound commercial policy."

This resolution does not ask any favor of the Government; but I think it is one which, if adopted by this Board, might have some effect on the country. The practice of giving long credits has, in my opinion, been the cause of many disastrous failures during the past few years. I think if it were known that a certain amount of credit means immorality in business, it would have some tendency to stop the practice.

Mr. JOSEPH said this was no resolution for the Board to pass. To tell a man he gives too long credit, or he sells too high or too low, would be, if not ridiculous, at least improper.

Mr. A. WOODS concurred in this opinion, and raised the point of order that the resolution had no practical bearing.

The PRESIDENT ruled the motion out of order.

Mr. GILLESPIE: I submit, of course, to the ruling of the Chair; but I think it is an extraordinary position in which we place ourselves, that we cannot give expression to the cause of our business troubles.

SELLING LIQUOR TO SEAMEN.

Moved by Mr. GEO. H. DOBSON (Sydney, C.B.), seconded by Mr. HENRY FRY (Quebec):—

"That the Government be requested to amend the Canadian Seaman's Shipping Act of 1873, 36 Vict., chap. 129, sec. 104, so as to inflict the same penalty on any person selling or giving liquor to seamen after signing ship's articles, as the Act inflicts on persons and boarding-masters for enticing to desert and harboring deserters."

Mr. DOBSON: I might mention, we have a great deal of trouble from drunkenness after we ship a crew. They get an advance of wages, and the boarding-master takes them down, gets them drunk, and secures their money. They are sent on

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board the ship generally drunk, and, when they become sober, find their money has been stolen, and often their clothes also, and they want some excuse to go ashore. The consequence is, they have a great deal of trouble and contention, which would be obviated if the Government would amend the Act in the way I have indicated.

The motion was carried.

ENLARGEMENT OF THE WELLAND CANAL.

Moved by Dr. L. S. OILLE (St. Catharines), seconded by Mr. ADAM BROWN (Hamilton):

"Whereas, this Board has regarded, with much interest, the progress of the enlargement of the Welland Canal, and is of opinion that whilst under any circumstances an early completion of the work would be best, and most advantageous, the heavy loss under which alone our present small craft can be run at the present and prospective low rates of transport, renders the necessity paramount for giving the speediest relief to our important inland shipping interests, in the only effectual way, viz.: By the prompt completion of the enlargement of that Canal, which, by enabling them to employ a class of vessels sufficiently large to carry freight profitably at the low rates imposed by the competition of rival routes, will terminate the disastrous epoch through which the commerce of our great lakes is passing, and inaugurate one of prosperity; Be it therefore *resolved*,

"That the Executive Council be instructed to memorialize the Dominion Government to place the remaining sections of the enlargement promptly under contract, and complete the entire work at the earliest possible moment, on the scale of fourteen feet navigation, as previously recommended by this Board."

Dr. OILLE: This Board has, on many occasions, formally considered the question of canal enlargement, given its approval of the same, and urged the Government of the day to carry on the work of enlargement as rapidly as the circumstances of the country would warrant. The importance of the Welland Canal is acknowledged by the whole Dominion. The work of enlarging this canal was begun some three years ago. The promise held out then was, that by the year 1878, the enlargement would be completed. Considerable progress has been made with a portion of the work. Some locks are completed, with the exception of the gates; but a portion of the work remains untouched. Tenders have not been asked for in some of the most important sections. It seems to us, who are on the spot, that unless additional industry is used, the year 1880 will have arrived and passed, before the completion of the work—and it is possible that it will take even longer than that. I think a resolution, expressing the views of this representative body of the mercantile classes of the community, in favor of using all possible means to expedite the completion of this important work, would be advantageous now. With reference to the condition of the Canadian lakes marine, since the crisis of 1873 it has been most unsatisfactory, and even disastrous, especially during the past

two seasons. We have to meet heavy competition from rival routes, leading from the Great West to the Atlantic seaboard—especially railroads, on which freights have been reduced to such an extraordinarily low point, that our small boats, which are as large as the present canal will accommodate, are powerless to compete with them, except at immense losses to ourselves. The boats trading between the Western ports and Buffalo, carry large cargoes, some of them holding as much as 80,000 bushels of corn, while our propellers can only carry 16,000 to 18,000 bushels, and sailing vessels 20,000 bushels. Our vessels are like jolly boats, in comparison with those mammoth ships running between Detroit and Buffalo. It is a matter of vast importance to those living in that section to have this enlargement of the Welland Canal completed as soon as possible, so that we can compete with the large vessels running to Buffalo, and also the railroads from the West.

The motion was carried.

RESOLUTIONS OF THANKS, ETC.

Moved by Mr. HENRY FRY, seconded by Mr. THOMAS WHITE, Jr.:—

“That this Board cordially accepts the invitation of the National Board of Trade, extended to this Board, to send delegates to its next meeting, to be held in the city of Milwaukee, in August next; and that the Executive Council be requested to name delegates to attend that meeting; and also to appoint delegates to attend the meeting of the Association of Chambers of Commerce of Great Britain.”

Motion carried unanimously.

Moved by Mr. THOS. WHITE, Jr., seconded by Mr. HENRY LYMAN:—

“That this Board expresses the gratification it has derived from the presence at its deliberations of Messrs. Hersey of Portland, Groom of New York, Bates and Brigham of Boston, Hayes of Detroit, and Dorr and Thurston of Buffalo, as representatives of the National Board of Trade of the United States to this Board.”

Mr. WHITE: I am quite sure we have all derived the greatest possible pleasure from the presence of those gentlemen at our meeting, on every ground; and derived special profit and advantage from the information which they have given us on questions coming before this Board. These interchanges of cordial good feeling and greetings, which have taken place for the past five or six years, between the commercial men of the two countries, must be advantageous to both. I have great pleasure in moving the resolution.

Capt. E. P. DORR (Buffalo, N.Y.): I rise to make a few remarks, more personal than otherwise. It was my good fortune to be in attendance at the preliminary meeting, held in

Boston, to organize our National Board of Trade ; and from that time to this, I have been identified with it in some way or other. I am not insensible to the honor conferred on me in coming here as delegate to you. I have been a recipient of your invariable kindness for many years, and have been your guest on several festive occasions. I wish to return my thanks for the National Board of Trade and the Buffalo Board of Trade, with which I am connected, and for my people generally, for your uniform cordiality and attention. I am inspired with the idea that I may never meet you again ; and I speak from the heart, when I say I have never been associated with a class of men who better represent the true merchant than you, gentlemen. I wish to present to you Mr. GROOM, who has been appointed a delegate to represent the New York Chamber of Commerce and Board of Trade, and who is also their special representative to the Annual Meeting of the British Association of Chambers of Commerce, to be held in London on the 15th of February.

Mr. WALLACE P. GROOM (New York), on behalf of the Boards which he represented, briefly returned thanks for the hospitable manner in which he had been entertained at this meeting.

Mr. J. D. HAYES (Detroit) : I can only add to what has been already said, that at a meeting of our delegates yesterday it was voted unanimously, that the Dominion Board of Trade should be requested to send a liberal delegation to the annual meeting of the National Board of Trade, to take place at Milwaukee next August. Your President has intimated the warm nature of the reception he had at New York ; but there are so many of your own people in Milwaukee, I think you will feel it is almost a reunion with the commercial men who are so intimately connected with the traffic of this country ;—therefore, I trust you will appoint a large delegation. You know Milwaukee is situated on the shore of Lake Michigan, where it will be cool and comfortable ; and if any of you become too warm, we will take care to cool you off if necessary. I can only return my sincere thanks for your kindness, on behalf of the National Board of Trade, and also personally for the kindness I have received at the hands of each and all of you while I have been here. (Applause.)

Moved by Mr. W. E. SANFORD, seconded by Mr. JOHN KERRY :—

“ That the thanks of the Board be conveyed to the Honourable the Speaker of the

House of Commons, for his courtesy in allowing the Board the use of rooms for its meetings ; and also to the Sergeant-at-Arms for many acts of kind attention."

Carried unanimously.

Moved by Mr. ADAM BROWN, seconded by Mr. WM. THOMSON :—

"That the thanks of this Board are due to the Secretary, Mr. WM. J. PATTERSON, and to the Assistant Secretary, Mr. WM. J. B. PATTERSON, for the efficient manner in which they have performed the duties pertaining to their office."

Carried unanimously.

Moved by Mr. A. WOODS, seconded by Mr. JOSEPH SHEHYN, M.P.P. :—

"That this Board desires to record its sense of the valuable services rendered to the commerce of the Dominion by the Secretary, Mr. WM. J. PATTERSON, in the preparation of the various Trade Letters recently published, and trusts that the several affiliated Boards will undertake their general circulation."

Motion unanimously adopted.

Mr. HENRY FRY having been requested to take the Chair,

The following resolution was moved by Mr. JOHN I. MACKENZIE, seconded by Mr. HENRY LYMAN, and carried unanimously :—

"That the cordial and hearty thanks of the Dominion Board of Trade are hereby tendered to the President, Mr. ANDREW ROBERTSON, for the dignified and impartial manner in which he has presided over the deliberations of the Board, and performed the duties of his office."

Mr. ANDREW ROBERTSON : Gentlemen, allow me to thank you for your kindness in passing this resolution. I can only say I have had much pleasure in discharging my duties during the past year, and also very much satisfaction at the kind manner in which I have been treated by all the members here. Fortunately, no difficult case arose, calling for my decision, for I fear if any had arisen, I would have failed. I am very much pleased to know I have managed to get the work through in such a pleasant manner. I hope you will get back to first principles since you have now got a presiding officer, in the first man—Adam. (Laughter.) If I can be of any use to this Board in a moderate way in the future, perhaps I can see your faces again at another day. (Cheers.) I now declare the Seventh Annual Meeting of the Dominion Board of Trade to be adjourned.

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