

COLONIAL SHIPS.

COPY of LETTER from *J. B. Chapman, Esq.*,
dated 14 February 1845, on the Subject of
imposing a Tax on the Admission of Colonial-
built Ships to British Registry.

(Presented to Parliament by Command of Her Majesty.)

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COLONIAL SHIPS.

COPY of a LETTER from *J. B. Chapman*, Esq., Chairman of the Committee of the GENERAL SHIPOWNERS' SOCIETY, dated 14 February 1845, in reply to the Letter addressed to the Board of Trade by the Committee of the North American Colonial Association, on the subject of imposing a Tax on the Admission of Colonial-built Ships to the Privilege of British Registry.

General Shipowners' Society, London, 72, Cornhill,
14 February 1845.

Sir,

I BEG leave, on the part of the committee of the General Shipowners' Society, to express their acknowledgments to the Lords of the Committee of Privy Council for Trade for the transmission of a copy of a letter addressed to their Lordships by the committee of the North American Colonial Association on the subject of "imposing a Tax on the admission of Colonial-built Ships to the privilege of British Registry," which on the 9th ult., by direction of their Lordships, you forwarded to Mr. George F. Young, the late chairman of this committee.

The reply of their Lordships to the North American Colonial Association, which has been published by the committee of that Association, and in which their Lordships, in reference to the proposition offered by this committee in the letter of Mr. Young of the 25th May last, declare, that "they have at no time conveyed on the part of Her Majesty's Government any sanction or encouragement to the project, nor are they now inclined to view it with favour," is too decisive to permit the expectation of any present change in their Lordships' views from further discussion of the question on its merits. Under this conviction the committee would have considered it their duty to have abstained from again troubling their Lordships on the subject, had it not appeared to them indispensable to their own character, and to the consequent maintenance of any claim to the future attention of their Lordships, that they should notice some portions of the letter of the North American Colonial Association, lest their silence should be taken as implying acquiescence in the imputations involved therein.

The committee regret the tone of personality which pervades a considerable portion of the letter of the North American Colonial Association, who, treating the question as one entirely affecting ship-building, connects its introduction by references too clear to be misunderstood, with the fact of the gentleman whose signature the letter of May last bore, as chairman of this committee, being himself a London ship-builder. Their Lordships will at once perceive how erroneous is this inference, by the annexed extract from the report of the committee presented to the annual general meeting of the subscribers to the Shipowners' Society, on the 12th of July 1843, which report was signed by Anty Ridley, Esq., who then held the office of chairman, and who never had the slightest connexion whatever with ship-building, either at London or elsewhere.

A copy of this report was at that time sent to the committee of the North American Colonial Association, and during the succeeding 12 months not the slightest intimation of dissent from the suggestion was received, either from that committee, or from any other of the numerous individuals and public bodies to whom it was transmitted; and on this point I can confidently assure their Lordships that the question has long been regarded with the liveliest interest by intelligent shipowners, far more than by ship-builders, as one deeply affecting the prosperity of the British shipping interest.

But there is another point on which the committee regard it as still more essential that they should stand clear in their Lordships' estimation. The importance of the functions exercised by Lloyd's Registry Committee can scarcely be overrated. It is perfectly true that, by the regulations of that institution, one-half of the committee by whom the rules are enacted are elected by the committee of the General Shipowners' Society, and undoubtedly, if it were possible that, in

their selection, that committee could be influenced by any other consideration than a desire to appoint individuals the most competent to the discharge of their duties, and the most likely to exercise their authority with firmness and impartiality, it would be difficult to conceive a power more objectionable and open to abuse. Their characters as individuals, no less than their duty towards the public, who have a deep and direct interest in the impartial discharge of the functions delegated to them, equally require that such an imputation should not pass unnoticed. They trust your Lordships will accept as sufficient reply their solemn and emphatic disavowal, which on their part I am instructed to offer; and though the proof of a negative is difficult, they may advert to a fact in corroboration of their denial, which they think must carry some weight, even in the estimation of the committee of the North American Colonial Association.

A gentleman, who is well known as having long been one of the most active and influential members of that committee, has, since the year 1839, been regularly returned by the Shipowners' Committee as a member of Lloyd's Registry Committee, at which he is a constant and valuable attendant. The committee are satisfied that, had the slightest foundation existed for the suspicion suggested in the letter in question, the strongest representations from that gentleman, at least, would long ago have been pressed on their attention.

A consciousness of the impropriety of occupying their Lordships' time, by renewing a discussion when all expectation of practical result has been abandoned, restricts the committee to this vindication of the integrity of their motives and acts, or they would gladly follow the letter transmitted to them into its several details, the whole of which they believe they could satisfactorily answer; but it would be unbecoming to pursue the subject for the mere purpose of argument, and they will content themselves, therefore, with simply drawing their Lordships' attention to the striking absence of all fairness of reasoning exhibited in the letter of the committee of the North American Colonial Association. The suggestion of this committee was based on the position that a broad and obvious line of distinction is drawn in reason, and actually exists in law, between the importation of colonial productions into Great Britain and the free interchange of productions between the various parts of the mother country; but the reply of the North American Colonial Association, leaving wholly untouched the reasoning by which that position was supported, gratuitously and without argument, in a document intended as a refutation, assumes that the intercourse between the colonies and Great Britain is identically the same in principle as that between London and Sunderland, and on this utterly untenable foundation builds its whole superstructure of alleged inconsistency, injury and injustice.

In conclusion, supposing that it may be from the interposition of political difficulties, which it would not become this committee to discuss, rather than from any persuasion, that the measure, if practicable, would be opposed either to justice or policy, that their Lordships have refused to give encouragement to the proposition submitted for their consideration, I am requested to express the hope of the committee that their Lordships will regard the reasonings in the letter of the North American Colonial Association as now unanswered only from deference to their Lordships' declared opinion.

J. MacGregor, Esq.,
&c. &c. &c.

I am, &c.
(signed) *Joseph B. Chapman,*
Chairman of the Committee.

EXTRACT from the REPORT of the Committee of the GENERAL SHIPOWNERS' SOCIETY, presented to the Annual General Meeting of Subscribers on the 12th July 1843.

AFTER tracing the over-production of ships as one of the most prominent causes of the disastrous depression which then prevailed, the report proceeds—

“ Yet although the shipowners are the victims of the over-production, it cannot without injustice be charged on them as the exclusive result of their own imprudence. A small proportion only of the ships built in the British Plantations are constructed by order of shipowners for the purpose of employment by them: the great mass of tonnage annually sent home from our British North American Colonies being built without reference to the wants of the shipping market, but loaded with timber, are consigned, with their cargoes, as an investment for sale in this country.

“ These ships are constructed with great rapidity, from timber produced on the spot, and of small value, and, having the advantage of an immediate freight to this country, can be sold on their arrival at a rate defying the competition of British-built ships.

“ Any sudden influx, therefore, of tonnage of this description cannot fail to derange all the calculations of the prudent shipowner, reducing the value of his property, and lowering freights to a ruinous standard, by a competition which he is unable to sustain; and of this tonnage it accordingly appears that no small proportion of the excess is found to consist. In the three years 1829 to 1831 inclusive, the colonial tonnage registered amounted to 100,055.

“ In the three years from 1839 to 1841 inclusive it had reached 385,178, being 47,000 tons more than would have sufficed to replace all the losses of British shipping within that period. Under the pressure of such a supply, the shipping market must at any time have been glutted. Occurring coincidentally with universal commercial depression and with legislative changes, it cannot be matter of surprise that the effect has been disastrous; and, unhappily, from such a source of difficulty, the revival can only be gradual, and the perfect restoration must be distant.

“ It may not be undeserving consideration, before dismissing the subject, and your committee, with a view to such consideration, advisedly suggest it, whether a moderate tax ought not, in fairness to the interests of the United Kingdom, to be enforced on the admission of colonial-built ships to British registry.

“ That the colonies should be treated as an integral part of the British Empire, and that their maintenance and encouragement ought to be one of the first objects of a British statesman, are principles which your committee are prepared inflexibly to maintain; but that all parts of the Empire should be placed on a footing of real equality, and any exemptions from burden enjoyed by one portion be equally met by countervailing weight for the protection of the remainder, appears equally consistent with justice and policy.”

Signed by *Anti^o Ridley, Esq.*,
Chairman of the Committee.
