

PROCEEDINGS 2
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AT THE

SECOND ANNUAL MEETING

OF THE

DOMINION BOARD OF TRADE

HELD AT OTTAWA,

ON 17th, 18th, 19th & 20th JANUARY, 1872.

MONTREAL:

GAZETTE PRINTING HOUSE, NEARLY OPPOSITE THE POST OFFICE.

1872.

OFFICE-BEARERS DOMINION BOARD OF TRADE.

President :

WM. MCGIVERIN, Esq., HAMILTON.

Vice-President :

HENRY FRY, Esq., QUEBEC.

Executive Council :

THOMAS RIMMER, Esq., MONTREAL.
C. H. FAIRWEATHER, Esq., ST. JOHN, N. B.
W. H. HOWLAND, Esq., TORONTO.
JOHN CARRUTHERS, Esq., KINGSTON.
C. P. SMITH, Esq., LONDON.
HON. JAS. SKEAD, OTTAWA.
JAMES WATSON, Esq., HAMILTON.
L. E. MORIN, Esq., MONTREAL.

Treasurer :

C. H. GOULD, Esq., MONTREAL,

Secretary :

WM. J. PATTERSON, MONTREAL.

PREFATORY NOTE.

It will be observed that, in preparing the following pages for the Press, I have adopted a different plan from that adhered to in the First Annual Report. The special Papers are given *in loco*, instead of forming an Appendix,—thus preserving continuity in the proceedings.

It need only be remarked further, that I have been indebted for the lucid reports of discussions to Mr. G. B. Bradley, Stenographer, of this city.

WM. J. PATTERSON,

Secretary Dominion Board of Trade.

MONTREAL, 15th February, 1872.

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PROCEEDINGS, &c.

PARLIAMENT BUILDINGS,

OTTAWA, Wednesday, *17th January*, 1872.

The Representatives of the Dominion Board of Trade met informally at 12 o'clock (noon).

Hon. JOHN YOUNG, President, stated that although a considerable number of members had arrived, he had received telegrams to the effect that several gentlemen from Ontario would be here very soon; he suggested, therefore, that those present should hand their credentials to the Secretary, to enable him to proceed in making up the roll,—and that an adjournment would take place until 2 o'clock, P.M.,—then to proceed to the business of the Annual Meeting.

AFTERNOON SESSION.

WEDNESDAY, *17th January*, 2 o'clock, P.M.

Honorable JOHN YOUNG, President of the Board, took the chair; and, after calling the meeting to order, remarked that although not more than a single year had elapsed since the Board was organized, it was a matter for congratulation to note the influence it had already exercised in directing public attention to the trade and commerce of the Dominion. He was convinced that if the Board continued to act in the same spirit as it had done in the past, avoiding all sectionalism, and all matters that had not for their object the general good, the seed thus sown would bear ample fruit. He was certain, from the attention that had been drawn to this Board on the important subject of Trade and Commerce, that the mercantile men of this Dominion had only intelligently and firmly to express their opinion on all public questions of the day, to make their

voice heard in the legislative councils, as well as throughout the country. He had much pleasure in informing the Board, that there was in attendance a gentleman representing the National Board of Trade of the United States,—Mr. George S. Hazard, of Buffalo. He welcomed him in the name of the Dominion Board, and asked him to accept similar privileges to those granted to members of this Board during their visit to the National Board at St. Louis.

Mr. Hazard was then escorted by two of the members to a seat on the left of the President.

Mr. HAZARD, before taking his seat, acknowledged the compliment paid to him, observing that he attended as a looker-on, simply desirous to learn what he could regarding Canadian Commerce, and he hoped to benefit by his visit.

On the request of the PRESIDENT, the SECRETARY read the following

REPORT OF THE EXECUTIVE COUNCIL.

At the close of their term of office, the Executive Council have much pleasure in laying before the Second Annual Meeting, a brief summary of proceedings since the meetings held here in January, 1871.

Immediately after the adjournment, copies of all the resolutions and recommendations adopted, were transmitted to each of the constituent organizations,—and without delay the instructions of the Board were complied with, in that all the Petitions, Memorials, and Resolutions ordered to be presented to His Excellency the Governor-General in Council, and to Parliament, were duly transmitted, and acknowledgements thereof received.

At the earliest possible moment, also, the Secretary of the Board published a full report of the proceedings at the various sessions, extending, it will be remembered, over three days,—and copies in sufficient numbers were dispatched to each Board or Chamber represented on the occasion, to admit of one being given to each member of the respective organizations. The report was so full,—on the whole, so accurate,—and so well circulated, not only in Canada, but in Great Britain and the United States,—that recapitulation now is quite unnecessary; the Committee need, therefore, but express the hope that the document will be preserved by members as, to all intents and purposes, (in addition to the Secretary's Minutes) the official records of the Board.

It would not become the Executive Council, to hazard a statement regarding the influence of the proceedings and discussions upon the Government or Parliament of the Dominion, in reference to commercial legislation. It is believed, however, that the Petitions presented to Parliament relative to the abolition of duties upon Flour, Grain, Coal and Salt, did carry some weight,—at any rate, the duties which had been imposed upon these staple articles in the Spring of 1870, as a part of the revenue policy of the Dominion Government, were repealed in a month after Parliament assembled,—that is, about the middle of March last, the repeal taking effect on the 1st April. Government apparently listened to the representations of the Board relative to the excise duty upon Petroleum; and, not to enumerate needlessly, the Minister of Customs promptly responded to the representations of the Executive Council, relative to issuing *Monthly Returns of Imports and Exports of the Dominion*, by directing them to be published in the *Official-Gazette*. Hon. Mr. Tilley's response to their communication was dated 13th

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March, 1871; very soon thereafter the publication of the information was commenced, and it has been since continued at stated intervals.

It will be recollected, that during the closing proceedings of the First Annual Meeting, a resolution was unanimously adopted as follows:—"That the Executive Council be instructed to attend to any question of Reciprocal Trade that may come under consideration." In May last, the Executive Council received a communication from the Council of the U. S. National Board of Trade, requesting a conference at Boston on the subject of International Commercial Relations. The Executive Council of this Board, after consideration, agreed to meet the gentlemen of the U. S. National Board as they requested; but circumstances prevented the carrying out of that intention. On special invitation, however, Messrs. H. McLennan, Ira Gould, and your Secretary, informally and unofficially, met the U. S. National Council, at Boston, on the 21st and 22nd of June last. The intercourse and interchange of views on commercial relations on that occasion, made a favorable impression upon those who went there; and under date 28th June, the Executive Council of the U. S. National Board transmitted a communication, enclosing the following Minute and Resolutions:

MINUTE.

The Executive Council of the National Board of Trade held a session in the City of Boston on the 21st, 22nd, and 23rd of June, 1871.

The chief purpose of the Session was to meet in conference the Executive Council of the Dominion Board of Trade, who had been invited to be present, and who had accepted the invitation. Circumstances prevented the latter Council from fulfilling the appointment which it had made; but a delegation appeared in behalf of the Dominion Board, consisting of Messrs. Hugh McLennan, Ira Gould, and Wm. J. Patterson, of Montreal. Mr. R. G. Haliburton, of Halifax, being in the city was invited to attend with the other gentlemen from the Dominion.

A free and informal, but very full and friendly interchange of views, took place between the Canadian and American gentlemen respectively, in reference to the commercial relations of the two countries represented, in the past and in the present; and there was no difference of opinion among them, as to the desirableness of making these relations for the time to come, as intimate as may be found to be consistent with the best general interests of both. No attempt was made to define precisely the basis upon which it is desirable to negotiate for an increased international trade; but the conviction prevailed in the minds of all present, that the initiative for negotiations, should be taken by the business men of Canada and the United States, in conference with each other, and that the two National Commercial Associations may, by joint effort, do much to bring about the best result.

As the result of what was said, the following resolutions were adopted by the Executive Council of the American Board.

Resolved.—"That the relations that should exist between the United States and the Dominion of Canada, for trade, and for the common use of the natural and artificial highways of the two countries, be placed on the programme for the next Annual Meeting."

Resolved.—"That a Committee be appointed to correspond with the Dominion Board of Trade, with a view to the collection of such information as will tend to a proper understanding of all the questions involved in these relations." (The committee appointed under this Resolution consists of the following gentlemen:—Messrs. Avery Plumer, Boston, Mass.; George S. Hazard, Buffalo, N. Y.; Edward D. Holton, Milwaukee, Wis.; Thomas Walton, Cleveland, O.; Charles Randolph, Chicago, Ill.; W. M. McPherson, St. Louis, Mo.; William L. Trenholm, Charleston, S. C.)

Resolved.—"That the Dominion Board of Trade, be invited to appoint a Committee to correspond and confer with the said Committee, and to send a delegation to be present at the Annual Meeting, so that the opinions of the commercial men of the Dominion may, in addition to the information obtained by the Committee, be also officially presented."

In view of the very important interests involved, the President called a Special Meeting of Council, to be held at Kingston, Ont., on the 19th July, for the purpose of considering the communication; and, after much deliberation, the subjoined resolutions

were unanimously adopted on 20th inst., the meeting having been continued until that day:—

Resolved.—"That it is highly desirable that the action taken by the National Board of Trade of the United States, in appointing a Committee for conference with this Board, should be reciprocated, and cordially responded to."

Resolved.—"That Messrs. C. H. Fairweather, St. John, N. B.; Hon. John Young, Montreal, Q.; Hugh McLennan Montreal, Q.; W. H. Howland, Toronto, Ont.; James Watson, Hamilton, Ont.; John Carruthers, Kingston, Ont., ——— Halifax, N. S.; be a Committee to confer with the National Board of Trade of the United States, with power to add to their number, or to appoint alternates in the event of any of the said Committee not being able to attend."

Resolved.—"That the invitation of the National Board of Trade, for a delegation to be present at the Annual Meeting in St. Louis, to be accepted, and that an invitation be extended to the National Board of Trade, to be represented at the Annual Meeting of the Dominion Board of Trade, in Ottawa, on the 17th day of January next."

This action was communicated to the President and Secretary of the U. S. National Board, and an official Circular (No 8) transmitted to each of the constituent bodies of the Dominion Board, from which the following is an extract:—

"In transmitting the foregoing particulars for the information of your Board, I am to remark that any future action of importance will be brought to your notice,—and, in the meantime, to request that you will, on an early occasion, lay this Circular specially before your Council, that they may have opportunity for considering, in its various bearings, the very important question of more extended commercial intercourse between the United States and the Dominion of Canada. In this way, should any suggested details be hereafter submitted for the consideration of our constituent organizations, the views of your Board can have full expression, and due weight with the Committees.

"You are also requested to inform your Board, that those who had the pleasure of the informal conference at Boston, above alluded to, feel perfectly assured that the merchants of the United States, are approaching the subject of enlarged commercial relations with a frankness, cordiality and earnestness, which cannot fail to command our respectful consideration and co-operation, and which augur well for a comprehensive and equitable enlargement of trade relations. If, fortunately, it shall be possible for the mercantile and trading classes of the two countries, as represented by their National Boards of Trade, to concur with reference to a mutually advantageous basis for future intercourse, it is surely reasonable to suppose that that harmony of opinion may effectually influence the commercial legislation of both countries."

Some time elapsed before a place could be decided on for the conference that had, according to the foregoing resolutions, been determined upon; it was at length suggested by the U. S. Executive Council, that Chicago be the place of meeting, and the time, the 25th day of October. The terrible conflagration which occurred in that city, on the 9th, 10th, and 11th, days of that month, compelled a postponement; and in deference to the wishes of the U. S. Executive Council, your Council agreed to meet them at St. Louis, Mo., on the 6th of December, that being the occasion of their annual meeting.

At the time appointed, the Dominion Board was represented in St. Louis, by Messrs. C. H. Fairweather, (St. John, N. B.), James Watson, (Hamilton, Ont.), W. H. Howland, (Toronto, Ont.), John Carruthers, (Kingston, Ont.), John McLennan, Thos. Rimmer, and Hon. John Young, (Montreal Q.,) with the Secretary, (Mr. Patterson.)

The result of the meeting of the National Board of Trade of the United States, was a resolution to Memorialise Congress to appoint a Commission to act with Commissioners from Canada, to negotiate a basis of a new Commercial Treaty—for furthering the commercial relations with the Dominion—and suggesting that a treaty based on a free exchange of natural products, manufactures, the admission of Dominion built ships to American registry, with a free coasting trade, and the improvement to the greatest extent of the Canadian Canals, would be measures highly beneficial to both peoples. Your

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delegates, however desirous of seeing the old Reciprocity Treaty again in force, were not willing to admit the possibility of carrying out a free trade policy between the United States and the Dominion in manufactures, under the present high tariff of the former.

The following are the Resolutions which were adopted by the National Board of the United States at St. Louis :—

“*Resolved.*—That the Executive Council be directed to memorialize Congress to provide by law for the appointment of a Commission to meet Commissioners from the Dominion of Canada, (should the Dominion Government appoint a like Commission,) to negotiate a basis of a treaty between Great Britain and the United States, for commercial relations with the Dominion of Canada, upon the following or some other broad and comprehensive principles.

“1st. The introduction of all manufactures and products of the United States into the Dominion of Canada free of import duty, and the like concession by the United States to the manufactures and products of the Dominion.

“2nd. Uniform laws to be passed by both countries for the imposition of duties on imports, and for internal taxation, the sums collected from these sources to be placed in a common treasury, and to be divided between the two Governments by a *per capita* or some other equally fair ratio.

“3rd. The admission of Dominion built ships and vessels to American registry, enrolment and license, and to all the privileges of coasting and foreign trade.

“4th. The Dominion to enlarge its canals and improve the navigation of the St. Lawrence, and to aid in the building of any great lines of international railroad, and to place the citizens of the United States in the same position as to the use of such works, as is enjoyed by the citizens of the Dominion,—the United States and the several States giving the citizens of the Dominion the same rights and privileges over works of the same character in the United States.”

The Executive Council have entertained a hope which they think may be realized,—that there will be a greater extent of country represented at the present meeting, than was the case in January last. Although the First Annual Meeting was well attended, and thirteen Boards and Chambers in New Brunswick, Ontario and Quebec, were ably represented by thirty-seven representatives, it was expected that Nova Scotia would have been also in Council; but a representative from Pictou, N. S., was unexpectedly delayed while journeying hither. It is matter for regret, that that easternmost Province has not been heard from, thus far,—for the Executive Council are not without hope, that some communication (if not a representative) may come from the Sister Province of British Columbia in the farthest West,* your Secretary having some time ago directed the attention of a gentleman from Victoria to the design of this Board, and sent thither a number of copies of the first Annual Report. If so extensive a representation is not achieved at the present meeting, let all look forward to its accomplishment at no distant day.

On examining the Official Programme, it will be seen that the notices given by different Boards, considerably outnumber those submitted at the First Annual Meeting, while the importance of the subjects cannot fail to attract attention. Most of the topics are of great interest to the whole Dominion, and calculated to evoke discussion in a patriotic spirit. Several notices of subjects came to hand too late to be inserted in the Supplementary List, and had to be noticed in a more informal way, in a subsequent Circular (No. 11) issued under date 5th inst. Even later than that, a communication was received from a Board recently formed at St. Hyacinthe, Q., containing further notices,—which, though not printed, may yet be considered in connection with some of those already given. Of course the subjects to come before the Board (numbering 39) do not

* Henry Nathan, junr., Esq., M. P., of Victoria, British Columbia, arrived in Ottawa so shortly before the close of the meetings, that he had not an opportunity to present his credentials and take part in the proceedings.

involve a separate discussion for each; they will be submitted from the chair in a classified form, so as to save time, and yet admit of the different topics being fully discussed.

The Council have given their earnest attention to the vast importance to the Dominion, of making the river St. Lawrence as perfect as possible, from the upper lakes to the point where the ocean ship can be met. That river is obviously the most essential element of our power, and on the use we make of the natural advantages it affords will mainly depend our future position as a commercial country; for the St. Lawrence is the natural outlet for the products of the Western States—a country only settled a short time ago, yet now numbering twelve millions of inhabitants—while the immense Western territory of the Dominion is yet uninhabited. Shall we, possessing this great highway to the Ocean, succumb without an effort to our competitors in the race for commercial pre-eminence? The Council are therefore unanimous in opinion, that every effort should be made by their successors in office, to urge on the Board and the Government the absolute necessity of perfecting our Canal system and the St. Lawrence Navigation. The Council are also of opinion that the navigation of the Ottawa river, should be made as perfect, and be completed at as early a date as possible; and they are further of opinion, that the railways of the Dominion should be connected as soon as possible with the Northern Pacific Railway now under construction. That work connects with Duluth, on Lake Superior, and will probably be continued to the Sault St. Marie. From this point through the valley of the Ottawa to Montreal, the distance is 450 miles less than to any ocean port on the Atlantic, and the advantage to the commerce of the Dominion, by its connection with Montreal and Quebec, deserves the attention of the Government, and every effort should be made to secure it without delay.

The Executive Council have received a Financial Statement from C. H. Gould, Esq., the Treasurer, which shows that he has a balance of cash in Bank amounting to \$58.27. His disbursements have all been made in accordance with warrants signed by the President and Secretary. It must be stated, however, that there are claims against the Board, amounting to about \$480, including the Secretary's salary for two quarters;—it should also be remembered that while the Treasurer only received the income of a single year, he had the expenditure of fifteen months to provide for, including some extraordinary outlay incident to the organization of the Board. Taking the past twelve months as a basis for calculation, the Executive Council are of opinion that the *per capita* assessment adopted last year may *perhaps* yield revenue enough for the present one. It should be stated that the amount (75c. for each member of the constituent organizations,) was recommended without any very adequate idea of the necessities that might arise; with a year's experience, however, the Executive Council believe that an addition of 25c. *per capita* to the rate, may be necessary to enable the gentlemen whom you will immediately appoint in their stead, to carry forward the work so satisfactorily begun. The Treasurer's statement shows that the responsibility of providing funds mainly rests upon a few of the constituent organizations; and if the Representatives from these places shall not deem the suggested increase too onerous, the retiring Council hope the amendment will be definitely proposed and adopted.

[Signed,] JOHN YOUNG,
President.

OTTAWA, 17th January, 1872.

The SECRETARY also submitted the Treasurer's Report.

On motion of Mr. A. JOSEPH (Quebec), seconded by Mr. W. H. HOWLAND, (Toronto,) the reports were received and adopted.

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The SECRETARY read a list of the Boards, and their representatives, from whom credentials had been received, indicating 13 Boards to be represented by 37 Delegates,—the aggregate number of members so represented being 1409.

(One Delegate from Belleville, and three from St. John, N.B., presented their credentials at a subsequent session; the whole number of organizations, therefore, was 15; of delegates 41; and aggregate number of members represented, 1578.)

LIST OF BOARDS AND DELEGATES.

PLACE.	BOARD OR CHAMBER.	No. OF MEMBERS.	NAMES OF DELEGATES.
Belleville, Ont...	Board of Trade.....	19	Hon. Robert Read.
Brantford, Ont...	" ".....	45	{ A. Watts. W. J. Imlach.
Hamilton, Ont...	" ".....	70	{ W. McGiverin. James Watson.
London, Ont.....	" ".....	70	{ Thomas Thompson. Thomas Churcher.* Hon. John Young. Hugh McLennan.
Montreal, Que....	" ".....	260	{ Thomas Rimmer. John Ogilvy. J. R. Thibaudeau. M. P. Ryan, M.P. Gilbert Scott.
Montreal, Que....	Corn Exchange Association.	294	{ James McDougall. L. E. Morin. James Aikin.* Hon. James Skead.
Ottawa, Ont.....	Board of Trade.....	150	{ Hon. Malcolm Cameron. Ed. McGillivray. G. H. Perry.
Petrolia, Ont.....	" ".....	42	{ Edwin D. Kirby. John MacMillan.
Quebec, Que.....	" ".....	111	{ P. Garneau. Henry Fry. A. Joseph.
St. Hyacinthe, Que.	" ".....	92	{ G. Cheval. H. J. Doherty. C. Langelier.
St. Johns, Que....	" ".....	59	{ F. G. Marchand.* E. R. Smith.
St. John, N.B....	" ".....	150	{ Samuel D. Berton. Matthew Lindsay. Richard S. DeVeber.
Sarnia, Ont.....	" ".....	40	{ H. F. Howell. James King.
Stratford, Ont....	" ".....	16	{ P. R. Jarvis. W. H. Howland.
Toronto, Ont....	" ".....	160	{ John Morison. Robert Spratt. Robert Wilkes.

* The gentlemen to whose names an asterisk (*) is affixed, were unavoidably absent.

The PRESIDENT stated that the first business now in order, was the election of Office-bearers, and requested the Hon. JAMES SKEAD to take the chair *pro tem*.

Mr. JOHN OGILVY (Montreal), and Mr. JAMES WATSON (Hamilton), were, on motion, appointed Scrutineers.

The various ballots having been taken, the Scrutineers reported the result to be as follows :

President :

WM. MCGIVERIN, Esq., Hamilton.

Vice-President :

HENRY FRY, Esq., Quebec.

Executive Council :

THOMAS RIMMER, Esq., Montreal.
 C. H. FAIRWEATHER, Esq., St. John, N. B.
 W. H. HOWLAND, Esq., Toronto.
 JOHN CARRUTHERS, Esq., Kingston.
 CHAS. P. SMITH, Esq., London.
 Hon. JAMES SKEAD, Ottawa.
 JAMES WATSON, Esq., Hamilton.
 L. E. MORIN, Esq., Montreal.

The PRESIDENT, on being conducted to the chair, addressed the Board briefly,—thanking the representatives for the high honor they had conferred upon him, soliciting their forbearance and consideration, while he endeavored impartially to guide their deliberations, and assuring them that no effort would be wanting now, or during his term of office, to give effect to their decisions. The programme of business which had been put into his hand, contained a large number of notices on a great variety of subjects, and he thought it would be expedient that the Board adjourn early,—to meet again in the evening,—for the purpose of allowing the newly-elected Office-bearers and Executive Council, to confer as to the best plan for bringing up the subjects for discussion systematically.

On motion of Mr. A. JOSEPH (Quebec), seconded by Mr. M. P. RYAN, M.P., (Montreal), the meeting was adjourned until 7 o'clock, P.M.

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EVENING SESSION.

WEDNESDAY, 17th January, 7 o'clock, P.M.

The PRESIDENT took the chair, and called the meeting to order. After calling the roll, the Secretary read the following communication from the Privy Council of the Dominion :

PRIVY COUNCIL OFFICE,
OTTAWA, 16th January, 1872.

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

SIR :

I am requested to transmit to you for distribution among the local Boards of Trade, the accompanying copies of the circular despatch from the Earl of Kimberley of 10th November, 1871, covering a despatch from the Governor-General of India in Council, inviting direct correspondence on matters connected with Agriculture, Commerce, Improved Machinery, &c., between the several Agricultural Societies and Institutions in the British Colonies and the Government of India.

I remain, Sir,

Your obedient servant,

(Signed)

W. A. HINSWORTH,
Asst. Clerk,
Privy Council.

[CIRCULAR.]

DOWNING STREET, 10th November, 1871.

SIR :

I have received from the Duke of Argyll a copy of a Despatch from the Governor-General of India in Council, and a copy of a Circular which His Grace, in pursuance of the request contained in that Despatch, has addressed to the Chambers of Commerce and other authorized institutions of that nature in the United Kingdom, inviting direct correspondence with the Government of India on matters connected with Agriculture, Commerce, Improved Machinery, and the like.

I transmit to you printed copies of those documents, and have to request you to give them such publicity as will be most likely to secure the desired interchange of communications between the several Commercial and Agricultural Societies and Institutions in the Colony under your Government and the Government of India.

I have the honor to be,

Sir,

Your most obedient humble Servant,

KIMBERLEY.

The Officer Administering the Government of

DEPARTMENT OF REVENUE, AGRICULTURE, AND COMMERCE.
[AGRICULTURE AND HORTICULTURE.]

*The Governor-General of India in Council to Her Majesty's
Secretary of State for India, Simla, August 24th, 1871, No. 7.*

[EXTRACT.]

Our attention has been called to the importance of obtaining for the use of the Department of Revenue, Agriculture, and Commerce, and for general information, early copies of all papers, (reports, circulars, and the like) issued by the Liverpool and other important Chambers of Commerce, and by leading English firms, relating to staples

such as cotton, jute, rice, indigo, silk, and others, which form important articles of commerce between India and Great Britain.

2. We shall feel much obliged if, to prevent the delay inseparable from the passage of such papers through the several official channels, your Grace could arrange for their prompt transmission by the publishers direct to the address of our Secretary in the Department of Revenue, Agriculture, and Commerce, Calcutta.

3. We should be happy to reciprocate by furnishing any information in our power, by supplying copies of such printed papers as might be desired in regard to the state of our crops and the position of our trade.

4. It is specially a matter of importance to us to obtain the earliest possible information as to the state and prospects of the American cotton crop. Agricultural conditions in many parts of the United States are very similar to those that obtain throughout the vast tracts of India. Many improvements in cultivation and very many of the mechanical contrivances for facilitating agricultural operations, that have been found beneficial and remunerative in America, would prove, we believe, scarcely less applicable to many parts of this country. We would, therefore, request the favor of your Grace's arranging, if possible, for the direct transmission to us of all periodical reports on the cotton crop, the progress of agriculture generally, and the development of all agricultural appliances, issued by the American Bureau of Agriculture, whom we would in turn supply with any papers they might indicate relating to our cotton crop and the progress of agriculture here.

5. Through the public newspapers and through private channels, we often hear of American inventions which, *prima facie*, appear likely to be useful here, and in regard to which we desire further information. There are also many matters of detail connected with the trade and Agriculture of America, the Colonies, and other countries, in regard to which more precise information than we can at present obtain is often very desirable, and at times is urgently required.

To the President of the————

1871.

SIR:

I am directed by His Grace the Secretary of State for India to transmit to you the accompanying extract of a Despatch which has recently been received from His Excellency the Governor-General of India in Council, requesting that His Grace will assist him in establishing direct communication between the Government of India and the several Commercial and Agricultural Societies and Institutions in the United Kingdom, on subjects connected with Agriculture and Commerce.

The Duke of Argyll has assented to this request of the Governor-General, and I am to request you to move the

to assist His Grace in complying with the wish of His Lordship in Council, by forwarding direct to the Government of India such papers and information as may be published by the Association over which you preside, so soon as they are issued, and also by directing the attention of the Government of India to such points as you may deem it useful for them to be acquainted with.

All communications should be addressed to the Secretary to the Government of India in the Department of Revenue, Agriculture, and Commerce, Calcutta.

A suitable reply was ordered to be returned to the foregoing communication by the Secretary.

The PRESIDENT stated that the Executive Council had recommended the appointment of Committees, as follows:

FINANCE—Messrs. McLennan, Wilkes, Thompson, Joseph, and Doherty.

BY-LAWS—Messrs. Spratt, Ryan, McGillivray, Smith, Imlach, and Howell.

The PRESIDENT mentioned that immediately after the adjournment in the afternoon, the Executive Council met, and having re-appointed C. H. GOULD, Esq., to be Treasurer, and WM. J. PATTERSON, to be Secretary, proceeded to determine the arrangement of business for consideration by the

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Board. Over fifty separate notices on the programme and otherwise were submitted to them, and they had resolved to recommend that instead of considering them in detail, they should be classified in groups, and thus greatly economise time.

On motion, the recommendation of the Executive Council, respecting the order of business, was adopted.

The PRESIDENT then announced the first order to be, the subjects of INTERNAL NAVIGATION, CANALS, RIVER AND HARBOR IMPROVEMENTS, &C.

Hon. JOHN YOUNG (Montreal), moved, seconded by Mr. M. P. RYAN, M.P. (Montreal):

"That as the cost of freight by the Ocean ship depends in some degree on the size of the vessel, and as it is important that vessels and steamers of the largest tonnage trading to the St. Lawrence, should be able to ascend the river to that point where the canal and lake vessel or propeller can be met, without breaking bulk, at all stages of water,—it is the opinion of the Dominion Board of Trade, that the channel of navigation between Quebec and Montreal, which is now one of the public works of the Province, should be deepened from its present depth of 20 feet, to 24 feet at the lowest water; and that a Memorial be addressed to the Government, urging that this work should immediately be proceeded with in the interests of the Dominion."

The improvement of the Channel of the St. Lawrence, Hon. Mr. Young said, had frequently been spoken of as a local work, whilst on the other hand it had been contended that it was a great public work. He would briefly give its history. From 1832 to 1843 the subject of deepening the River St. Lawrence between Quebec and Montreal occupied the attention of the mercantile community of the latter city. The Government took up the question in 1844, and a sum was granted by the Provincial Parliament for the purpose of deepening the river. Government commenced the work, and after expending \$400,000 on what was afterwards concluded to be the wrong channel, and which was proved to be so by engineers, the work was abandoned. The subject was then brought before the Government by the Montreal Board of Trade, and in 1846 a Commission was appointed, and the Board of Trade was asked to join that Commission. A report was prepared; but in the same year the work was again abandoned.

In 1850 the Harbor Commissioners, of whom he was then a member, agreed to carry forward the work, the plans prepared for its improvement being obtained from Government. The work was proceeded with, and two years from that time the channel was deepened from 11 to 16½ ft. by which the ship "California" was enabled to pass through from Montreal to Quebec. Operations were continued, until in 1859 a channel was obtained with a depth of 18 ft. of water. At that time it became evident that the channel might be deepened to 20 feet. The Harbor Commissioners accordingly laid the whole subject before Parliament; and in a document submitted, it was shown that the effect of employing large ships in the carrying trade, and bringing them as far inland as possible, was to materially reduce the rate of freights. A saving of 25 cents per barrel on flour was effected, which on two million barrels shewed a gain of \$500,000 during five years. It was also demonstrated that the effect was even more marked on inward freight. Vessels of 500 tons burthen had frequently to discharge

more than one-half of their cargoes, and the lighterage incurred a greater cost than the whole freight from England.

The people of Montreal submitted these facts to Government. The construction of a twenty feet channel was a more extensive work than the work of 1858. It was, however, executed, Government taking up the sum of \$210,000 in debentures issued by the Harbor Commissioners to provide funds for completing the undertaking;—\$300,000 was paid out of the harbor revenues, whilst only \$210,000 was given by Government. The Harbor Commissioners had no interest whatever in those debentures; they confined their operations entirely within the Harbor of Montreal. But the deepening of Lake St. Peter was a public work. Lower Canada was not so much interested in the deepening of the channel as Upper Canada, which had large exports and imports, and derived benefit from any saving effected in transportation. During several years the tendency of ship-building was in the direction of vessels of greater size, and gradually their tonnage had been increasing. We had a race to run with the City of New York for the carrying trade of the great West. Ships of 5,000 tons were now entering New York harbor, and vessels of similar tonnage would doubtless come to the St. Lawrence.

Recently the "Sarmatian," a steamship of 3,900 tons, came to Quebec, but could not come up to Montreal, and was compelled to discharge her cargo into lighters at great expense. As already remarked, it was very important that ships coming to the St. Lawrence from sea, should be brought as far inland as possible,—indeed as far as Montreal,—because that city was the terminus of the Canal navigation of the whole country, and vessels navigating the Canals are necessarily of a different class from those going to sea. It was essential, also, that the sea-going vessels should meet those navigating the Canals without breaking bulk.

Then as to this being a local question;—vessels from Nova Scotia and New Brunswick now came to Montreal in large numbers, and these were precisely the vessels which suffered from our present inadequate arrangements. This work having been assumed, and now standing on the Parliamentary records, as a public work, the people of Montreal have no right to do anything in regard to it; they had not done so for ten years; indeed it was as much a national work as any Canal on the St. Lawrence. What he desired, and what the resolution which he submitted asked for was, that the Government should deepen Lake St. Peter to 24 feet, and thus accommodate the largest possible ships even when the water in the river was lowest. The Montreal Corn Exchange Association and the Board of Trade had passed resolutions urging that this question should be submitted to the Dominion Board.

Mr. W. H. HOWLAND (Toronto). What would be the cost of the work?

Hon. JOHN YOUNG (Montreal). About one million dollars.

Mr. HENRY FRY (Quebec), desired to give the views of the people of Quebec on this subject, and the reasons why they had requested him to oppose the motion. In much that had been said he cordially agreed; and he had had some experience in the shipping trade of the St. Lawrence.

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The question under consideration was one of serious import. He knew not himself what the cost of the proposed work was likely to be, but he was assured by a gentleman who was appointed by the Government, and had signed a report prepared on the subject, that the cost of deepening Lake St. Peter from 20 ft. to 24 ft. would be not less than \$5,000,000. The Board is aware that no less than \$210,000 had been already contributed by Government towards the expense of deepening that Lake to 20 feet, its present depth. When, therefore, the citizens of Montreal approached Government to ask them to spend a further sum of \$5,000,000 for the deepening of Lake St. Peter from 20 ft. to 24 ft., he thought he was justified in stating that they should be prepared to prove two things: first, that this work, when accomplished at such enormous cost, would be effectual to the end proposed; and, second, that the work was really necessary in the interests of the whole Dominion.

Would the work, then, be effectual? The City of Montreal at the present moment had more trade than it could accommodate in its harbor. Half a million dollars worth of property had recently been lost, every dollar of which might have been saved had the Harbor Commissioners of Montreal provided sufficient berth-room for the ships entering the port. One ship, the "Pomona," had waited for berth-room no less than nine days, during the whole of which time no cargo was discharged. Had she and her unfortunate consorts been despatched 48 hours earlier, they would all doubtless have reached Great Britain in safety.

It is perfectly true that there is a law in trade,—the larger the ship the lower the freight. But he remembered Sir Hugh Allan stating in Quebec, twelve or thirteen years ago, that vessels of 1700 tons were quite as large as could be profitably employed in the Montreal trade. The "Sarmatian," a vessel of 3900 tons, had since been built for his firm, and thus it would be seen how rapidly Sir Hugh had found it necessary to change his views. The "Sarmatian" when fully laden and coaled drew 26 feet of water; without her fuel she drew 24 feet; and to take her from Quebec to Montreal with safety there must be at least 25 feet of water in the Lake channel. If vessels of 3900 tons were in our trade in 1871, what would be the size of the vessels coming to the St. Lawrence in 1881, when they had got Lake St. Peter deepened to 24 feet?—for he apprehended that the work of deepening the Lake four feet would occupy at least ten years. The Messrs. Allan are building at the present moment a ship 800 tons larger than the "Sarmatian." When visiting Liverpool he saw two steamships, the "Spain" and the "Egypt," of 5000 tons; and Messrs. Inman had contracted for two ships of 6000 tons. He did not hesitate to say, therefore, that within ten years we would require ships of 10,000 tons to compete with New York, and that steamships of that tonnage would be engaged in the New York trade. When that occurred, where would we be with 24 feet of water in Lake St. Peter? Why, we would be in a worse position than now; ships of 4000 tons cannot be taken up with a 20 feet channel, and ships of over 4000 tons could not be taken up a 24 feet channel.

Then, was this work of deepening the Lake necessary? Firms im-

porting goods, wished, of course, that the rates of freight should be as low as possible; but when freight ranged from 10s. to 12s. 6d. per ton, both by steamers and fast sailing ships, he did not think lower freights could be obtained. The other point remaining to be referred to, was one which would make him appear to speak from a sectional point of view; but there could be no harm in saying that to impose a tax on the City of Quebec, in order to take the trade from her, would certainly be a flagrant act of injustice. He was not now giving expression to his own views, but to those of the merchants and others whom he represented. They said that the ruin of Quebec was the original deepening of Lake St. Peter; that was true,—there was no doubt of it. And they further contended that, having already contributed toward the sum of \$210,000 paid by the Government for the purpose of deepening the Lake, it was too bad to ask that they might be taxed to obtain \$5,000,000 in order that Montreal might take the trade from them. These were the views of the citizens of Quebec, and every one must admit there was a good deal of justice in them. He therefore moved in amendment, seconded by Mr. W. H. Howland:

“That this Board is of opinion that before deepening Lake St. Peter, or constructing any new Canals or other expensive works for improving navigation, it is the duty of the Government to deepen and enlarge the Welland, St. Lawrence, and Ottawa Canals, in accordance with the understanding entered into when the Confederation of the Colonies was accomplished.”

Mr. W. H. HOWLAND (Toronto), said that Montreal was equally interested with Toronto, Ottawa, and other cities in the deepening of the Welland, St. Lawrence and Ottawa Canals. It would be generally admitted, that we should improve, and make thoroughly useful, our existing means of communication; but in recommending to the Government a great many projects useful and valuable in themselves, which Government had not at present sufficient funds to carry out, in addition to other works in progress, and such as were deemed absolutely necessary,—the Board would weaken the force of that recommendation. He regretted there were so many subjects to take up at that meeting, and so many interests to consult. Let the Board, at all events, be practical. Let it not bring forward too many new questions, but say to the Government you have not done what we asked you to do; the Dominion Board of Trade has already recommended the improvement of the present internal communications, and nothing has yet been done.” Let the Board now pass a single recommendation, and state that the Government was not asked to do more than that one thing at present.

As regards the merits of the question introduced by Hon. Mr. Young, he might reply that it was quite useless to deepen Lake St. Peter, until the facilities were increased to enable larger quantities of produce from the West to reach Montreal. What was the use of talking about the great trade of the West when it was found that present facilities were not sufficient for handling ten million bushels of grain, without making merchants suffer loss, and without resulting in such casualties as had lately occurred on the Lower St. Lawrence? The subject really to be considered was, the fact that our trade was too large for existing communications. Let us

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first lay foundations for our future trade. The initial step was to enlarge our Canals as they at present existed, and when that was accomplished, we might consider the deepening of the River St. Lawrence, so that vessels of ten thousand tons could reach Montreal.

Mr. G. H. PERRY (Ottawa), here read the following paper :

THE CANAL POLICY OF THE DOMINION OF CANADA.

Rivers are the natural highways of a country, and it is the duty of the State to remove all obstructions to their profitable navigation

The greatest and most lasting profits derived from commercial intercourse are those accruing from the carrying trade ; therefore the commercial policy of the country should be directed to keeping that trade in the hands of its own people.

The geographical position of Canada, commanding the natural outlets of the great Lakes, renders the duty positive on its people to overcome, by artificial means, the physical obstructions which the peculiar topographical developments of their country oppose to the unimpeded navigation of its great rivers.

Connected as this question is with the developement of the industrial energy and natural resources of the Dominion, it should, as a matter of necessity, be treated as a grave question of State Policy.

The *Canal System* of Canada has become a household word, and its leading principles so frequently discussed as to need no comment. Nevertheless it may be described as a system without harmony of parts, magnitude of conception, or uniformity of design ; and therefore neutralizing to a very considerable extent the purpose for which the system was created. It is sufficient to notice the repeated calls for Canal enlargement in support of the truth of those assertions, and to point to the structures themselves as practical evidences thereof. But inefficient as the system may be, it presents anomalies apart from faults of construction and design, which require careful study.

Putting aside the consideration of the lateral or tributary canals of the system, we find the artificial navigation, connecting the great Lakes and the sea-board, to consist of two grand divisions—that necessary to overcome the Rapids in the River St. Lawrence, between the foot of Lake Ontario and the harbor at Montreal, making a distance of 43 miles of artificial navigation,—and that between the head of Lake Ontario and foot of Lake Erie, overcoming the Niagara Falls and Rapids by a canal of 28 miles.—The whole distance between Montreal and Lake Erie would be 432 miles, of which 71 miles would be canal—the capacity of the governing channel of which would be equal to 350 tons.

On the southern shore of Lake Erie, nearly opposite the points at which the artificial channel of the *Welland Canal* enters it, the *Erie Canal*, connecting the Lakes with the Hudson River by an artificial channel of 360 miles, with a capacity of 210 tons, also taps its waters. Notwithstanding the smallness of channel and the obstruction to the transmission of cargo, the latter takes by far the larger proportion of the traffic of the great Lakes. To show what physical obstructions the traffic of the *Erie Canal* labors under, it will be only necessary to state that between Buffalo, the point where it leaves Lake Erie, and New York, where it is shipped, is a distance of 510 miles. The canal has a lockage of 554 feet, its summit level being the *Oneida Lake*. Taking the rate of navigation by canal as *two miles per hour*, river at *eight miles*, and lockage at one foot per minute ; 180 hours for canal, 18 hours for river, and 11 hours for lockage—total 209 hours, or eight days and seven hours as the time necessary under most favorable circumstances to transmit a cargo from the Lakes to the sea-board.

Apply the same rules to the St. Lawrence and Welland Canals, with a lockage of 634 feet, the time will be: river and lake, 45 hours; canal, 36 hours; lockage, 9 hours—total, 90 hours, or *three* days and *eighteen* hours, making a difference in favor of the St. Lawrence navigation, between the great lakes and sea-board, in the transmission of a cargo, of *five* days. It is not necessary to enter into elaborate calculations showing the immense difference this makes in the capacity for transmitting freight of the two channels, or the fact that the Erie Canal is navigable for 225 days each season, while the St. Lawrence enjoys a navigation of 246 days. The whole combined makes the latter just *four* times the capacity of the former, while the fact remains that the larger has hitherto failed in attracting any proportional share of the traffic seeking the sea-board; and the problem in political economy which the people of Canada have to solve is the means whereby this state of things may be reversed.

The United States Coasting Laws, her fiscal regulations and Protective Tariff, bind the trade of the Western States to the Erie Canal; and as a reversal of that policy, cannot be reckoned on, it remains for the Dominion of Canada to take the necessary measures to secure the portion of it which naturally belongs to its people—the carriage of the grain trade between Great Britain and the Western States.

In this connection it will be requisite to take a wider and more comprehensive view of the part canals play in our political economy. In accordance with the proposition laid down, it is our positive duty to protect, encourage and foster our carrying trade, to keep it exclusively in the hands of our own people, and to guard jealously our commercial independence. Hitherto our canal system has failed in developing those elements of commercial success on which our future status as a nation depends; and as a proof of this the following extract, from a very able article on canal enlargement, by Wm. J. Patterson, Esq., published in the appendix to the Proceedings of the Dominion Board of Trade, in 1871, is conclusive: "In 1857 there were at least as many Canadian vessels of all classes trading between the Upper and Lower Lakes as in 1870, while United States craft during the same period had probably increased *tenfold*." To realize the full value of this it must be recollected that in 1857 our import trade by the St. Lawrence was in its infancy. Our carriers were the people of the United States, whose commercial marine was competing with that of Great Britain for the carrying trade of the world. In 1870 the import trade by the St. Lawrence had increased many times; the commercial marine of the United States had been swept from the seas; Canada had risen to the magnitude of the third naval power in the world, and yet had failed to make any addition to her commercial navy on her internal waters. Such a state of affairs demands serious consideration and prompts the enquiry whether Canada has had a Canal Policy worthy the name? and the question may be answered in the negative; because such a policy necessarily covers the ground occupied by our commercial interests to the exclusion of all outside considerations, and the latter has been the main argument to advance the theories of those who contend that canal enlargement is the sole remedy for the anomalies which attend the development of the internal trade of Canada.

It may at once be admitted that common sense would decide in favor of a uniform canal system, as far as the St. Lawrence and Welland Canals are concerned. The auxiliary canals may be adapted to the capacity of the rivers they render navigable and the trade they are destined to develop, but the proper rule governing all such structures should be the depth of water at the port of concentration.

Having decided on the capacity of the main line, the next question which arises is as to whether, under existing circumstances, the enlarged canals will attract any corresponding proportion of the Western trade?

The answer must be that they will not. In matters of this description we have

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only the experience of the past to guide us in making arrangements for the present and provision for the future. With the advantages pointed out in favor of the Frontier Canals, they have not only failed to accomplish what their projectors and the advocates of their enlargement claim for them, but no evidence exists to prove that they will do better in the future. For *fifteen years* there has been no progress in our Lake marine; and we must accept it as a fact that with every advantage we have failed to attract any portion of trade commensurate with our facilities, or that it has passed into the hands of our neighbors.

In any case a new departure is necessary, and a *Canal Policy* must be inaugurated, which will remedy whatever errors have been already committed, and conserve to the people of Canada the full value of their Lacustrine carrying trade, developing at the same time the industrial resources of the country. While every phase of the Western trade has been carefully weighed and considered, the people of Canada appear to have lost sight of one very material agent in attracting any part of its volume through their canals. A trade furnishing return cargo was a vital necessity of the position, and that trade was not to be found on the frontier.

It has been alleged that the Eastern States consumed the greater proportion of the produce of the Western States. The coasting laws, therefore prohibited Canadian vessels from engaging therein. The surplus has been either shipped to Great Britain or the Maritime Provinces of Canada; but owing to a well established law, that portion which should have sought the St. Lawrence was carried through the Erie in the same manner as the collateral draught of a swift stream will carry with it waters much below its own level. The vessels, therefore, that sought the St. Lawrence had insufficient return cargo and were not profitable. It has been claimed for this Western traffic that it admitted of indefinite expansion; that it would fill all channels constructed to accommodate it. But be this as it may, the people of Canada are already called on to face a new development in the trade of the great Lakes by their acquisition of the North West Territory, and, therefore, existing channels enlarged to their utmost capacity will not be sufficient to accommodate the traffic seeking an outlet to the sea-board. In order to keep the carrying trade of our own North West Territories in the hands of our own people, it has become a matter of necessity to direct public attention to what is in reality the true *Canal Policy of the Dominion*.

The Ottawa River, 319 miles west of its junction with the St. Lawrence, below Montreal, approaches within 127 miles of Lake Huron. Investigation has proved the possibility of connecting it with that Lake by the Mattawan, a tributary of the Ottawa, Lake Nipissing, the lower of two great reservoirs on the water shed, and their effluent the French River. As the main channel of the Ottawa and its connections are obstructed, a series of artificial canals, not exceeding *twenty-one* miles in length, will have to be constructed between Montreal and Lake Huron. The cost has been ascertained as being equal to \$25,000,000. The capacity of the locks, 250 + 50 + 10, admitting vessels of 1,000 tons burthen, the artificial lockage being 682 feet. Applying to this navigation the rules applied to the St. Lawrence and Erie Canals, we have for a distance of 425 miles of lake and river navigation, 53 hours; canal, 21 miles, 10½ hours; lockage, 10½ hours, or a total of 75 hours, being a gain in favor of the Ottawa of fifteen hours. But it does not stop there. The mouth of French River is exactly opposite the Straits of Mackinaw, and 500 miles from Chicago, making the whole distance between that port and Montreal, 930 miles; by the St. Lawrence, the voyage would be 1,348 miles, leaving a distance of 418 miles of dangerous navigation, avoided by the Ottawa route, and a saving on the round voyage between the ports of *sixty-eight* hours each way. In this estimate nothing is claimed for the Ottawa route over that by the St. Lawrence but what

really exists. With sixty miles of summit level, without a lock, with its canals in reaches varying from a minimum of half a mile to a maximum of three miles, any practical skipper can easily conceive that it offers in reality less obstruction to navigation than a route which has one stretch of artificial channel, 28 miles in length, and another over 9 miles, and an intricate as well as dangerous river, and lake navigation of over sixty miles. In addition to those advantages it furnishes a return freight in lumber, assuring to an already existing trade, a most profitable market. It presents unlimited water power for manufacturing purposes and fulfills every condition of a channel necessary to create a traffic, and keep it,—the shortest distance between the point of concentration and distribution—consequently cheapest freightage rates; a traffic already in existence capable of immense development; a market affording ready and profitable sales; immense manufacturing powers; a channel wholly within our own territory, and which could only be navigated by our own craft, and one that defies competition.

Moreover, it will lessen the distance between Duluth, on Lake Superior, and Montreal by 530 miles, and with the anxiety that the people of Canada should feel to secure the trade with their North West Territories, this should be no light consideration. Its effect on the settlement and prosperity of the country north of Toronto cannot be estimated; but judging from what has been known of such agencies, there can be no doubt but it will largely stimulate prosperity, while it will be the most powerful lever the Canadian people can apply to break down the exclusiveness and monopolies which the jealous policy of the United States has thrown about the trade of the Western States. The time has evidently arrived for a broad and statesman-like policy in dealing with the vast commercial interests involved, and it should not be solely confined to the frontier channels of trade, but should look to the development of the interior as its basis. Above all things the proposition at the head of this paper, that "the Commercial policy of this country should be directed to keeping the carrying trade in the hands of its people," must be recognized as the governing motive in the enlargement of existing channels, or the creation of new ones, and ought to form the basis of the Canal Policy of the Dominion of Canada.

Mr. PERRY concluded by moving, seconded by Hon. JAMES SKEAD,

"That the Dominion Board of Trade believe the time has arrived for constructing the Ottawa Canals between Montreal and Lake Huron, the Sault St. Mary, and Bay Verte Canals."

Hon. MALCOLM CAMERON, (Ottawa), said that instead of favoring a broad and national policy, individual and private schemes were being submitted to the Board. He viewed the deepening of Lake St. Peter as a local question; it was, however, a scheme which he hoped to see ultimately accomplished. He attended here in the hope that a broad national policy would be brought forward, and that the Government would be advised to undertake something that was deemed necessary by the whole Dominion. But the phrase "national policy" had become a term of ridicule. The time had, however, arrived, when we ought to have a national policy,—when broad views should be enunciated. There was no good reason why ten millions or one hundred millions expended on improvements would not be likely to pay the Dominion. He pointed to the enormous territory in the West, from which, in course of time, gigantic trade would flow to the St. Lawrence. He contended that there was no use in having the vast country unless we had railroads through it. It was also essential, in order to provide for that trade, that the Welland and other Canals,

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as well as the River St. Lawrence, should be improved. The day had come when our statesmen should consider what might be done for the development of the whole country. Let them look at the immense population which had flowed in by the Grand Trunk Railway, and it would be seen how greatly that railway had benefitted the country. People seemed to be afraid of anyone making money by public works; but he looked at the benefits which would flow from their construction. The expenditure of twenty-five millions of dollars to develop the country would bring into Canada, in a decade or two, fifty millions of people. He would support a national policy for the completion of the St. Lawrence channel of communication and of the internal navigation of the country, to give a backbone to Canada, and which, in the event of war, would afford us the best means of defence. He, however, believed that wars were almost dead; and in support of this view he quoted the words of Mr. Gladstone and President Grant. Nothing short of a national canal policy, he said, should be recommended by the Dominion Board of Trade to the Government. He believed the Administration would adopt it, if they felt they had the general voice of the country with them, and if the tax-payers were willing to furnish the revenue.

The amendment proposed by Mr. Perry, and which was seconded by Hon. Jas. Skead, was ruled out of order by the President.

Mr. M. P. RYAN, M. P. (Montreal), as seconder of the resolution, desired to say a few words in its support. Although a Montreal citizen and a representative of one of its organizations, he should be exceedingly sorry to stand before the Dominion Board of Trade and give expression to a single view taken from a Montreal stand-point; he would approach the question as truly a national one,—as affecting the whole Dominion and not the citizens of Montreal alone. As had been ably stated by the Hon. Mr. Young in his remarks, it was clearly established that the larger the ship the cheaper the freight. Now, one of the strong arguments which Mr. Fry had brought forward in opposing the deepening of the channel of the River St. Lawrence was, that Quebec would receive no benefit whatever from it. Surely that was viewing the question from a sectional stand-point; for, if it could be established that the proposed improvement would benefit 3,200,000 people of the Dominion, while 250,000 people from their position in one section would not only not derive any advantage therefrom, but feel that the scheme was rather opposed to their interests, a fair argument would not be made against the resolution. This was not the spirit in which the question should be approached, and he was glad that his friend Mr. Fry had made the admission that this was not his own view,—but that as a faithful representative he felt constrained to advocate the opinions of his constituents.

He (Mr. Ryan) must say for himself, that he had not been authorized to attend the Annual Meeting of the Board to represent any particular views; he came unfettered, and as an independent member. Some of the recommendations of the Board last year had been taken up by Government, but had not been carried out owing to lack of time,—whilst many of their suggestions would yet, he believed, be placed on the statute book. They considered the Canal question last year, when the Montreal delegates support-

ed not only the enlargement of the Welland Canal, but went much farther, —heartily concurring in the adoption of a national policy whenever the financial situation would admit of it. They concurred in recommending the construction of the Sault St. Marie Canal. They did not rest satisfied there ;—but further recommended the completion of the works connected with the Ottawa Valley Canal; and he hoped the day was not far distant when the resources of the Dominion would be equal to the undertaking. He believed this route would be the shortest, and that the canal when finished would be a benefit to the country at large. They also supported another project which would be a direct benefit to the whole Dominion, and recommended the construction of the Bay Verte Canal; and he trusted the Board would not separate this year without again recommending it ;—for, although the work would more directly affect the Maritime Provinces, it would also benefit the whole Dominion.

Allusion had been made to the possibility of war between Canada and the United States; but he trusted the time would never come when we would not be able to settle amicably any vexed questions which might arise. Nations were now approaching a higher degree of civilization and christianity, when they would legislate first, in preference to fighting first and legislating after the settlement of the quarrel. Although we in Canada had not done much in this direction, yet a million of dollars were expended annually on our militia system,—a sum which would be far better applied to the development of our artificial highways.

Returning to discuss the question of deepening Lake St. Peter, Mr. Ryan contended that it was not a Montreal question, but one affecting also the Province of Ontario; those people were the great importers as well as the great producers. If by deepening the channel a reduction in freight could be effected, the merchant would consider this when buying wheat; and, if the freight was made 7s. instead of 8s. 6d. he would be able to pay 2d. more per bushel to the grain raiser. The improvement of the channel of the St. Lawrence so as to allow cargoes to be carried inland as far as possible, would be pre-eminently a common benefit, and perhaps the Province most interested in the work was Ontario.

Mr. JAMES WATSON (Hamilton), thought the first thing to be done was to ask Government to finish the canal improvements now in progress or arranged for, and then he would willingly press for a National Canal Policy.

Hon. JOHN YOUNG, referring to the statement made by Mr. Fry, that the cost of deepening the channel of Lake St. Peter to 24 feet would be \$5,000,000, said, that the Harbor Commissioners called upon their Engineer to make correct estimates as to the cost of the work, and he estimated the cost of it at \$1,230,000, plant included; Mr. Fry was therefore quite misinformed on the point. This estimate was for constructing the channel 24 feet deep and 300 feet wide.

In the course of the discussion it had been stated that Montreal ought to carry out this undertaking. It should, however, be borne in mind that Montreal had its own work to do in the harbor. No assistance was wanted to improve their harbor, where a great work was required and

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heavy expenditure involved,—for this they considered to be a local work. Government had issued debentures for £121,000 towards improvements in the harbor; but Government had never been called upon to pay a dollar of interest on those debentures, and all the improvements had been carried out by the Harbor Commissioners. Neither had the funds of the harbor been mixed up in any way with those of the city. Still, viewing the subject in its proper light, the harbor of Montreal was as much a harbor for Upper Canada as for Lower Canada.

As to the statement that the deepening of Lake St. Peter had ruined the trade of Quebec, he pointed to the wonderful natural advantages possessed by that city, and said he never visited it without reflecting upon the vast improvements which might be effected. The people of Quebec were themselves to blame for this, and not the deepening of Lake St. Peter. He held it to be the duty of every community to improve its position as much as possible; but where public funds were given they should not be devoted to works of a merely local character.

Referring to the time necessary for the execution of the work, Hon. Mr. Young said he had had some experience of dredging operations, and would have no hesitation in undertaking the completion of the work in two seasons. With regard to the reduction of freight, he maintained that the main benefit accrued to the farmers and producers of Western Canada,—and said at one time freights were 50 cents per barrel on flour from Kingston to Montreal, while now the rate was only 15 cents, and would doubtless be still further reduced.

Mr. HENRY FRY (Quebec), said that a short time ago the Government appointed a Canal Commission, and in the statement he had made he gave the words of one of the Commissioners with regard to the cost of deepening Lake St. Peter, the amount he had mentioned being for a channel 24 feet deep, with a width of 600 feet. He (Mr. Fry) was, therefore, not responsible for that estimate. The Hon. Mr. Young had not touched his (Mr. Fry's) principal argument,—that Montreal could not accommodate the trade she already possessed. That was beyond all doubt. Why then ask the Government to spend millions of dollars to increase its trade, unless the Harbor Commissioners of Montreal would take much larger measures to improve the harbor accommodation? The want of harbor accommodation last year resulted in the loss of half a million dollars worth of property. What was the use of proceeding to deepen the channel to 24 feet, when there was a bed of rock at Cap a la Roche far more dangerous than Lake St. Peter? Who knew the cost of deepening the channel four feet, through rock, under water?

It had been said in the course of the discussion that they should not consider the subject from a local point of view. He assented to that; but how could a national policy be more clearly indicated than in the words of the amendment? If that was not a national policy, what was?

Hon. JOHN YOUNG said with regard to the remarks on the inefficiency of Montreal harbor, there was a great deal of truth in them. Fifteen years ago he suggested a very different policy from the one which prevailed at present, but it was deemed too extensive and was not approved of. He

considered it was a great misfortune, in the interests of the city and Dominion, that his views were not then acted upon. Cap a la Roche was composed of a lot of boulders, which it was intended to remove by means of grippers;—the bed of the river was not rock, and it could be deepened at a very small cost,—besides the tide rises from three and a half to five feet at that place.

Again, it was stated that vessels such as the "Sarmatian" would, when loaded and coaled, draw too great a depth of water to ascend the river. It should be borne in mind that the depth of water varies very much in different years, depending greatly on the seasons. But there was no season when the river was low for more than two months; so that were the channel deepened to 24 feet there would be very few ships that it could not accommodate, while all ships entering the Atlantic ports of the United States could also come up to Montreal.

Alluding again to the navigation of Lake St. Peter, he said there was a satisfactory channel giving a depth of 20 feet; yet with all their influence, they had been unable to have it properly marked and buoyed. That channel which was not known, except to a very few of the pilots, could be very easily deepened to 24 feet.

Mr. HUGH McLENNAN (Montreal), said he attended this Annual Meeting as representing the grain interests of Montreal, and found upon looking into the question, that the harbor of that city was too small for the number of vessels arriving there. The accommodation at Kingston is greater than the present capabilities of the harbor of Montreal; they therefore came before the Dominion Board to ask their aid, in requesting government to find a remedy for the difficulties they have to contend with. The Harbor Commission represents the government; the merchants had no control over them. The harbor should be so improved as to be equal to the wants of the trade. Great loss had been experienced at Cap a la Roche, where there were obstructions, which an expenditure of \$10,000 a few years ago would have removed; and representations had been made year after year, urging the government to take action in the matter. That expenditure of \$10,000 would probably have saved \$50,000 of losses sustained yearly since that time.

As to the arguments adduced by the Quebec representatives, he contended that as a principle, no one section of the country could benefit by the losses sustained by another. Trade interests were general, and affected the whole country. Montreal would advocate the improvement of the canals when the proper time arrived. He believed that Montreal would not throw any obstacles in the way of Western enterprise, even though it might take away part of the Montreal trade; they would wish them God speed. Not only had the West a great grain trade, but their imports of railway iron amounted to half a million tons, whilst only three cargoes, he believed, had remained in Montreal.

Mr. A. WATTS (Brantford), viewed this as a national question, although he was a representative from Ontario. The freight saved by improving navigation he was convinced went into the pockets of the producers. Still he should vote against the motion for this reason,—that it

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was not possible for the Government to undertake at once all the works necessary for improving the internal navigation. It would be bad policy to diffuse their means all over the country, instead of concentrating them on the most important works. He was in favor of enlarging and completing the Welland Canal as rapidly as possible,—as that appeared to be unquestionably a national work.

Mr. H. J. DOHERTY (St. Hyacinthe, Q.), supported the motion for national reasons, and trusted that resolutions would be adopted by the Board, not only recommending the deepening of Lake St. Peter, but also the development of canal navigation, especially the Ottawa Canal.

Mr. THOMAS RIMMER (Montreal), remarked that the Harbor Commissioners of Montreal were prepared to spend \$500,000 to provide efficient harbor accommodation; but what was wanted was accommodation in Lake St. Peter, not only for the largest class of ships, but also to provide that vessels at present engaged in the trade should pass up and down the river without suffering damage. He thought it could be demonstrated, whatever might be the opinion entertained in Quebec, that the deepening of the channel through Lake St. Peter had been advantageous to ship owners in that city.

Mr. EDWARD MCGILLIVRAY (Ottawa), said the question was as to whether the work of getting produce away from Montreal was pressing, when there were no means of bringing produce from above to Montreal. The matter of Ottawa navigation had been shelved for years, and they had been urging the enlargement of the present Ottawa canals; yet last summer 50 or 60 barges were lying unable to get through. He did not think any one would vote against deepening Lake St. Peter when there were means to do so; but canal enlargement was the most pressing, and 18 feet would be sufficient for the next ten years. Montreal ought to be content to wait till the proper time arrived.

Mr. P. R. JARVIS (Stratford), supported the Montreal proposition, as there must be a suitable outlet before they could begin to provide for forwarding produce. What was required was, that producers should feel assured that the produce they sent to Montreal would be forwarded promptly and cheaply to its destination.

Mr. ROBERT WILKES (Toronto), said that if he lived in a wealthy country whose means were almost unlimited he would gladly support all the resolutions and schemes submitted to the Board, believing they would all necessarily tend to the development of the Dominion by adding to its wealth. They must be guided, however, by facts, and they knew that for years there had been annual deficits. If the Government had now a surplus, which he understood to be the case, we must deal gently with it. If the Government had formerly spent large sums to improve the channel below Montreal, it would not do now to tell Montreal that it was a local question. The deepening of Lake St. Peter could be urged as a national work; and the producers of the West would be benefited by the improvement of the channel. Every foreign vessel brought to Montreal, was a benefit to the country,—for he knew that the Richelieu Company frequently charged as much for goods transhipped at Quebec, as the trans-atlantic freight amounted to.

He could not, however, overlook the fact, that the obligations of the Dominion were fixed, so far as two of the leading questions were concerned, by the Act of Confederation. One obligation was, the construction of an Inter-Colonial Railway from Quebec into the Maritime Provinces; the other was the improvement of river and canal communication with the West. He therefore recommended the Montreal delegates to consider whether the funds of the Dominion Government were in such a flourishing condition as to admit of undertaking the work. The Welland Canal was a very large and profitable undertaking, and was extensively used by vessels carrying corn through, and landing it at Oswego. A more important point was the freight carried in Canadian bottoms.

He then pointed out the imperfections of the Welland Canal, and the necessity there was for its enlargement. He did not believe that the St. Lawrence Canals were used to their utmost capacity, and the Erie Canal with its narrow channel and warm water had gained in the race. He was prepared to admit that the tendency of late years had been to reduce the water-level two or three feet; but whether that would be permanent or exceptional, it was clear that the deepening of the sills was a necessity. As to the enlargement of the canals from 250 feet, he saw no necessity for it. The old dream that an ocean fleet would some day come to Toronto from Liverpool, had long ago been recognised as Utopian, and we found that the canal navigation could be satisfactorily carried on by cheap labor and cheap barge transportation. He considered the object to be aimed at was the cheapening of coal and other necessaries from the East, and concluded by moving the following amendment to the amendment, seconded by Mr. P. R. Jarvis :

"That all the words after "that" in the amendment be omitted, and the following be substituted,—The deepening of a ship channel in Lake St. Peter, to such depth as may be required for the passage of the largest steamships that are likely to frequent the St. Lawrence for at least the next ten years, be recommended by this Board to the Dominion Legislature, dependent on the providing of greatly increased harbor accommodation in the port of Montreal by the Harbor Trust; at the same time, this Board must remind the Legislature, that the primary works promised at the time of confederation, were the enlargement of the Welland and Ottawa Canals, and the deepening of the St. Lawrence Canals."

Hon. MALCOLM CAMERON pointed out the contradictory nature of the amendment proposed by Mr. Wilkes. He argued that the blame of their commercial ruin lay with the Quebec people themselves; for, if they had large elevators and conveniences, why should the grain be lying at Montreal? With regard to the Welland Canal, he pointed out that if enlarged it would afford a better communication by which the Americans could reach Oswego; but if we got them into the Ottawa Canals they would never get to Oswego. As to the deepening of Lake St. Peter, he wished it to be understood that he did not consider it to be a local question, but thought there were many public works now waiting completion which should be first attended to.

Mr. HUGH McLENNAN (Montreal), said unless we intended to wait for a decay of trade to take place during the next ten years, he could not accept the amendment as being in favor of the object he had in view. He should

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prefer having the improvement voted down, to having it dealt with in the manner proposed; because then the people of Montreal would clearly understand the position in which they stood. They had already waited long enough, and they now wanted a definite resolution, showing how far the Dominion Board of Trade would proceed in urging on the Government the necessity of those channel improvements for the advancement of commerce.

The PRESIDENT having ruled Mr. Wilkes' amendment to the amendment out of order, Mr. Fry's amendment was then put and carried on a division, as follows:

AYES—Messrs. Cameron, Fry, Howell, Howland, Imlach, Joseph, King, Kirby, Langelier, Morison, McGillivray, MacMillan, Perry, Skead, Spratt, Thompson, Watson, Watts.—18.

NAYS—Messrs. Doherty, Jarvis, Morin, McLennan, McDougall, Ogilvy, Rimmer, Ryan, Scott, Smith, Wilkes, Young—12.

NAVIGATION BETWEEN QUEBEC AND MONTREAL.

Moved by Mr. HUGH McLENNAN, seconded by Mr. W. H. HOWLAND:

"That while this Board cannot recommend the immediate expenditure of public funds for the improvement of the navigation between Quebec and Montreal, or the harbor of Montreal,—it recommends that the Dominion Government grant permission to the City of Montreal, by such a properly organized Harbor Commission as after consideration may be found most expedient, to make the necessary improvements, and to assume the charge of the revenue arising from harbor dues in order to provide funds for such expenditure as may be from time to time incurred."

Mr. McLENNAN pointed out that the present surplus revenue of the harbor trust was \$100,000, and with a fair increase Montreal would be protected if it did undertake any obligation. He urged that improvements required in the channel of the St. Lawrence should be effected, in order that any future decay in the trade of Montreal might be prevented which had occurred twice in the past.

The motion was put and carried unanimously.

WELCOME TO MR. HAZARD.

It was here moved by Mr. M. P. RYAN, M.P., seconded by Hon. JOHN YOUNG, and unanimously resolved:

"That George S. Hazard, Esq., of Buffalo, a delegate from the National Board of Trade of the United States, be heartily welcomed and permitted to address this Board whenever he may think proper."

Mr. HAZARD gracefully acknowledged this mark of respect, and intimated his intention to avail himself of the privilege at a future time.

MEMORIAL ON CANAL ENLARGEMENT.

Moved by Mr. JAMES WATSON (Hamilton), seconded by Mr. A. JOSEPH (Quebec), and unanimously resolved:

"That a Committee to consist of Hon. John Young, Messrs. W. H. Howland, Hugh McLennan, and the President, be appointed to draw up a Memorial to the Dominion Government, relative to the immediate enlargement of the Welland, St. Lawrence, and existing Ottawa Canals."

NAVIGATION OF THE RICHELIEU RIVER.

Moved by Mr. E. R. SMITH (St. John's, Q.), seconded by Mr. L. E. MORIN (Montreal), and resolved :

"That the Dominion Board of Trade is gratified to learn that the Federal Government have, on the recommendation of the St. Johns [Q.] Board of Trade, taken the preliminary steps for the improvement of the navigation of the Richelieu River between St. John's and Rouse's Point; and trusts that the work of establishing light-houses and buoys, and of dredging the River, will be actively commenced as soon as practicable after the opening of navigation next Spring."

On motion, the Board adjourned until ten o'clock on the following morning.

SECOND DAY'S PROCEEDINGS.

MORNING SESSION.

THURSDAY, 18th January, 10 o'clock, A. M.

WM. MCGIVERIN, Esq., President in the chair.

The SECRETARY read the minutes of proceedings of previous day, which were confirmed.

WELCOME TO MR. McLAREN.

WM. P. McLAREN, Esq., of Milwaukee, Wis., one of the delegates from the United States National Board of Trade, being present, it was moved by Mr. HENRY FRY (Quebec), seconded by Hon. JOHN YOUNG (Montreal), and unanimously resolved :

"That we cordially welcome Wm. P. McLaren, Esq., of Milwaukee, a delegate from the National Board of Trade of the United States, to a seat at this Board, with all its privileges, and respectfully invite him to take part in our discussions."

FINANCE.

The following report of the Finance Committee was submitted :

The abstract from the Treasurer submits a deficit of over \$400 at the close of the year. The estimates give a membership of about 1500 represented at the Board, and a probable expenditure for the year of about \$1100. The Committee, recognizing the expediency of keeping the assessment at the lowest possible amount, recommends that the tax on each Board represented, be for the current year at the rate of 75cts, for each member,—yielding about \$1100, which will cover the expenditure of the year, carrying forward the existing deficit, with the expectation that the formation of new Boards, and their affiliation with this Board, will, at the next annual meeting, furnish an increase of revenue, sufficient to cover the expenditure necessary, without any increase upon the rate now proposed.

(Signed) HUGH McLENNAN

Chairman.

OTTAWA, 18th January, 1872.

On motion, the Report was unanimously adopted. Thereafter, the first subject considered was the Bay Verte Canal project, introduced by the St. John, N. B., Chamber of Commerce.

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BAY VERTE CANAL.

Mr. S. D. BERTON, (St. John, N.B.), opened the discussion. He viewed the construction of the Bay Verte Canal as a work of the greatest importance to the whole Dominion, though doubtless St. John would be most greatly benefitted. The canal would give the fishermen direct communication with the markets of the United States for the products of the fisheries; it would enable the lumber trade of the North shore to find new markets in the United States; and it would also enable the Upper Provinces to carry their produce into the Bay of Fundy at a much cheaper rate than at present. He felt confident that in the single article of flour, a saving would be effected in freight of from 15 to 20 cents per barrel. At present, freights passed over about 100 miles of railroad; whereas were the canal project carried out, breaking bulk would be obviated, and direct water communication would be secured between the Upper and the Maritime Provinces. The Bay of Fundy was growing in importance, and its harbors were frequented by a large amount of shipping; so that if the canal were constructed, there would be large exports of coal, and the vessels carrying coal to the Upper Provinces would obtain return freights. The project was now under the consideration of the Government, and surveyors were at work ascertaining the practicability of the route. He moved, seconded by Mr. MATTHEW LINDSAY, (St. John N. B.)

"That this Board looks forward with much interest to the Report of the Survey now in progress for the construction of the Bay Verte Canal, and considers the undertaking one of great importance to the Dominion; and it urges upon Government the prosecution of the work, should the survey prove favorable, and as soon as practicable."

Mr. MATTHEW LINDSAY (St. John, N. B.,) expressed the strong interest which the St. John Board of Trade felt in this canal project, and a resolution of their Council urged the delegates from the Board to press upon the Dominion Board the desirability of continuing their interest in the proposed work. He read the resolution passed by the St. John Board, and then endorsed the remarks of the mover as to the utility and advantage of the project. The rate now paid for their supplies, which were drawn from Ontario and Montreal, was equal to 85 cents per barrel on flour; and it was estimated that with the canal completed the rate would be reduced to from 30 to 40 cents per barrel, showing a minimum saving of fully 45 cents. The fact that about 700,000 barrels of flour were brought from the Upper Provinces annually would convince them of the importance of the project.

Hon. JOHN YOUNG supported the resolution. The scheme, he said, was one which for seven years had been advocated by Montreal. If any work had a national character it was this of the Bay Verte Canal, the construction of which would avoid a voyage of 460 miles along the coast while the length of the canal was only 12 miles. The great difficulty to be overcome was the difference in tides, which on one side rose 56 feet, and on the other 4 feet. But the engineering difficulty might be overcome. The work would not only prove advantageous to Ontario but also to Quebec, by opening up the West India trade.

Mr. W. H. Howland (Toronto), said he would support the resolution

if the mover would add to it the words "as soon as the means of the Government will permit."

Hon. JOHN YOUNG was not aware that the Government was deficient of funds.

Mr. W. H. HOWLAND said that by a resolution already passed, this motion, if carried as it stood, would be inoperative, for they had declared that no new works should be undertaken by the Government until they had fulfilled their obligations in regard to the Welland and St. Lawrence Canals.

Mr. A. JOSEPH (Quebec), pointed out that already surveys had been made, and therefore the work may be said to have been commenced; he considered Mr. Howland's proposed addition to the motion unnecessary.

The SECRETARY, by request, then read the resolution on the Canal Question, adopted on the previous day for the information of the St. John delegates, who had only arrived that morning.

Mr. S. D. BERTON, alluding to the resolution read, remarked that the Bay Verte Canal project had been already undertaken, and that the Government had prepared a report thereon; therefore it would not come within the proscriptive terms of yesterday's resolution.

Mr. M. P. RYAN, M. P. (Montreal), said that surely when they all agreed upon the necessity of Government carrying out their promises, entered into at the time of Confederation, and which included the enlargement of the Welland Canal, they might rest satisfied that Government would not undertake the construction of the Bay Verte Canal until they were in a position to accomplish it. All the Board were called upon to do was to convey to Government their conviction of the great necessity that existed for the work being proceeded with at once, leaving the Executive to decide as to the time when they would commence its construction.

Mr. HUGH McLENNAN (Montreal), said that inasmuch as a resolution had been passed enunciating the principle that no other works should be taken in hand by Government, until those already undertaken were completed, he could not assent to the resolution in its present form.

The words "as soon as practicable" having been added to the motion as originally drawn up by the St. John Board, it was passed *nem. con.*

PILOTAGE.

This subject was introduced by the Quebec Board of Trade.

Mr. HENRY FRY (Quebec), in submitting a resolution on the question, said he had called the attention of the Dominion Board last year to the necessity for good pilotage in the lower St. Lawrence. He regretted, however, to announce that Government had not taken any steps whatever in the matter.

The reasons partook somewhat of a political character; and therefore

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Gov. he should not discuss them,—deeming it desirable to avoid all reference to politics in the deliberations of this Board. It would not be necessary for him to travel over the whole ground of Pilotage; it would be sufficient perhaps to read a series of resolutions passed unanimously by the Council of the Quebec Board of Trade. They were as follows:

1st. That in the opinion of this Council the existing system under which the pilotage of the Lower St. Lawrence is regulated is dangerous to commerce, unfair towards a majority of the pilots, and radically unsound in principle, calling for the immediate attention of the Government and Parliament.

2nd. That the absence of all competition in consequence of the law compelling all the pilots to share and share alike the earnings of the whole body, leads to carelessness, inefficiency, and in many cases an utter disregard of the interests of the ship, and the general well-being of the commerce of the river.

3rd. That the law giving power to shipmasters to choose their own pilots, upwards and downwards, is to a great extent delusive, inasmuch as it is generally impossible in the first case, and often defeated in the latter.

4th. That inasmuch as the pilot who is called upon to do extra work, receives no remuneration for it, whilst he is held liable in case of accident, a flagrant injustice is done to him, and consequently it becomes his interest to keep out of the way and defeat the law.

5th. That the great number of complaints from shipmasters brought under the notice of this Council proves that the schooners do not always keep an efficient lookout for ships bound up and down, and that in consequence vessels are delayed, and often run into danger in seeking to find a pilot when bound up, or in discharging him when bound down.

6th. That the law by which no investigation is held into the conduct of a pilot unless upon complaint of the shipmaster within four days after arrival in Quebec, should be repealed, and that investigations into all wrecks should be compulsory, and independent of the shipmaster, who is often induced to forego the complaint by improper influence.

7th. That the law vesting the management of the Corporation of Pilots in the hands of six of its own members is unusual and dangerous, leading to a lack of discipline and a want of proper control upon the part of those deeply interested in the conduct of pilots, viz., ship-owners, merchants and underwriters.

8th. That the high rates of Pilotage seriously affect the construction and sailing of small vessels suitable for the West India and Newfoundland trades, and it is therefore highly desirable that the exemption from compulsory pilotage should be extended to all ships not exceeding 300 tons, and to steamers plying between ports in the Dominion, and from or to the West Indies, Newfoundland and P. E. Island.

Referring to the last of those resolutions, he said that the rates of pilotage were so high, as to act almost as a prohibition against small vessels being engaged in the West India, Newfoundland, and Prince Edward Island trades,—because all vessels above 135 tons were liable to the same rates of pilotage as ocean vessels coming from England and other parts of the world. The result was, that small vessels were not built, and there was at present a great opening in the West India and other trades. He recommended that the law regarding compulsory pilotage should be rescinded, because the masters of those small vessels engaged in the trade would be as well acquainted with the river as the pilots themselves.

He brought before the Board last year several cases of accidents to shipping, and then stated that one of the pilots had taken charge of a large vessel when he was so nearly blind as not to be able to see the ship's mainmast from the poop. A very serious accident occurred the other day when a vessel named the "Strathardle" was totally wrecked within twenty-five miles of Quebec. He produced the evidence taken at an inquiry

held at Quebec respecting the disaster, and said that it would hardly be believed that on a fine morning, with a fair wind, and two lights seen, the pilot should have run the vessel ashore. It was also stated in evidence that the pilot had been suffering from partial blindness for many months, and was under treatment at the time he took charge of the vessel.

Mr. Fry in conclusion said, he did not attack the pilots, for many of them were very excellent men. It was the system he condemned,—which was not only dangerous to the community, but unjust to good pilots. He therefore moved, seconded by Hon. John Young:

“That this Board deeply regrets that the Government has, as yet, taken no measures towards an amelioration of the system of Pilotage now prevailing in the Lower St. Lawrence, a system which this Board has already declared to be “based upon unsound principles, and leads to serious evils:”

“That this Board is of opinion, that with a view to encouraging the direct trade with the West Indies and with Newfoundland, it is highly desirable that the exemptions from compulsory Pilotage should be extended to steamships engaged in these trades, and to all vessels not exceeding three hundred (300) tons register, and earnestly calls upon the Government so to amend the law during the coming session of Parliament.”

Hon. JOHN YOUNG said this was one of the questions which he deemed of the very greatest importance to all classes of the people. The cost of pilotage was one of the items that every one had to pay,—the farmer, and every one else;—for if there was any extra charge upon either out-going or in-coming vessels, it was the public who had to defray it.

The Board was therefore bound to take steps to have the cost of pilotage reduced, and at the same time make it efficient in every respect; because, if not efficient, one of its results was seen in the increased rates of insurance. Besides, the loss of a large vessel had a damaging influence upon the trade of the St. Lawrence. The Board should express a very strong opinion on this question, and adopt the resolution; especially when they found, that, notwithstanding the thorough exposure of the evils attending the present system of pilotage by Mr. Fry last year, no action had been taken by the Government. The question had also been considered by the Montreal Board of Trade; and he could affirm that the trade of Montreal was very much injured by the charges imposed for the pilotage of small vessels of 120 tons, coming from Newfoundland and the lower ports; those charges being indeed so great that small vessels were driven out of the trade. He maintained that that was a trade which should be specially carried on by small vessels, and the captains might be allowed to navigate their own crafts; for in most cases they were as competent as the pilots. Compulsory pilotage should not apply to vessels under 300 tons; for whilst they would not be debarred from taking a pilot, they would not be compelled to take one and pay the charges.

The motion was then unanimously adopted.

RAILWAYS.

Mr. W. H. HOWLAND (Toronto), submitted to the Board a project for a new Trunk Railway between the West, and the cities of Montreal and Quebec, using the facilities of the Toronto and Nipissing, Canada Central,

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Northern Colonization, and North Shore organizations. He then read the following paper which had been prepared by Mr. Wm. Elliot, President of the Toronto Board of Trade :

MEMORANDA in regard to a new line from Toronto to Ottawa, connecting the Great Western Railway with the Canada Central and Northern Colonization lines to Quebec.

As at least three-fourths of the freight on our railways seeks the seaboard, it is of the utmost importance that any new scheme should tap a large productive area, to insure its success.

At Toronto the proposed line would be in communication with the 449 miles of the Great Western Railway in Canada, and through it with the Michigan Central, Detroit and Milwaukee, &c. By the completion of the Canada Air Line and the laying of a double track from Detroit to Glencoe, the Great Western Railway would be in a position to give extensive facilities to traffic seeking this route. As if would be a means of keeping their old line up to its present value they would no doubt assist heartily in securing a good share of through traffic. A great objection to the Great Western Railway, a link in the New York system, does not exist to it as part of a Quebec route, as traffic having once descended to Lake Ontario level at Hamilton does not require to ascend again.

This topic, although of most vital importance, needs little elucidation. It will be seen at a glance that this route opens at Toronto into an immense and complete system of Railways, carrying not only the produce of the best settled and richest portion of Ontario, but of 12,000,000 inhabitants of the Western States.

Passenger traffic is heavier going west, than going east, and here the route commends itself in seeking Quebec the point of debarkation of the whole sea passenger trade;—offering a journey ninety miles less to Ottawa, Toronto, Hamilton, London, Detroit and all points west, it should secure a great preference.

It should be noted that this will be the shortest, quickest and cheapest route from San Francisco and all points on the Central Pacific, Chicago, St. Louis, Cincinnati, &c., to any European port.

The through trade would amply suffice to occupy and remunerate this road, but a local trade of great importance would be created at once. It will be noticed that as soon as the chain of waters at Bobcaygeon are crossed, a height of land is traversed which is the source of the streams running on the one hand into Lake Ontario and on the other into the Ottawa river. Two important advantages are thus gained. Bridges, the most expensive parts of a railway, are reduced to a minimum, and the lumber and timber traffic of a territory hitherto untouched (there being no navigable streams) is secured.

This traffic would furnish paying business for twenty-five years, in which time we may fairly hope the progress of settlement and production will fully replace it.

In a national point of view the work is of great importance;—in no other way can so large an area of new country be profitably opened. The reasons which dictated the selection of Ottawa as our Capital are as imperatively in favor of the construction of this, as a secure and alternative military highway.

The obstacles to be overcome are entirely financial, and at first sight would appear sufficiently formidable.

The principal one is that all the counties through which the road would pass, are most populous on the front, and hence will not give anything by way of bonus; and even the townships through which the road would pass are so accustomed to go south to

market, that they would hardly be made to comprehend that their shortest and best route was in any degree northerly until it was in actual operation.

One financial scheme might be stated thus. Say that the line from Carleton Place to Toronto by way of Bobcaygeon and Lindsay requires the construction of 200 miles of line of 4.8½ guage. The works being comparatively light, banks 16 feet wide, cuttings 18 feet wide; timber bridges and culverts; a plentiful stock of Flat and Box cars, but (depending on Pullman for through passenger cars) very few ordinary passenger cars. Such a road, could be built for about \$20,000 per mile,—say four millions total.

If the government would grant say 12 square miles of land the nearest possible to the proposed line for every mile constructed, say 7,680 acres and that every subscriber who paid in \$100 to the capital of the railway company should thereby become entitled to 100 acres of such land, absolutely,—there is little doubt the share capital would be taken up by cities, counties and individuals, so as to secure that part of the scheme. Aid in cash to the extent of \$3,000 per mile might also be fairly looked for. Making in all \$10,680 per mile in cash. Against this, the Company would be entitled to issue an equal amount in bonds, the proceeds of which would no doubt complete the road.

There are minor points connected with this matter such as means of securing to the people that in return for this grant of land, the work should be actually accomplished, &c., but they need not be adverted to here.

The main thing is, to show London, Hamilton, Montreal, Ottawa and Quebec, that they are vitally interested. That an unlimited business awaits such a road from the day it is opened, and that there are no obstacles, so far as we in Ontario are concerned, that cannot be overcome by a little hard work and good management.

Mr. Howland argued that the Canada Central, instead of taking a route by way of Pembroke, would be more serviceable were it directed across the country towards Toronto in a southerly direction, afterwards bending towards Nipissing. Were this done, Toronto would heartily support the project; if not, they might perhaps oppose it.

Mr. G. H. PERRY, (Ottawa,) read a paper on "the North Shore Railway," which he said was destined to become a link in the Canadian Pacific Railroad, and which the Dominion was bound by the terms of Confederation to construct across the country to British Columbia. The paper was as follows:

THE NORTH SHORE RAILWAY.

Railways, as a general rule, are the most effective agents in developing the local resources of a country, and in this respect it is highly desirable that they should be directed through districts which require settlement, and are difficult of access by ordinary means. The example afforded by the experience of the United States in this particular enterprise, is too valuable and well known to require detailed comments; but its application in this country has become an evident necessity, inasmuch as not only the work of local development lies before its agency, but it must to a very considerable and profitable extent, complete the complement of the action of the Railway system of the neighboring States, by assisting in the transmission of the surplus products created by the agency of that system to the sea-board. Therefore, any line of railway designed to touch the shores of the Western Lakes from any point in Canada, should have as its object—Local development and the attraction of Traffic from the Western States.

The only Trunk line of Railway is a frontier line traversing Canada in its greatest length, and touching the southern extremity of the great North Western Lake—the dis-

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tance between Quebec and Sarnia being 669 miles. The lateral lines penetrating the country north of the main line between Quebec and Toronto, are confined to two or three short lines not exceeding 60 miles each in length, and are all in the Province of Ontario.

From Montreal westward, the great tributary of the St. Lawrence, the Ottawa River, holds its course at an average distance of sixty-five miles for a distance of 303 miles to within 127 miles of Lake Huron. No line of Railway has yet crossed that river, so that all the country north of the Ottawa is to a certain degree inaccessible to the general operations of trade, and consequently undeveloped.

A Railway from Quebec to Lake Huron, at the mouth of French River, and keeping north of the St. Lawrence and Ottawa, would traverse a totally undeveloped country of vast resources in timber, agricultural produce and minerals, and would reduce the distance between that port and Chicago to 1050 miles, 550 thereof being by railway and 500 by water, navigable for vessels drawing eleven feet. The whole length of Lake Michigan and across Lake Huron are open navigation which can be traversed at the full speed of the power employed, so that the *North Shore Railway* would lessen railway transit by 119 miles and about sixty miles by water. French River discharges into Lake Huron 108 miles south of Sault St. Marie. The trade via Lake Superior with the States of Minnesota, Dakota and our own North Western territories will rapidly develop within the next decade. The Northern Pacific Railway from Duluth, at the head of that Lake, already touches Red River within 160 miles of the boundary line at Pembina. Before a twelvemonth has elapsed it will have reached that point. The effect will be to develop the resources of the richest agricultural country in the world, and the trade through Lake Superior will rival that centering at Chicago before many years will elapse. There is, moreover, the resources of an exceedingly rich mineral region rapidly developing, the whole furnishing an amount of freight which will only be limited by the facilities afforded for its transit to the ocean, and sufficient data will be furnished to warrant the construction of a Railway with far better prospects of developing a paying traffic than any other line either existing or proposed in Canada.

It has been held as an indisputable doctrine, that Canal enlargement would have the effect of restoring vitality to Railway traffic. A very little consideration will show that the Railway would be in reality the agent for creating the traffic for the canal.

Any person who has ever travelled in Minnesota cannot fail to have observed the large steamers lying in the mud of the Mississippi at St. Paul taking in cargoes of grain; and at each railway station the system of elevators and machinery for classifying and transporting grain, which is purchased by the Station Master and paid for in checks on the Railway Company, who are to a considerable extent grain monopolists. Such party must be thoroughly satisfied that the traffic on the River is created by the Railway, and that the projectors are sufficiently interested in the development of the resources of the country as to aid the agriculturist, and not leave him at the mercy of the grain jobber. A country as extensive as Minnesota, and many times richer, remains to be developed in Canada; its products are diversified,—of the Field, Forest and Mine. An energetic Railway Company can lend effective aid to that object and secure enormous profits by doing so. The advantages which the North Shore Railway would present would be that it offered the shortest possible line of transit from the lakes to the seaboard, and that it developed the resources of an entirely new section of country, the value of which can be approximately calculated with sufficient certainty to show the amount of traffic seeking the Railway.

There is another feature to be considered in connection with the North Shore Railway:—Its general course will lie within a few miles at furthest of the greatest water

power on this continent, without taking into account the St. Maurice or the large rivers on the North Shore of the Ottawa,—the falls on that river alone would furnish more motive power than is in use on the Continent. And as the connection between Chicago and the Mississippi would admit of the easy and cheap shipment of cotton, the establishment of a manufacturing interest would be easy and profitable, and it would furnish a source of industry admirably adapted to retain that portion of our population who are disposed to seek it in a foreign land. Penetrating the great Lumber Country of the Continent, the Railway would never be without profitable freight; and it would not present the spectacle offered by existing lines of long trains of empty cars going for cargo, which is thus compelled to pay cost of freight both ways.

The opening of the North Shore Railway would develop largely the manufacture of lumber in its most elaborate form. Less of the ruder material in its first stages would be shipped, because it would be more profitable to ship the manufactured article; and we need fear no adverse fiscal regulations in this case, because our own people in the North West would be our best and most remunerative customers. Two years ago it would be looked on as a matter entirely beyond the notice of a mercantile body, and outside any question submitted for their consideration, to direct their attention to any military advantage attached to any line of Railway or Canal brought under their notice. The terrible events which marked the year 1870 has consigned that feeling to the fallacies of a past period, and the merchant must now consider not only how he is to increase his traffic, but at the same time how he is to secure it. Under this aspect the value of lines of defence will be both appreciated and understood, and not least amongst the excellencies of the proposed North shore Railway, is the fact that it will furnish an effective and practically unapproachable line of defence, which the Provinces of Quebec and Ontario decidedly need.

Having summed up the value of the proposed Railway, it remains for the parties directly interested in its construction to take such measures as will ensure its early completion; and the municipalities through which the line runs should render it effective and liberal aid—for its local traffic will be drawn from nearly the whole Province of Quebec and one third of the Province of Ontario. For over 400 miles of its length it will form a portion of the Canadian Pacific Railway.

Hon. JOHN YOUNG inquired if the projectors of the scheme referred to by Mr. Howland, asked for Government aid.

Mr. W. H. HOWLAND, said, they did not; they simply brought forward the question for discussion.

Hon. JOHN YOUNG supposed they merely wished an expression of opinion by the Board. He thought Mr. Howland was not consistent to-day with his action yesterday; he had voted against the deepening of Lake St. Peter on account of its being a private work, and this was certainly not one which could be called a public work. It was desirable that all parties should act on free trade principles and carry railroads wherever they pleased; for himself he was in favor of a route from Quebec along the North Shore to Ottawa, thence to Toronto, and through to the Pacific by way of Sault St. Marie. He did not think, however, that this was a question upon which the Board should express any opinion, but leave these railroad projects to the promoters, and to the companies affected thereby.

Hon. MALCOLM CAMERON (Ottawa), was glad to see the unanimity of feeling which prevailed regarding the importance of the proposed line. Twelve

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months ago a charter had been granted to the Ontario and Quebec Company for building a road, which would drain the very portion of country proposed to be provided for by the other scheme. He thought the mover of the resolution was not well informed as to the country traversed by the Canada Central. He could inform him that some of the most thriving villages in Canada were to be found along that line. He mentioned the names of Pembroke, Renfrew, Almonte, and Carleton, where large mills and manufactories had sprung up, and where property had advanced one hundred per cent. during the last few years. The whole of the route to Pembroke along the Canada Central was being dotted over with manufacturing villages; the road was already built as far as Renfrew, and would be continued to Pembroke early in the Spring. Trade could not be forced in any other than the most natural and shortest routes, and he claimed that this would be the shortest route to Montreal. It would also develop the mineral wealth of the district through which it passed; and enormous quantities of the finest iron were now being exported to Ogdensburg, much of which had to be carted from sixteen to sixty miles. He thought the Grand Trunk Railway was the greatest blessing that Canada had ever had; its trains were sometimes delayed, but he had been even longer delayed on railroads in the United States. Taking it altogether, the Grand Trunk had been the means of developing our resources, and placing a large population in the country. But we should not depend on the Grand Trunk for ever, unless it had a double track. The line proposed by Mr. Howland was as necessary now, as the Grand Trunk was when its charter was obtained.

Hon. ROBERT READ (Belleville), advocated the construction of a road from Belleville to Georgian Bay; this road, he said, had already secured \$335,000 in bonuses, and \$225,000 of stock had been subscribed. He was not envious of the prosperity of any other portion of the country, and would be willing to encourage all feasible railway enterprises. This was a railway age. We might look forward to the construction of railroads throughout every part of this Dominion; and the carrying out of these projects, however far distant they might appear at present, would be accomplished in a few years. A railway from Georgian Bay to any point on the St. Lawrence River would open up the country and secure traffic.

Mr. JAMES WATSON (Hamilton), moved in amendment, seconded by Hon. MALCOLM CAMERON, that after the word "Toronto," the words "and other western cities" should be added. Hamilton, he said, was still an ambitious city, and desired to make a connection with the Canada Central road.

Mr. W. H. HOWLAND remarked that Hamilton at the present time had a connection with the Great Western Railway. With regard to the Belleville road, he wished it God speed. We could now congratulate ourselves on the fact that we were building railroads, and raising the money by subscriptions in the local sections, instead of going over to England to borrow every dollar that was wanted.

Mr. THOMAS RIMMER (Montreal), said the project introduced by Mr. Howland partook too much of the nature of private enterprise to be further

discussed by the Board, and he suggested that the resolution should be withdrawn.

Hon. JAMES SKEAD (Ottawa), was glad to find that the Toronto men were not asking aid for their line. He questioned the advantage of taking the Canada Central from the banks of the Ottawa, where it was most needed, and carrying it towards Toronto. The reason why the Ontario and Quebec road had not made more rapid progress was owing to the want of financial aid. That line would pass through regions rich in marble, plumbago, iron, lumber and other products, which would soon be developed after the building of the road. He was a strong advocate of a through railway for Canada. Such a line would pass somewhere between eighty and one hundred miles north of Lake Superior, and would lead to the promising Province of Manitoba. If the Toronto people would consent to include the name of the Ontario and Quebec Chartered Company, it would make the resolution fair, and, he believed, would meet the approbation of the people of this section.

Mr. HOWLAND could not meet the views of Senator Skead, as the road proposed in the resolution was a more central one.

Hon. Mr. READ hoped that the views of the Toronto men would enable them to support the Grand Junction Railway from Belleville to Georgian Bay.

Mr. Watson's amendment was then withdrawn, and the resolution was adopted.

THE TREATY OF WASHINGTON.

Hon. JOHN YOUNG here directed attention to the notice given by the Toronto Board of Trade regarding the "Treaty of Washington," and said, he doubted whether, in the present aspect of the question, it should be discussed by the Board. It was a subject in the hands of the Government, and upon which they had not yet reported to Parliament; to discuss it, therefore and express individual opinions regarding it, would, he thought, be out of order. He suggested that the Board should pass over the question at present, because they would afterwards be better prepared.

Hon. ROBERT READ said it would be quite improper at present to discuss the question. When the Government had submitted it to Parliament, and it was placed before the country in its proper light, then, with all the facts before them, would be the proper time for discussion.

It was thereupon moved that the order of business, relating to the Treaty of Washington, be discharged.

Mr. JOHN MORRISON (Toronto), said that before dismissing this subject, he wished to point out that the fishermen of the Western lakes had been entirely ignored by the Treaty. He suggested that the quantity of fish taken from the upper lakes should be taken into consideration by the Commissioners under the Treaty, and gave the following statement to show the extent of the trade :

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From Lake Superior :

Hudson's Bay Company.....	half barrels.	3,000
Michipicoton Island.....	"	2,000
St. Ignace and Paysplatt.....	"	1,500
White Fish Point.....	"	2,000
Sundry small fishing stations.....	"	2,000
Sault Ste. Marie.....	"	4,000

From Lake Huron :

Bruce Mines.....	"	5,000
Great Manitoulin.....	"	3,000
Killarney.....	"	3,000
Byng Inlet.....	"	500
Fishing Islands, and Cape Rich.....	"	2,000
Southampton.....	"	2,000
Kincardine.....	"	1,000
Goderich and Bayfield.....	"	5,000

Total pkgs..... 36,000

The above would show that there were exported annually about 36,000 packages of fish, weighing one hundred pounds to the package, valued at \$3 per package, and the amount annually expended on boating, fishing tackle, &c., of about \$250,000, was a matter of such moment that it should not be overlooked.

The PRESIDENT then declared the question of the "Treaty of Washington" discharged.

RECIPROCAL TRADE.

Hon. JOHN YOUNG said that the subject of "Trade Relations with the United States," proposed by the Executive Council, was one upon which they would be better informed after they were fully acquainted with the terms of the Treaty of Washington, and he therefore moved that this question be also deferred for the present.

At the request of Mr. A. JOSEPH (Quebec), the subject of the "Navigation of American Canals" was discharged.

Mr. EDWARD MCGILLIVRAY (Ottawa), wished the Board to express some opinion as to a Reciprocity Treaty, if fairly framed, in the interests of the Dominion and the United States; at all events we should show the delegates from the U. S. National Board that we want to continue trade relations with them, and to increase our trade. It was the desire of the commercial men of Canada, that no barrier should be placed in the way of trade with the United States. He did not mean that we should go the whole length of asking for free trade, for we were not prepared for that, but a free and fair exchange of raw materials. We should not be trading with each other as foreigners,—the countries adjoined,—our interests were in many respects identical; we should therefore meet each other, and indicate a desire that the good feeling existing between the commercial men of both countries should continue.

Hon. JOHN YOUNG.—In regard to what had been said about an expression of opinion for the American representatives to take home with them, he desired to state as one of the delegates present at St. Louis, that

nothing could be more sincerely earnest than the desire expressed there to bring about closer trade relations between the Dominion of Canada and the United States. The resolutions adopted on that occasion show the breadth and comprehensiveness of the views of Americans on this question. He was not prepared to enter fully upon that subject at present; but he might state, that yesterday he received a letter from the President of the National Board of Trade, (and which he had handed to the President of this Board,) stating that he was about to request the Executive Council of the National Board to meet at Washington, D. C., in February, and he would be glad if it could be arranged for a delegation from the Dominion Board of Trade to attend, to confer as to what was best to be done in order to bring about closer trade relations between the two countries. The Board was aware, Hon. Mr. Young continued, that in a resolution passed at St. Louis, it was suggested that a memorial to Congress be adopted, praying that a Commission be appointed by the United States to meet a similar Commission appointed by Canada. An excellent opportunity was afforded at the present time to ascertain what could be done in this direction by the mercantile men of the two countries; some steps might possibly be taken, by which the question, through them, could be handed over to the Government, to take such action thereon as they might see fit.

Mr. EDWARD MCGILLIVRAY said he had great respect for the mercantile community of the United States, and he was convinced that if our trade relations were referred to the commercial men of the two countries, they would very soon frame a Treaty that would be satisfactory to both.

Mr. W. J. IMLACH (Brantford), said that as the question of trade relations with the United States was referred to by the Executive Committee in their Report, it was desirable to show the American representatives present, how far the Board agreed with the resolutions passed at the St. Louis meeting. He also suggested that Messrs. Hazard and McLaren address the Board on this and other questions.

Mr. GEORGE S. HAZARD replied that he and his colleague preferred at present hearing the opinions of the members of the Board; but that they would in course of the proceedings express their views.

It was then arranged that the question of trade relations with the United States should come up for discussion at the afternoon session.

The Board thereafter adjourned until two o'clock, P.M.

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AFTERNOON SESSION.

THURSDAY, 18th January, 2 o'clock, P.M.

WM. MCGIVERIN, Esq., President, took the chair, and the Board proceeded to consider the question of

CONSULAR FEES.

Mr. E. R. SMITH (St. Johns, Q.), moved, seconded by Hon. MALCOLM CAMERON (Ottawa):

"That the Government of the Dominion be requested to call the attention of the United States Government, through the Imperial authorities, to the exorbitant consular and other fees levied on shipments of the products of Canada to the United States, which practically operates in many instances as a very burdensome addition to the already excessive duties exacted thereon."

Mr. SMITH said that the importance of the trade of St. Johns was shown by the fact that its annual exports amounted to \$6,000,000, while its imports amounted to little less. Their ground of complaint was twofold,—first, the inconvenience; second, the cost. The inconvenience consisted in being compelled to make a double entry, and the total cost of each entry amounted to five-and-a-half dollars. The Board of St. Johns would not complain if this double tax was really any benefit; but when the goods reached St. Albans, the consular certificate was just so much waste paper. They did not complain of the Consuls, however, but of the unjust system that prevailed.

Mr. A. JOSEPH (Quebec), said the resolution touched upon a large subject, and they might as well complain of the duties charged on products entering the United States. These consular fees were exacted, not only at St. Johns but at all the frontier ports.

Mr. GEORGE S. HAZARD (Buffalo), explained that this consular system applied to the goods from all foreign countries entering the United States, and all the invoices must be supervised and examined by the Consuls, for which service they of course charged a fee. The Consul's certificate must accompany the invoice of the goods; and this was one of the disadvantages under which St. Johns labored, that their exports were in small quantities, the charge being the same for \$100 as for \$100,000 worth of goods.

Hon. MALCOLM CAMERON asked if it were not possible to have this matter arranged between the two governments.

Mr. HAZARD,—I think so; I hope so.

Hon. MALCOLM CAMERON, said that when he sent a horse over the line he had to pay \$3 as a consular fee. This acted as a restriction on trade; it was \$3 out of a poor man's pocket; and worse, it was taxation without representation.

Mr. A. WATTS (Brantford), thought the system of consular charges did not apply to Ontario; for when they had procured the Consul's certificate, they were not called upon to procure another one across the line.

Hon. JOHN YOUNG said this was one of the many difficulties which would be avoided, if we had reciprocal trade with the United States. The

resolution requested our Government to complain of the fiscal regulations of the United States; but the Government of the United States had a perfect right to make any arrangement they pleased as to the introduction of foreign goods, and he was not aware that any fees were charged to Canadian merchants that were not common to other countries. He trusted the resolution would be withdrawn.

Mr. W. J. IMLACH (Brantford) pointed out that the proper course would be for the St. Johns merchants to complain to the United States Government, of the practice prevailing at St. Albans. He should be sorry if our Government interfered in any way in the direction of asking the United States Government to withdraw their Consuls from Canada.

The motion was then withdrawn.

TRADE RELATIONS WITH THE UNITED STATES.

Hon. JOHN YOUNG moved, seconded by Mr. HUGH McLENNAN, (Montreal):

"That it be an instruction to the Executive Council of this Board, to appoint a delegation to confer with the Executive Council of the National Board of Trade of the United States, on trade relations between the United States and the Dominion, at their contemplated meeting at Washington in February next."

Mr. HENRY FRY (Quebec), remarked that certain instructions had been given to the Executive Council appointed last year. It appeared to him that it would be somewhat difficult for the Council to appoint a Committee from amongst themselves, that would fairly represent the views of the Board, unless some discussion took place. The Committee might go to Washington and misrepresent the feelings of the Board, and on their return might have a vote of censure passed upon them for their trouble. He saw no practical objection to the question being taken up and fully discussed, and instructions given to the Committee that they might know the sentiments of the Board. He suggested as an alternative, that they might have a Committee on Resolutions.

Mr. EDWARD MCGILLIVRAY said the Board would do great injury to themselves if they allowed the opportunity to pass without giving expression to their opinions on the question of commercial relations with the United States. Some members were of opinion that the Board should name the deputation; but he should be perfectly willing to leave the matter in the hands of the Executive Council. He had prepared a statement of our trade since the Reciprocity Treaty was abolished, as well as during the continuance of the Treaty, from the Canadian Blue Books, in order to show exactly what our relations were. The abrogation of the Treaty had benefited us by throwing us upon our own resources. We were now called upon to send our goods through our own territory to the sea-board. Within three years we would have a railway to the Atlantic, and within ten years one to the Pacific Coast through Canadian territory. We now possessed a vast unoccupied territory; and in order to reach it, and to induce emigrants to settle, a highway would be made to the North West, which was destined to become one of the brightest Provinces of the Dominion. The fact that we had greatly prospered since the

repeal of the Reciprocity Treaty, was no reason why we should not now meet the Americans and endeavor to arrange for larger and more equitable trade relations. The paper he had prepared was as follows :

STATEMENT of the yearly amount of Exports from Ontario and Quebec, from 1st July, 1865, to 1st July, 1870.

		Bullion.
	\$	\$
Fiscal year ending 30th June, 1866.....	36,771,335	2,182,618
“ “ 1867.....	26,595,340	2,404,384
“ “ 1868.....	23,336,462	3,975,189
“ “ 1869.....	24,605,536	4,205,722
“ “ 1870.....	28,472,494	6,867,494
	139,781,167	19,635,407

Exported by Ontario and Quebec in 10 years, during the Reciprocity Treaty, to the United States :

Duty paying goods	\$ 6,413,114
Free goods.....	143,940,320

	150,353,434
Deduct as above, for half the above period..	139,781,167

\$10,572,267

This shows that the total traffic with the United States by Ontario and Quebec for five years is only \$10,572,267 less than it was during the 10 years of the Reciprocity Treaty, having increased during the past five years 93 per cent.

Total trade of Ontario and Quebec with the United States for 10 years during the Reciprocity Treaty, including Imports and Exports	\$350,061,407
Total trade for the above five years, Ontario and Quebec.....	228,087,085

\$121,974,322

This statement shows that the whole trade between the United States and Ontario and Quebec has increased for five years 30 per cent. in proportion to the ten years of the Reciprocity Treaty.

STATEMENT of the yearly amount of imports into Canada, Ontario and Quebec, from 1st July, 1865, to 1st July, 1870.

	Duty Paying Goods.	Free Goods.
	\$	\$
Fiscal year ending 30th June, 1866.....	4,362,167	10,880,667
“ “ 1867.....	6,064,018	7,997,137
“ “ 1868.....	7,188,436	10,411,837
“ “ 1869.....	6,029,173	14,729,808
“ “ 1870.....	6,956,906	13,685,769
	30,600,700	57,705,218
	57,705,218	
	88,305,918	

Imported by Ontario and Quebec during ten years of the Reciprocity Treaty, from the United States:

Duty paying goods.....	\$ 92,326,382
Free goods.....	107,381,596
	<hr/>
	199,707,978
Deduct for five years, half the above period....	88,305,918
	<hr/>
	111,402,058

This balance shows that the Importations have increased 13 per cent. for five years, in proportion to the ten years of the Reciprocity Treaty.

Imported and entered free of duty, under Reciprocity Treaty, previous to 17th March, the date on which the Treaty expired	\$ 8,751,931
Imported and would have been entered free of duty under the Reciprocity Treaty had it continued in force.....	34,782,590

STATEMENT showing the value of the undermentioned articles, Exported from Ontario and Quebec to the United States, from 1st July, 1865, to 1st July, 1870 :

	Lumber all kinds	Grain all kinds.	Live Stock.	Flour and Meal.
	\$	\$	\$	\$
Fiscal year, ending 30th June, 1866 ..	6,055,546	9,226,809	7,893,003	3,819,522
" " " 1867 ..	6,671,438	8,739,247	7,010,460	2,231,008
" " " 1868 ..	7,091,972	6,794,653	1,879,676	850,745
" " " 1869 ..	6,580,033	7,072,280	2,797,568	509,385
" " " 1870 ..	8,045,691	6,764,067	5,057,529	359,677
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	34,444,680	38,597,056	19,638,236	7,770,337

Total Exports of Lumber, Grain, Live Stock, and Flour.....	\$100,450,309
Total imports of " "	23,076,240

Excess of Imports..... \$77,383,069

The foregoing Statement does not include any importations or exportations to Nova Scotia or New Brunswick, merely comparing the trade of Ontario and Quebec with the United States, during the Reciprocity Treaty and the years above stated.

STATEMENT showing the value of the undermentioned articles, Imported by Ontario and Quebec, from the United States, from 1st July, 1865, to 1st July, 1870.

	Lumber all kinds.	Grain all kinds.	Live Stock.	Flour and Meal.
	\$	\$	\$	\$
Fiscal year, ending 30th June, 1866 ..	154,459	3,287,969	254,248	422,432
" " " 1867 ..	57,482	1,662,329	32,853	117,487
" " " 1868 ..	109,582	5,478,786	28,904	277,026
" " " 1869 ..	145,873	4,693,697	38,281	675,116
" " " 1870 ..	213,916	4,803,541	21,640	591,619
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	681,312	19,926,322	375,926	2,083,680

STATEMENT of Trade between Ontario and Quebec and the United States for 10 years during the Reciprocity Treaty.

Date.	DUTY PAYING GOODS.		FREE GOODS.	
	Imported from United States.	Exported to United States.	Imported from United States.	Exported to United States.
	\$	\$	\$	\$
1854.....	13,449,341	489,802	2,083,757	8,159,200
1855.....	11,449,472	327,710	9,379,204	16,409,557
1856.....	12,968,804	575,564	10,321,935	17,404,190
1857.....	9,966,431	639,714	10,258,220	12,566,722
1858.....	8,473,607	466,191	7,133,036	11,463,903
1859.....	9,036,371	651,725	8,556,545	13,270,589
1860.....	8,532,544	574,959	8,746,799	17,853,009
1861.....	8,346,633	519,517	12,722,755	13,866,910
1862.....	6,128,783	774,761	19,044,374	14,288,969
1863.....	3,974,396	1,393,171	19,134,966	18,657,261
	92,326,382	6,413,114	107,381,591	143,940,320

Mr. McGillivray then urged that it was the duty of the Board to appoint a deputation to meet that of the National Board of the United States, and that the delegates should understand thoroughly the questions at issue.

Hon. JOHN YOUNG said that no subject could engage the attention of this Board which possessed so much importance as that of trade relations between the Dominion and the United States. The relative situation of the two countries rendered it necessary that the labor of each should have a free exchange, without which the interests of both must be injured. Any measure, therefore, which tended to bring this about in a large and comprehensive manner,—bringing into closer relationship peoples having the same origin, and springing from the same great mother,—was a great work; and it was well perhaps, notwithstanding what had been previously said, that the Board should discuss the subject in all its bearings. To go back to first principles, he would refer to the principle of federalization which had gradually extended all over the world. It commenced in Germany, was adopted in the United States, and has since been applied in Canada. In Germany, a Zollverein or Customs Union was established. Amongst the many small States of the country, each collecting its own duties, having its own custom houses placed along its little frontier, their regulations became so onerous, that about fifty years ago it was resolved to unite in a Zollverein, which would abolish numerous custom houses, and establish certain uniform rates of duty throughout the States. The principle had so extended, that from thirty-six millions of people having perfectly free transit between the different German States, the number has been increased to seventy millions. In Germany this principle has worked exceedingly well.

It was at first feared that the Zollverein would injure England's trade ; but the result had been quite different, as English statesmen and writers admitted, for it was invariably found that the richer a people became, the greater trade existed between it and England. The principle was adopted in the United States by the federation of all the States of the Union. Free trade now exists between the different States, and there are no duties imposed except on the frontiers. He remembered the time, only a few years ago, when Nova Scotia had its tariff of Customs duties, and New Brunswick had its separate tariff, as Canada had hers, so that goods could not be sent from one Province to the other without paying certain duties. Newfoundland and Prince Edward Island still maintain their distinct tariffs ; but these, he hoped, would soon be abolished. Confederation, which gave perfectly free trade between the different Provinces, had no doubt largely contributed to the prosperity of the Dominion. If that principle were applied to Canada and the United States, we could exchange products and labor perfectly unfettered by custom houses and duties. As was stated in the report submitted by the Executive Council, there were barriers standing in the way, owing to the fact that we were not in an equally satisfactory financial condition. The debt of the United States amounted to \$2,250,000,000 or with a population of forty millions, a debt of \$56 *per capita*, whilst the debt of Canada was \$156,000,000, or with a population of three millions, a debt of \$33 *per capita* ; but if \$18,000,000 were added for the improvement of our canal system, together with cost of completing the Intercolonial Railway, Canada's debt would be brought up to about \$46 *per capita*. If, therefore, the United States could in some way or other reduce their debt—and they were rapidly reducing it—so as to meet Canada on equal terms, the countries might join in a Zollverein, on the basis of that of Germany, which would be the best thing that could happen. If our coal, of which in Nova Scotia there were seven billions of tons, iron ore, copper ore, petroleum, salt, slate, gypsum, &c., could be sent into the United States perfectly free of duty, a vast impetus would be given to the material wealth of this country. When he looked at Lower Canada, and saw the large rivers from the North running into the St. Lawrence, which provided splendid water-power, and yet saw the people idle, and that 27,000 of the inhabitants emigrated to the United States last year in search of employment, he became somewhat despondent ; but with the advantage of a Zollverein, he claimed that the Province of Quebec would attract labor and immigrants. Then again he looked at the returns of our exports to the United States during last year, which amounted to \$28,772,312. The principal articles were :

Horses	No.	16,461,	valued at \$1,458,111
Horned Cattle	"	107,731,	" 3,006,878
Swine	"	107,135,	" 270,958
Sheep	"	147,355,	" 388,757
Poultry	"	" 65,597
Wool	lbs.	2,437,766,	" 770,299
Barley and Rye . .	bush.	6,663,877,	" 4,752,774
Wheat	"	785,460,	" 810,770

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Oats bush.	2,817,547,	valued at	\$720,455
Flour brls.	52,552,	"	207,663
Lumber feet.	846,882,150,	"	8,256,599
Shingles mille.	112,128,	"	218,242
Pine and Spruce logs, No.	21,258,	"	102,950

Taking the average at 20 per. cent., the duties paid in 1870 amounted to \$5,754,500, which, in his opinion came directly from the pockets of our people. He well knew the doctrine, that the consumer pays the duty imposed on goods; but we were peculiarly situated, and our exports had little influence on the American market, and the price there would not be altered thereby. There was not a farmer in this country who had a horse or an ox to sell, but who must pay duties to the United States if he sent them one foot over the line, and the duty had to be deducted from the price paid. Unfortunately Canada had no other market except the United States for most of the articles named, and her people are compelled to accept exactly the price which the Americans will give. England did not want our horses, cattle, lumber, barley, and other raw products; the prices obtained in England ruled the value of articles exported there by Canada, and the question of transportation was the difference between England and here. He believed England would have no objection to a Zollverein between Canada and the United States; in fact, we had been told to take any steps which were for our own interest. He could not but think that if the principle of the resolutions passed at St. Louis were carried out, or something like them, when the proper time arrived, great advantage would accrue to the Dominion. He was aware that one of the objections to this policy was, that it would end in the annexation of Canada to the United States. He had no such fear; no party in the United States expressed themselves bent upon this: and he believed that the United States Government would not only meet us in a cordial spirit, but would join with the English Government in securing our independence; but no one desired annexation. The only parties indeed who had created discord between the United States and Canada, were some malcontents who had lately been the Queen's subjects.

He had spoken thus freely for the purpose of provoking discussion. The views he had expressed were not formed hastily, but only after mature consideration as being those necessary for the welfare of the Dominion. No one admired Canada more than he did,—no one had a higher opinion of her resources and her greatness; and, during his lifetime, he had striven to promote her prosperity. These views should be calmly discussed without personal feeling, and without the introduction of allusions to our loyalty. We were called upon to be loyal to this great country of Canada, loyal to her interests, and loyal to her advancement in every possible way.

Mr. W. H. HOWLAND (Toronto), whilst paying a tribute of recognition to the services rendered by Hon. John Young, which would not be forgotten by the country, differed from him strongly on this question. Whilst the National Board of Trade at their meeting at St. Louis extended to the delegation from Canada every possible courtesy and consideration, the Board were not in the slightest disposed to withdraw from the position defined in the resolutions

adopted. If they were to have free trade, it would have to be complete free trade; and one point was very evident from the construction of the resolutions, namely, that the United States would have the imposition of the duties, and also the collection of revenue accruing therefrom. The position the question assumed was simple:—if we surrender the control of our fiscal affairs, we surrender also the government of our country. Radical free traders though we might be, we desired to live a separate people as in the past; and would not agree to any proposition which had on its face the object of forcing us into political annexation with the United States. In discussing this subject with Americans at St. Louis, he found the so-called "manifest destiny" idea generally held: that Canada must naturally fall into the hands of the United States, and become ultimately a portion of that country. They believed the mutual interests of the two countries would bring about a union, and would scarcely listen to him when he stated that the people of Canada were resolved to live as a distinct people.

The argument in favor of a Zollverein might be dropped here; it was unnecessary to carry it further. It was, however, carried further at the St. Louis meeting; but the Canadian delegates, with the exception of Hon. Mr. Young, opposed the propositions, and impressed upon the Americans that the Canadians were willing to enter into closer commercial relations, but were not prepared to enter into more intimate political relations. The only point at which the meeting could arrive, was respecting the appointment of a Commission; and credit was due to Mr. Thos. White of the *Montreal Gazette* for the suggestion which was made, at a time when the proceedings had come almost to a dead-lock. A proposition was made by the Canadian delegation that perhaps free trade might take place in certain manufactures. The National Board was indisposed to adopt that view, but were willing that the general question should be considered by a Commission representing both countries. Possibly a Commission might effect some good; and it was already hinted that the United States Government intended to reduce duties on certain products. Canada would thoroughly appreciate this action, because the United States Government was not compelled to adopt it. As regarded the proposition for a delegation to proceed from this Board to Washington; it would be difficult to obtain a proper delegation at the present time, especially when there was so little probability of any great results flowing from their action. He deemed further discussion of a Zollverein to be useless. The free trade party in the United States, was, however, becoming stronger; and, if the duties were reduced, Canada would derive benefit therefrom alike with other countries; and as this reduction of duties was all that would probably be obtained by sending a delegation to Washington, such a step was quite unnecessary.

He moved in amendment, seconded by Hon ROBERT READ, (Belleville).

"That in the opinion of this Board, the alterations in our trade relations with the United States, as proposed in the resolutions carried by the U. S. National Board of Trade, could not be entertained so far as the idea of a Zollverein is concerned; but we would at the same time, express our most cordial willingness to negotiate with the United States for the purpose of relieving the trade between the two countries of all restrictions interfering with the legitimate prosecution of trade, in so far as may be found beneficial to the interests of each."

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Mr. L. E. MORIN (Montreal), remarked that if the *habitans* of Lower Canada were asked to define their present position, as compared with that they occupied whilst the Reciprocity Treaty was in effect, they would reply unanimously that they were more prosperous under the Treaty. Emigration from the Province of Quebec had increased. This was due to the long winter which caused scarcity of employment; and, as the United States offered to the laboring classes many advantages, they naturally deserted Lower Canada. He favored the Zollverein, because it would improve the condition of the *habitans*, by introducing capital into the country, and increasing manufactures, for which our country possessed all the natural facilities. Our only market is the United States; and if the barriers on the frontier were thrown down, immense benefit would accrue to Lower Canada.

Mr. JAMES WATSON (Hamilton), as a Canadian delegate attending the St. Louis meeting, protested against a Zollverein as leading directly to annexation, even if such were delayed for ten years. Were a Zollverein established, an employer of labor was sure to become an annexationist if he had successful dealings with the Americans. Besides, if capitalists were to establish large works, and if afterwards there was a probability that the Zollverein would be abolished, many industries would be ruined, and the owners would support annexation in order to save their own property.

Mr. W. J. IMLACH (Brantford), had prepared statistics to prove that as Canada now stood, to establish a Zollverein would be to commit self-destruction. The desire of the United States was undoubtedly to annex Canada; but we had a higher destiny on this American continent, and he would state in the presence of the American representatives that we had within the Dominion the nucleus of as great a nation as the United States. True, our nation was young; but we had the vast Northern regions in which to rear a hardy people, and history proved that Northern nations were the most powerful, industrious and energetic. Why should we then surrender our independence to our southern neighbors? The people of the United States knew that we possessed the elements of a great nation, and they therefore wished to absorb us while we are young, knowing well enough that they could not effect this when we become an older people. He trusted the representatives from the National Board of Trade would on their return home counsel their friends, that so far as the Dominion Board of Trade was concerned it would be useless to talk of annexing Canada.

He submitted the following statistics: The imports of the United States for 1870 amounted to \$486,780,000, whilst those of Canada reached \$74,814,000; but the population of the United States was 38,550,000, against 3,484,000 in Canada. Taking an average of 10 per cent. on the gross amount of U. S. importations, it would give a sum of \$1.33 *per capita*. Our own customs at 10 per cent on our imports would yield a revenue of \$7,481,000; which, according to our population would give *per capita* \$2.15,—showing a loss of 81 cents *per capita*, or on the whole population of nearly \$3,000,000. This sum of three million dollars we would surrender for the imaginary benefits of a Zollverein, and at the same time sell

our birthright. He could not understand what benefits manufacturers would derive from a Zollverein. Manufacturers would certainly locate themselves where they could carry on their works to the greatest advantage. As to markets for goods, he contended that manufacturers would reap greater benefits by selling their goods in the home market than by exporting them.

Mr. HUGH McLENNAN (Montreal), said the objection did not strike him that there was any intention of drawing this country into annexation. This constant cry of loyalty was like whistling to keep the courage up. Canada is able to retain its own independent existence as a nation; and if the Americans desired to annex us, such change could not be effected without our full and free consent being first obtained. A practical difficulty in the way of a Zollverein was that the question was a novel one to a large proportion of the people; for, though it might be understood on the frontier, it was little known in Pennsylvania. A fair Reciprocity Treaty would he thought, be of advantage to Lower Canada and Ontario. Lower Canada derived considerable benefit from the Reciprocity Treaty, which had been in force ten or eleven years, and when it was repealed our people possessed capital. The fact that we had progressed since Reciprocity was withdrawn, afforded no reason why we should not ask for improved relations; and the Board should, therefore, send a deputation to Washington to meet the Executive of the National Board of Trade.

Mr. A. WATTS (Brantford), pointed to the absorption of all the smaller States of Germany by Prussia as the result of a Zollverein. In the United States the Zollverein principle had founded a nation which threatened to absorb the whole continent. If the United States were sincere in their desire merely for improved commercial relations, that could be done by treaty; but the fact was Americans were all politicians, and were desirous of obtaining political connection with Canada. He believed the unsatisfactory condition of Lower Canada was due to the people themselves. Upper Canada, to some extent, suffered from the same causes. During Reciprocity, wheat was grown until the land became exhausted and would grow nothing. After the abrogation of the Treaty, that bad system was given up; oats and barley were grown, cheese was made in large quantities, and a proper system of farming was now generally adopted. The people of Lower Canada should watch the progress made by other communities and imitate their example.

HON. ROBERT READ (Belleville), said there was no man who desired closer commercial relations between the United States and the Dominion than himself. For many years he had had large transactions with the Americans, and preferred dealing with them, because they were more prompt in their transactions. He desired to trade with them, however, as an equal, and not as an inferior. Admitting that we are comparatively not a numerous people, inhabiting a cold country, still we are vigorous, and successful in business. Eleven years ago, a discussion respecting the Reciprocity Treaty commenced at Buffalo, and he perceived that this meant that action would shortly be taken. The Treaty had not benefitted the United States commercially as they anticipated; and it had not influ-

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enced Canada politically as many American politicians expected. We were not "educated" at that time. He was then convinced that the Treaty would be abolished, and asked himself,—what would be Canada's position? The returns show that six years ago, our imports of cheese were to the value of \$360,000; but to-day the accounts of cheese factories with a single Bank amount to half a million of dollars. The repeal of the Reciprocity Treaty had been of much benefit to the farming population of the country, as evidenced by the fact that the prices of cattle had advanced fifty per cent. He also showed that lumber, barley, sheep, and wool, had all largely increased in value, and that merchants were overrun with orders. Referring to the emigration from Lower Canada, he stated that thousands of *habitans* were now employed in Upper Canada, and were removing there daily. Lumberers could not be obtained, and he was convinced that no man in this country need be out of employment, if he chose to labor. There never was a time in the history of Canada, when we were so prosperous as at present.

Mr. J. C. LANGELIER (St. Hyacinthe, Q.), had not heard a single word to prove that a Zollverein meant annexation. Every Canadian wished to remain a Canadian; no one desired to have a Zollverein without conditions. A joint tariff would have to be prepared, which would be based on terms acceptable to both parties, and which could not be forced upon us. But, supposing the United States changed their views, we are still under the protection of England, as well as powerful in ourselves, and would refuse their terms. Nothing definite had yet been done with regard to the Washington Treaty; but we did know that, when the British Government accepted that Treaty, it made a concession of principle, and also conceded some interests of Canada. Before deciding the Zollverein question, we would have to consider whether it was good for a new and not very wealthy country, but possessing vast natural resources; and he was of opinion that it would place Canada in a better commercial position than at present.

Referring to the question of farming in Upper and Lower Canada, he pointed out that good farming was easier in Ontario than in Quebec, from the differences of soil and climate. He denied that, so far as concerned Lower Canada, the repeal of the Reciprocity Treaty had been advantageous, the contrary being the case. When about 2,500,000 pounds of wool were exported, and \$7,000,000 worth were imported, it was evident something was wrong, as there would be a large demand for wool in this country were manufactories prosperous. Iron ore was also exported, which should be smelted here, were it not impossible to compete with the wealthy English houses. Were a Zollverein established, he was convinced the Americans would be quite willing to permit us to remain Canadians so long as we were good commercial neighbors.

Hon. MALCOLM CAMERON (Ottawa), stated that a Zollverein was not a new question; it had been proposed twenty years ago by a man whose loyalty was never questioned. We should now consider the subject in the light of our own interests,—of course with the approval of England, which would take care that Canada was not swamped. He read quotations from

the speeches of Hon. Isaac Buchanan, in Parliament, to show that the question was neither new, nor considered treasonable.

Mr. ROBERT WILKES (Toronto), stated that he had much sympathy with the broad, statesmanlike, and liberal views of the Hon. John Young. The dream of political economists had always been to break down the barriers which divided nations,—to remove the commercial obstructions which separated them, and make them as much as possible one people. Reference had been made to the German States, and he desired to remind the Board that these States were merely parts of a whole nation, which had been broken into fragments during the Continental wars. Ever since the battle of Jena, the Germans had sought the unity of the States,—establishing commercial unity, where political unity was out of their reach. He objected to the sentiment that this unity was the result of the Zollverein system: it had been the result of German aspiration and German ideas. Now, Germany had realized her aspiration, and she stands before the world as a powerful nation. The Commercial Zollverein of two independent nations, is not commercial liberality in the full and broad sense of the term; it was organized illiberality, because two nations would be combined to exclude the manufactures and products of other nations;—becoming liberal so far as the contracting parties were concerned, and illiberal as regards all others. A Zollverein, therefore, embracing Canada and the United States would simply be the extension of an organized illiberality towards our Mother Country. If our people lean towards a Zollverein at all, it is along the lines of longitude, and not on the parallels of latitude. It may be an idle dream,—it is nevertheless entertained by many earnest minds, that a British Zollverein, reaching across this continent, and spanning both the Atlantic and Pacific is among the possibilities of the future. The vantage-position of Canada is, that all the natural products she has to sell are absolute necessities to the United States; our lumber, coal, wool, and other products, the Eastern States must have. The price of our lumber now is higher than it was before the abrogation of the Reciprocity Treaty, and the increased price to the American builder and consumer, caused by the American duty, is paid by the American people. For the five years subsequent to this Treaty, the decrease of exports from Canada to the United States was about $7\frac{1}{2}$ per cent; but during the same five years the so-called balance of trade, instead of being against us as before, shews a sum of fifty-two millions in our favor. We desire to cultivate the most liberal trade relations with the United States, by treaty or otherwise; but the admission of our necessary natural products must not be regarded as a claim on us to admit their manufactures with a discrimination against England. The United States have chosen a false fiscal policy, which neither France nor the United States can maintain. Canada must encourage such manufactures as she is adapted for, not by the imposition of high duty on imports—but by engaging in the production of cheap food and clothing, she can not only supply her own people, but share in the export trade of the world.

Mr. HENRY FRY (Quebec), could not conceive that the subject came within the domain of practical questions,—especially so long as the

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United States imposed duties ranging from thirty to forty per cent., whilst Canada was content with about fifteen per cent. A Zollverein under these conditions could scarcely be discussed,—besides he should like to ask how long four millions of free people would permit another nation to decide their taxation? It had been remarked that certain safe-guards would be introduced into the Zollverein, if such an arrangement were effected; but he did not see how this could be done. The United States possessed a population of forty millions; and if they settled upon certain tariffs, and went to war with Spain or other nations, could we expect that their action would be influenced by the opinion of four millions of Canadians? If they went to war, taxation must be increased; and if a Zollverein were established, Canadians would have to submit to this increased taxation.

Mr. GEORGE S. HAZARD (Buffalo, N. Y.), thought some misunderstanding prevailed as to the character of the resolutions passed at St. Louis. It seemed to be considered that the principle of a Zollverein had been settled upon by the National Board of Trade. He did not view it in that light; it was simply a suggestion thrown out; and there was evidently a desire felt by the people on both sides of the line, to arrive at some commercial arrangement, which would be satisfactory to both countries, either by a Zollverein, by reciprocity, or by free trade. Personally he had doubts whether the United States would concur in a proposition for the establishment of a Zollverein; it was simply a suggestion thrown out, with several others, for consideration,—with a view to the development of some idea, principle, or plan, for improved trade relations between the two countries.

Mr. HUGH McLENNAN (Montreal), desired it to be understood that whilst seconding the motion, he was not committed to a Zollverein. At the meeting in Boston, which took place before he was brought into contact with the National Board of Trade, the President of that Board, anxious to arrive at some scheme, that would deal with the entire trade relations of the two countries, fixed upon the idea of a Zollverein. In sending a Canadian delegation to Washington, they might be able to give the Americans some practical views on this question. Personally he gave preference to the drawing up of a Reciprocity Treaty between the two countries, such being a more practical measure.

Mr. WM. P. McLAREN (Milwaukee, Wis.), spoke briefly upon the question of trade relations. He said that the National Board of Trade could not advance further than making propositions; but if we, as business men, could go to our governments and state distinctly what we wanted, then there would be a basis upon which negotiations might be opened. He regretted that the question of a Zollverein had been brought up, because it would meet with serious opposition in the United States; in fact, he scarcely could entertain the hope that it would be carried. He believed, however, that if the National and Dominion Boards were brought together, to endeavor to agree upon a basis, some other proposition would be decided upon. They had many interests to consult, and they already found strong opposition raised by the lumbermen. Then there was also the political

difficulty which would have to be overcome,—but what the *people* wanted were more intimate commercial relations with Canada.

He was rather surprised to hear Mr. Howland state that nearly every gentleman he met at St. Louis considered annexation as the grand end and aim of all improved commercial relations. He (Mr. McLaren) recollected hearing a little said about the matter, late one night, but he did not give much weight to it. He could speak freely on the question, as he had lived many years in Canada, and had changed his location on account of business advantages. He did not believe, that if the people of the United States were to vote on the question of annexing Canada, it would be carried. The people now believed that the United States possessed sufficient territory; and the proof of this was seen in the manner in which the proposed annexation of San Domingo was treated. This annexation idea had grown to be a bugbear. Canada was quite able to take care of herself. He thought the commercial men of the two countries, should be brought together to discuss, not whether the Americans insisted on a Zollverein, but what was the best basis on which to obtain fair and improved commercial relations. The United States want to buy Canadian products, and not have to enquire to which country the vessel they desire to charter belongs. He wished to remove the anomalies of commerce; and until there is absolute freedom of trade established between the United States and Canada, we should constantly find difficulties arising.

Hon. JAMES SKEAD (Ottawa), as an agriculturist of Ontario, and a member of the Dominion Board, protested against Hon. Mr. Young's proposal, and gave his support to the amendment. The time had scarcely arrived, when a delegation from this Board should be sent on such a mission. Sufficient attention had not been paid to the great agricultural interests of the country, which were second to none in importance. Would it be right for this Board to send the whole Executive Council to Washington? What business would there be to do, when they had arrived there? They would simply represent their own particular views; and it would therefore be wisdom, that this subject be laid over for twelve months, in order that its merits might be thoroughly discussed and understood throughout the Dominion. Next year they would be in a position to deal with it in a more intelligent manner.

Mr. E. D. KIRBY (Petrolia), was in favour of sending a delegation to Washington, to meet the National Board; but instructions should be given them not to entertain the question of a Zollverein, to which he was personally opposed.

Mr. A. JOSEPH (Quebec), said the amendment did not oppose the sending of a delegation to Washington.

Mr. GEORGE S. HAZARD (Buffalo), then addressed the Board. He did not attend the meeting with the intention of speaking, but with the view of hearing what its members had to say, and of learning what they wanted. He thanked them heartily for the courteous kindness extended to him. The discussions appeared to be conducted with animation and ability.

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He was convinced that Canada possessed vast resources, and only wanted railroads, canals, and people to properly develop them. He did not believe that any country could depend upon its own resources, and no nation could succeed without trade with other countries. The only barrier that exists between the two countries was an ideal one. He assured them that the American people were willing to meet them half-way, and even more than half-way, if by that means they could secure an amicable adjustment of the trade difficulty. It would be a short matter if left to commercial men to settle. He thought that by the old Reciprocity Treaty Canada had the best of it [cries of No, and laughter]; a reciprocal trade would settle Canada faster than any project he knew of. The Americans were prepared to stand by free trade, so far as related to articles really needed by the two countries. Regarding annexation, he had heard less talk about it in the United States than he had heard in Canada. He did not desire it, and he did not think the people did. The question of independence was a matter that did not concern the American people. He entertained grave doubts as to the working of a Zollverein. With reference to the North West, it was destined, in his opinion, to become a great country. Cheap transportation is the great lever of progress; and with that from the North West, we would soon see millions of bushels of grain and thousands of head of cattle finding their way to the eastern markets. Lowering of rates of transportation had greatly increased the profits on their canals in the United States; and he would advise the Canadians to look well after their canal facilities and their railroads. He hoped the day was not far distant when the two nations would be as one people socially and commercially. He concluded by relating a similar wish expressed to him by the late Hon W. H. Merritt, many years ago.

Mr. W. H. HOWLAND desired to modify the resolution so that the sending of delegates might not be compulsory.

Mr. HAZARD remarked that the National Board of Trade would be highly gratified to see a Committee.

At this point Hon. JOHN YOUNG expressed a desire to have a unanimous resolution, and a motion prepared by Mr. THOMAS RIMMER was read but subsequently withdrawn.

Mr. H. F. HOWELL (Sarnia), thought it was desirable that the enormous burdens on salt now levied, should be removed; besides which, there were other important questions, such as navigation and coasting laws, which should be discussed. He supported the motion of the Hon. John Young, and suggested the appointment of a Committee to draw up resolutions for the guidance of the delegation.

Mr. HENRY FRY urged that the propositions made by Hon. Mr. Young, and Mr. Howland, be regarded as substantive motions.

Mr. M. P. RYAN, M.P. (Montreal), desired that unanimity should prevail in the councils of this Dominion Board of Trade. The repeal of the Reciprocity Treaty, he was convinced, caused general regret in Canada. We had no part in that action,—it was contrary to our wishes and desires.

If the people of the United States now felt, after a lapse of five or six years that all the benefits anticipated from the abrogation of that treaty had not accrued to them, and were now anxious to bring the two countries into closer trade relations,—and if they were prepared to approach the people of this Dominion and declare their readiness to enter into more intimate commercial relations on certain specified terms,—we would be ready to meet them on a fair and equal footing. The Americans being the greater people, and we the lesser, the proposals must come from them, with an assurance that they would bring influence to bear on their Government in regard to this question,—showing them that it was for the general interests of the United States to enter into closer and reciprocal trade relations with us Canadians, than now exist. The effect of the withdrawal of reciprocity some years ago was to compel Canada to rely upon her own resources; and he was proud to say we were successful in our endeavours to maintain our prosperity. We developed new branches of industry which it was previously supposed could never succeed amongst us; and this was invariably the result of such action as that adopted by the United States towards this country, Reference had been made to the cheese trade, and statistics he had this moment at hand corroborated the statements made by Hon. Mr. Read. He remembered during one season importing \$100,000 worth of cheese from New York for consumption in the Dominion. There had since been a cessation in the importation of cheese; and the exportation of that article was now one of our special branches of trade. Our industries, however, extended in other directions; and there are now Pork-packing houses in almost every town in Ontario, whilst formerly the whole of this trade was carried on in the Western States. Our exports of cheese in 1870 amounted to 99,416 boxes, each containing an average of 60 lbs., and in 1871 our exports of cheese by the River St. Lawrence alone were 11,820,000 lbs., (or more than double the shipments of 1870;) in addition to which a large export trade was carried on *via* the Niagara Suspension Bridge. Our exports of butter last year were no less than 16,000,000 lbs. Further, this increased prosperity was not confined to agricultural products; the statement applies equally to our trade in minerals and to the manufacturers of our cities. He believed we were not dependent for commercial existence, or even commercial success, upon obtaining access to the United States markets, with their forty millions of people; and a feeling was growing up which would result in a knocking at the door of our Legislature, and in asking for further protection to our manufacturers,—for, dearly as we love England, we love our Dominion better. We will use the great water-power which nature has given us; we will hear no more of emigration from the Province of Quebec, for capitalists will come in and invest their money in undertakings which will give employment to our people,—fortunes being also realized by the capitalists themselves. Commercial rivalry is the only rivalry he wished to see existing between Canada and the United States. As he had said, however, in his opening remarks, he was thoroughly convinced that all proposals for closer relations must emanate from the Americans; and he was satisfied that, if they only approached us with fair and reasonable terms, we should be glad to accept them.

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The motion submitted by Hon. Mr. Young was then carried, and upon Mr. Howland's amendment being voted upon as a substantive motion, it was likewise adopted.

The Board then adjourned until the following morning at 10 o'clock.

THIRD DAY'S PROCEEDINGS.

MORNING SESSION.

FRIDAY, 19th January, 10 o'clock, A. M.

WM. MCGIVERIN, ESQ., President, in the chair.

The SECRETARY read the minutes of proceedings of previous day, which were confirmed.

COMMITTEE'S REPORT ON BY-LAWS.

The Committee on By-Laws, appointed at evening session on Wednesday, reported as follows :

The Committee appointed to examine the By-Laws beg leave to report; that after examining the By-Laws as adopted by the Board at its last session in January, 1871, recommend that Rule 9 be so changed as to read as follows :

When the President, vice-President or Chairman, is called upon to decide a point of order, his decision shall be final except by appeal to the Board. All questions shall be put, in the order in which they are moved. And it shall be the duty of the President, vice-President, or Chairman, whenever he shall conceive that a motion which he has received and read, may be contrary to those rules, to apprise the Board thereof immediately before the question on such motion is put. After the question is finally put from the chair, no member shall speak thereto, nor shall any motion be made until after the result is declared; and the decision of the chair as to whether the question has been finally put shall be conclusive.

(Signed)

ROBERT SPRATT,

Chairman.

OTTAWA, 18th January, 1872.

On motion the report was received and adopted.

TRAVELLING EXPENSES OF DELEGATES.

Mr. L. E. MORIN (Montreal), moved, seconded by Mr. JAMES WATSON, (Hamilton) :

"That the subject of defraying the expenses of the delegates in attending the meetings of the Board, be considered by the Finance Committee."

Mr. A. JOSEPH (Quebec), said the Finance Committee had nothing to do with the point, the financial arrangements of the different Boards being left with themselves.

Mr. L. E. MORIN supposed that if a delegation were sent to Washington, they would not be called upon to defray their own expenses; and

he therefore desired that the Finance Committee should report some scheme to meet such cases.

Mr. HENRY FRY (Quebec), said the only scheme would be, to double the contributions of the constituent Boards.

Mr. L. E. MORIN—Let us double it.

Mr. A. JOSEPH pointed out that if such a proposition were adopted, the Finance Committee would have to be called upon to reconsider and alter their report, which had been already acted upon by this Board. The deficiency of funds was proposed to be remedied by increased taxation; but the Finance Committee were strongly urged by members of recently-formed Boards, not to increase the contribution, as it might have the effect of cutting off some of the small bodies. It was also thought that by obtaining an increase in the members of the local Boards, the Dominion Board would be able to meet its liabilities; and therefore the Committee reported in favor of continuing the *per capita* assessment at 75 cents for another year, until it was seen what additional number of members would be added to the Board.

Mr. MORIN withdrew his motion.

PETROLEUM DUTIES.

The PRESIDENT announced the next order of business to be the duties on Petroleum entering the American markets, which was submitted by the Petrolia Board of Trade.

Mr. E. D. KIRBY (Petrolia), moved, seconded by Mr. THOMAS THOMPSON (London):

"That this Board recommends that in any arrangements which the Government of Canada may make with the American Government, by which any of the products of either country may be admitted into the other free, or at a reduced duty, Crude Petroleum and its products shall be included."

Mr. KIRBY said he called the attention of the Board to this subject because the duties now imposed upon oil entering the United States were prohibitive. To explain this he stated that the duty levied upon crude oil was 20 cents per gallon, whilst the price of crude oil in the United States was only from 12 to 14 cents per gallon; and therefore it was impossible to send any Canadian crude oil into the United States. The duty upon refined oil was 40 cents per gallon, while the price of this article across the line was from 35 to 38 cents per gallon; therefore our refined oil was entirely excluded from United States markets. The reason for this state of things was found in the fact that when the duty was first imposed upon Canadian oil imported, there was an excise duty upon oil manufactured in the United States; but, upon the oil men showing that the excise duty was hampering an industry which was just springing into existence, the United States Government removed all excise duties levied upon the home product, but allowed the duties on Canadian oil to remain. Of course, all oil manufactured in the Dominion for exportation comes into competition with American oil; for our surplus oil, alike with American, goes into foreign markets. So far, therefore, as foreign trade was concerned, the Americans were not

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benefitted by the heavy import duties they imposed. In the absence of competition, the price of the surplus of any commodity regulates the price of the article itself at home; consequently we had to submit to the price obtained for our surplus oil in the United States. Canadian oil is altogether different from the oil of Pennsylvania—the former being heavier. Very lubricating oil could be made in Pennsylvania, but a large proportion of the article used in the United States came from Canada.

The view our oil men take of the matter is, that if a moderate duty were imposed on Canadian oil entering the United States, which we admit to be fair,—instead of Canadian oil coming into competition with American, it would be used for lubricating and other purposes; while the American oil would come into the Dominion as the best for illuminating purposes. Besides, there is a large proportion of American oil which cannot be run off for burning oil, in consequence of its having to pass through a vapor-test of a 110 ° Fahrenheit; and if the refiners had our heavier kind to mix with it, more could be run off.

The importance of the oil trade of Petrolia was shown in the fact, that there were now from two hundred to three hundred wells, with pumping engines attached, and a large number of men employed. The exports during the past year amounted to upwards of 7,000,000 gallons, at an average price of 22 to 23 cents per gallon. Not less than from one and a half to two millions of dollars had been brought into Canada, to pay for the oil exported. This business was not now a bubble, as it had been at one time considered; it was now established on a commercial basis, and the oil-men were doing a legitimate business. They strongly urged the resolution, and trusted it would be unanimously adopted by the Board.

Mr. H. F. HOWELL (Sarnia), said that the amount of oil required for the Railways of the United States was in excess of the production, and the lubricating oil of Canada was brought into competition with that of Western Virginia. At Oak Farm, oil was worth 80 cents per gallon,—while that manufactured in Canada, which was of 4 ° greater specific gravity, was sold here at \$1.60 per barrel, but subject to an import duty, when sent to the United States, of 40 cents per gallon. Nearly all the Railway companies in the Southern States had sent men to Petrolia to examine Canadian oil, with a view to its adoption for lubricating purposes. The oil producers had waited upon the American Consul and other gentlemen, with a view to having the import duty reduced, and had received pledges of support for any measure introduced into Congress tending to reduce the duties to a proper standard. He also pointed out that it was an acknowledged fact, that there was not enough of lubricating oil produced in the United States to meet the demands of three of the great trunk railroads; and therefore the resolution he had read was submitted to this Dominion Board in the interests of the oil business, which was one of the greatest industries of Ontario.

The motion was then put and carried.

AMENDMENT OF CUSTOMS AND EXCISE LAWS.

Mr. JOHN OGILVY (Montreal), moved, seconded by Mr. JOHN MORISON (Toronto):

"That this Board respectfully calls the attention of the Government of this Dominion, to the advisability of altering the following Sections of the present Customs Act, viz.; 30 and 31, 43, 44, and substituting for the words "fair market value as the basis for duty," the words "duty shall be charged on the value of goods, and that a *bona fide* Invoice shall be deemed the standard for the said duties,"—and that in the opinion of this Board, no officer of Customs should be interested in any seizures or fines."

Mr. OGILVY in supporting the resolution said, the custom in Montreal for some time past has been for an official to take goods to competing traders, and by means which were not at all creditable obtain valuations thereon. This was unfair, because a merchant finding a Customs official seeking valuations, naturally imagined there was some underhand operation going on, and was therefore very liable to make a high valuation. He quoted Section 31 of the Customs Act in regard to the fair mercantile value of the goods, and said that the question to be determined was whether duties had to be imposed upon the value of goods at the time of making the entry, or on shipment. Section 44 was quoted, which states:—"If in any case the actual value for duty of any goods as finally determined by the Appraiser, or Collector acting as such, exceed by twenty per cent. or more the value for duty as it would appear by the invoice and bill of entry thereof; then, in addition to the duties otherwise payable on such goods when properly valued, there shall be levied and collected upon the same a further duty equal to one-half the duty so otherwise payable." The speaker maintained that this was an entirely wrong principle, because he looked upon a fine as being a penalty for fraud committed; and if the genuineness of the invoice was not disputed, why should a merchant be subjected to any fine or penalty? If the invoice were false, why should the merchant be allowed to pay an extra duty of 20 per cent. to release him from liability? The whole clause should be struck out; and he would strongly advocate the adoption of the law which was in force in Great Britain, where *ad valorem* duties were imposed, under which the value of the goods was determined by the invoice, and if that was objected to, the Customs authorities took the goods at ten per cent. advance. At present our Customs authorities have an option of taking the goods at 10 per cent.; but they frequently called upon the importer to add 50 per cent. to the value of the goods, and yet would not take the goods at ten per cent. advance. In his opinion, if the merchant was willing to surrender his goods at 10 per cent., the Customs should be compelled to take them. He was also a strong advocate for no fines being permitted to pass into the hands of the officials. We saw in the case of New York how much the system of fines had injured the honesty of the officials. He urged that good men should be appointed and well remunerated, and then there would be no necessity for fines being imposed.

Mr. J. R. THIBAUDEAU (Montreal), said the present system of appraisement was a flagrant injustice, inasmuch as it compels the merchant to pay duties on a higher value than the price paid for his goods. The injustice

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was specially manifest in cases where a rise in the price of goods had occurred between the time of purchase and shipment; and when the goods arrived at Montreal or any other port, the Customs officials were called upon to determine whether the rise had been 5, 10, or more per cent., and then duty was charge on that increased value. It was unjust, further, because in the event of a fall in the price of goods, no compensation was given to the importer, and duty was charged on the value of the goods as it appeared on the face of the invoice. It was a common saying, that "it was a bad law that would not work both ways;" the Customs law did not do so, and in so far it should receive the condemnation of this Board. Every one would admit that the system of appraisement complained of, crippled the energies of the merchants, because Canadian importers had not under it, facilities for passings goods through the Custom House, when they purchased in a cheap market. They were placed in this anomalous position: the American importer could operate freely, whilst the Canadian merchant could not do so; because on discharging the goods at Montreal the latter were liable to be called upon to pay extra duties. He was convinced that the law should be altered.

Mr. P. GARNEAU (Quebec), thought the law as it now stands might have worked tolerably well a few years ago; but the time had come when an amendment was necessary. He concurred in the remarks of the previous speaker, that when a merchant operated freely at low rates that may have ruled in foreign markets, he found on bringing the goods to Quebec, that his plans were baulked by the Customs regulations. Merchants, he thought, should be encouraged to operate freely in low markets, and every facility be afforded them. He advised that representations be made to the Government in order that the law might be amended.

Mr. EDWARD MCGILLIVRAY (Ottawa), contended that the law was drafted all on one side. He instanced a strong case of injustice, where a purchaser might secure goods in the United States for a reduction, owing to a cash payment being made in gold, and on reaching the port of entry, be compelled to pay on the credit price of the goods. If they had to pay an increased duty when there was a rise in the price of goods, the merchant ought to reap the advantage of purchasing at a reduced cash rate.

Mr. RICHARD S. DE VEBER (St. John, N. B.), instanced cases which had occurred at St. John last winter, wherein goods had been entered in Nova Scotia at lower rates of duty than they would be admitted for into New Brunswick.

Mr. JOHN MORISON (Toronto), offered some remarks to show that different systems prevailed at Montreal and Toronto, and brought forward a case where increased duty had been payed by a merchant of the latter port; but the difference of duty, he was glad to say, had been returned after some correspondence with the Minister of Customs. He recommended the imposition of *specific* duties as being advantageous to the interests of honest merchants. He spoke at lenth on some recent cases of alleged under-valuation arising at Hamilton and other western cities.

Mr. MATTHEW LINDSAY (St. John, N. B.), said that caution should be exercised as to what constituted *bona fide* invoices, and power to test their genuineness should rest with the Customs Department.

Mr. S. D. BERTON (St. John, N. B.), thought the present law operated well, if it tended to prevent illicit trade. He favored the practice of distributing fines among officials, as it was an inducement to be vigilant in the performance of duty,—excess of duty being the exception and not the rule. If this practice did not exist, there would be very few seizures.

Mr. M. P. RYAN, M. P. (Montreal), agreed in the main with the resolution, the object of which was to simplify matters and remove difficulties that exist throughout the Dominion, by introducing uniformity of system and practice in respect to the collection of duties. He thought, however, that one question had been incidentally brought into the discussion by Mr. Morison which was quite foreign to the resolution, namely, whether the Board should recommend to the Government a policy of *specific* instead of *ad valorem* duties. If he were called upon to discuss that question, he should at once take issue with him upon it. He was convinced that Government would have no objection to adopt any proposal calculated to bring about uniformity of system, and place the merchants in different parts of the Dominion upon the same footing. Of course, all would understand that the Merchants of Montreal wanted no special favor; they simply asked that a uniform system should be adopted by the Government and strictly adhered to. It could hardly be expected that Government could obtain the services of Customs officials who were all acquainted with the practice adopted in Nova Scotia, in Manitoba, or in British Columbia; and it was quite impossible that they could be posted in the rise and fall of goods in the various markets of the world. Merchants complained that under the present system the practice varied at different ports. At Montreal they complained that the officials were even too well posted in the value of goods; and in cases where it operated against the merchants they said nothing about the value, but took the *bona fide* invoice, and collected the duties upon it. A proposition had been made in connection with the adoption of the principle, that *bona fide* invoices should represent the value of the goods, but he regretted that it had not been carried into effect. The Government had now the whole matter under consideration. It was proposed to appoint Inspectors for the various sections of the country; and he believed those officers would, in a great measure, remove the difficulties which arose from the absence of uniformity of practice, and which had been the fruitful source of so many complaints and remonstrances.

Mr. W. H. HOWLAND (Toronto), could not support the resolution as drawn, because it covered too much ground. It dealt with two very important matters:—first, the alteration of the Customs act, so as to make the invoice practically determine the value of the goods; and second, the alteration of the present system of giving officers an interest in seizures. He was not inclined to adopt the view taken by the majority of the importers,—namely, that it would be desirable to force the Government to take invoices as the only criterion of the value of goods; because, though he was

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certain that among all respectable merchants no improper use would be made of the practice, yet he knew instances where invoices had been used to commit great frauds upon the Customs authorities. It had been clearly proved during this discussion, that there were cases where merchants had been either exceedingly fortunate, or had shown superior judgment in buying goods at low rates,—happening thereafter to have them entered at a time when others who had not been so fortunate were entering their goods; and that the more fortunate importer had had duty charged on the amount indicated in the higher invoices. This was an injustice which should be removed. A good case had also been made out, as regarded some better system of making the action of Custom-House officers uniform throughout the Dominion. He supported the latter part of the resolution,—to remove the interest of the officials in seizures. In his opinion the Government should appoint thoroughly efficient officers, and pay them much larger salaries than they at present received, because their responsibilities were immense, while their temptations to act improperly were very great,—although he knew no cases where officers had accepted bribes. No Customs officials should have any interests whatever in the goods passing under their inspection. Were this the case, the Government would be protected, and merchants would receive the benefits of a more uniform system.

Mr. JAMES WATSON (Hamilton), suggested that the word "Excise" should be introduced into the resolution, which would shorten the discussions.

Mr. A. WATTS (Brantford), said that the law absolutely gave officials a premium to lead manufacturers astray, and manufacturers should be protected as well as the Government. He contended that there should be a court composed of disinterested persons, to whom all cases of differences about values should be submitted.

After some incidental remarks by other members, and the adoption of a verbal alteration, the motion was carried unanimously.

VISIT OF MEMBERS OF THE GOVERNMENT.

[While the foregoing discussion was in progress, some members of the Dominion Treasury Board (Hon. Sir Francis Hincks, K.C.M.G., Finance Minister, Hon. S. L. Tilley, C.B., Minister of Customs, and Hon. Alex. Morris, Minister of Internal Revenue,) along with Hon. Peter Mitchell, Minister of Marine and Fisheries, were introduced, and occupied seats near the President.]

The PRESIDENT here intimated that Hon. Sir Francis Hincks would address the Board.

Hon. Sir FRANCIS HINCKS said he felt honored by having the privilege of making some observations before the Dominion Board of Trade. Of course, with regard to the resolution just adopted, it would be readily understood that it was impossible for any member of the Government to express an

opinion as to the course that would be adopted upon the points set forth therein. He thought, however, that some explanatory remarks on the subjects touched upon in the discussion might be useful. Reference had been made to some of the difficulties with regard to sugar duties. It so happened that there was scarcely a more difficult question to arrange than that of sugar duties; and every one who was acquainted with the course of English legislation would know that this subject had, until recently, been one of constant agitation and difficulty. During thirteen years' residence in a sugar colony, he found the widest differences of opinion prevailing. The manufacturers of vacuum-pan sugar,—which was made to an enormous extent in British Guiana, where an immense capital was invested in producing the best description of sugar,—insisted that all sugars should be admitted on payment of the same duties, arguing that differential duties offered a premium for the manufacturing of inferior sugars. On the other hand, the planters in the West Indies, where inferior sugar was made, thought it exceedingly oppressive that they should pay the same duties as were imposed upon the finer qualities. Upon arriving in Canada he found Sir John Rose, assisted by able statesmen, considering this sugar question; and, having obtained the best possible opinions thereon, the present tariff was framed. He desired to offer an explanation on another point. Every member of this Board would admit, that it was utterly impossible for the Government to prevent differences of opinion arising among the various Collectors of Customs. It was, of course, necessary that there should be an uniform rule established; but, until cases were brought before the Treasury Board, it was impossible to know the practice adopted by the different Collectors at St. John, Montreal, or at ports in British Columbia,—and the Government was most anxious to deal fairly with every case. What had interested him in the discussion was the evident fact that the grievance was not so great as the public might be led to suppose. The cases of Messrs. Ogilvy had attracted a good deal of attention; but the facts showed that there was no very great grievance. A case in which this firm was interested was under consideration; but, whatever the opinion arrived at, he was convinced that the Treasury Board were most anxious to do justice. He assured the Dominion Board of Trade that all their recommendations would receive the most respectful attention at the hands of the Government; and he desired it to be understood that when the Government took an unfavorable view of any question the parties could appeal to the Courts.

Hon. Mr. TILLEY said he attended the meeting, being anxious to ascertain the opinions held by the Dominion Board on commercial questions, particularly those connected with the Department over which he presided. The Board would understand the difficulty which the Minister of Customs had to contend with, in the administration of affairs in a country extending from the Atlantic to the Pacific, especially as some officers on small salaries had to administer fairly and impartially the law. The Government had under consideration the subject of securing more uniformity of action, and in this direction had placed small ports in Nova Scotia under larger ports, fixing the main ports at forty instead of eighty, as before Confederation.

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Every step taken to secure uniformity of action by the Customs officials throughout the country was desirable, and would receive the careful consideration of the Government.

MEMORIAL ON CANAL IMPROVEMENTS.

The Report of the Committee appointed yesterday to draw up a memorial to Government, urging the immediate prosecution of certain canal improvements, was presented, and a draft submitted, which was read, and on motion of Mr. W. H. HOWLAND, seconded by Mr. HENRY FRY, unanimously adopted.

The following is a copy of the memorial:

To His Excellency

The GOVERNOR-GENERAL in Council.

THE MEMORIAL OF THE DOMINION BOARD OF TRADE.

Very Respectfully Sheweth :

That in the interests of the Dominion, it is of the highest importance that the cost of transport between the ocean ports on the River St. Lawrence and the interior, should be reduced to the lowest possible rate, as every such reduction in transportation increases the value of the exports of the country to the producer, and lessens the cost of imports to the consumer :

That the River St. Lawrence is the natural outlet for the products, not only of the Dominion, but of the Western United States, and to perfect its navigation from the upper lakes to the point where the ocean ship can be met, is a matter of national interest :

That in the possession of the River St. Lawrence, the people of the Dominion have the most essential element of their power ; and in the opinion of your Memorialist, the improvement of its natural advantages by artificial works, so as to render it navigable for sailing vessels and steam propellers of at least 900 tons, is a matter of such great and vital interest to the Dominion, that the largest expenditure is warranted to effect such a result :

That the Welland and St. Lawrence Canals are now insufficient, and no time should be lost in the enlargement of these works, and otherwise improving the rapids of the River St. Lawrence, so that the navigation of the river, from the upper lakes to the sea, may, at the earliest day, be made available for propellers and other interior vessels :

That the navigation of the Ottawa River, from its junction with the River St. Lawrence, ought, as soon as possible, to be made navigable for such vessels as the depth of the river will admit for the cost of transport of the large exports from the Ottawa Valley, will, by such improvement, be greatly lessened, and the public interest be thereby promoted :

That your Memorialists, viewing the enlargement of these Canals as the great works necessary for the general interest of the country, refrain from recommending any other Canal improvements, hoping that in this way their recommendation may have more effect :

That your Memorialists would respectfully refer to the promise made by the Confederation Conference, that the first works undertaken by the Government of the Dominion would be the improvement of the existing Canals,—and now that there is a

surplus in the Dominion Treasury, your Memorialists would urge that this promise be fulfilled and no longer delayed :

Wherefore: Your Memorialists would most respectfully and earnestly press the foregoing considerations upon the early attention of your Excellency in Council, in the hope that the very important and necessary Public Improvements herein referred to, may be soon commenced and unremittingly prosecuted to completion.

On behalf of the Dominion Board of Trade, &c., &c.

Mr. ROBERT WILKES (Toronto) read the following paper on

REVISION OF THE SOURCES OF REVENUE IN THE DOMINION OF CANADA.

The two great sources of revenue in Canada are Customs and Excise duties. In 1870 the former amounted to *Sixty-one* per cent. of the total revenue, and the latter to *Twenty-three and one-half* per cent., or together they amounted to $84\frac{1}{2}$ per cent. of a total revenue of about fifteen and a half millions of dollars. The total imports of the Dominion in the same year were \$74,814,000, of which 26 millions were *free* and nearly 49 millions dutiable. If duty had been levied upon the whole importations of the year, the duty collected would have amounted to $12\frac{3}{4}$ per cent.; but on the *dutiable* imports only the average rate amounted to $19\frac{3}{8}$ per cent.

It must occur to the most casual observer, that a rate of almost 20 per cent. on dutiable imports, and a total average of over $12\frac{1}{2}$ per cent. on the whole imports of the country, free and dutiable, is almost in excess of the limits of "a revenue tariff;" and that such a rate of duty to be justifiable must be sustained by urgent necessity, and by the undoubted equality of its bearing upon all classes of the community. For the purposes of comparison, it will be generally admitted, that the example of the Mother Country will be most satisfactory to us, believing as we do in the general soundness of Britain's fiscal policy, and in the incomparable solidity and permanence of her national revenues. For the moment, I have not access to later returns than 1864, when the total revenue of the United Kingdom was a little over Seventy (70) Millions Sterling. Of this, *Customs* contributed £23,232,000, or *Thirty-three and one-quarter* ($33\frac{1}{4}$) per cent. *Excise* yielded about *Twenty-six per cent.* (26), and *LAND and PROPERTY TAX*, Seventeen and one-half per cent. ($17\frac{1}{2}$),—the latter being a tax which has no national existence in this Dominion. The total imports of Great Britain for the same year were about 240 millions Sterling, on which the Customs duties would have amounted to about nine and three-fourths ($9\frac{3}{4}$) per cent. We have, then, the following basis of comparison, as between the two countries :

	England.	Canada.
Proportion of Revenue derived from Customs...	$33\frac{1}{4}$ per cent.	61 per cent.
Average of duty on total imports.....	$9\frac{3}{4}$ "	$12\frac{3}{8}$ "
Proportion of Revenue from Excise.....	26 "	$23\frac{1}{2}$ "
Land and Property Tax.....	$17\frac{1}{2}$ "	Nil. "

In a paper which I had the honor to lay before this Board last year, I endeavored to show that a revenue derived from taxes on articles of general consumption, pressed with undue severity upon the poorer class of farmers, and the laboring and working classes generally. I then estimated that these classes paid a tax of from 3 to $4\frac{1}{2}$ per cent. upon their total income, while the wealthy or capitalist class only paid from *one-fifth to one-half of one per cent.*

If these facts be true, our Canadian duties on imports impose almost twice the burden on our working classes, that is imposed by similar duties in England. If, in the re-adjustment of our tariff this disproportion were altered, it does not necessarily follow that the duties must be greatly reduced on manufactured articles, as claimed by the advocates

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of Free Trade. The requisites for a "cheap breakfast table" constitute an important item of our imports, including the great staples of *Tea, Coffee, and Sugars*. The duty derived from these food requisites, amounted in the Dominion for the fiscal year of 1869 to \$2,447,000, being a rate of 37½ per cent. duty on the whole importation of these staples, which amounted in that year to \$6,567,000. The tax on these articles constituted 16 per cent. of the total revenue of the year.

Next in importance to food elements is the *Clothing* of the people, consisting chiefly of the two great staples of *Cottons* and *Woollens*; these, including *Linens*, amounted in that year to \$14,806,000, paying a 15 per cent. duty amounting to \$2,221,000, or about 14½ per cent. of the whole revenue of the country.

In advocating protection to native industry, the usual arguments advanced are in favor of a high rate of duty on foreign manufactures; but it is more generally overlooked that the reduction of duties on the great food and clothing staples of the working classes, effects also an actual protection to home manufactures, by reducing the cost of maintenance to the workman, while at the same time it relieves our immigrant and poorer farming classes from heavy taxation at the time when they are least able to bear it.

A true "National Policy" seems certainly to indicate from these facts a considerable reduction of customs duties on these necessary staples. With the large expected increase in revenue for the current year, the duty paid on these classes of goods will probably exceed *six millions of dollars*. If a reduction of one half were allowed on the food items of *Tea, Sugar, and Coffee*, the loss to the revenue would amount to one and a half millions of dollars. If a reduction of five per cent. were allowed on Cottons and Woollens, the loss of revenue would probably be one million of dollars. If a further reduction of 2½ per cent. were granted on the 15 per cent. list generally, it would probably amount to another half million of dollars,—making in all say **THREE MILLIONS OF DOLLARS**.

If the anticipations of the Honorable the Minister of Finance be realised, there may be the handsome surplus this year of two millions of dollars. Some might advocate the granting of concessions to that amount in taxes from all sources; but with our great projected public works and our vast undeveloped natural resources, the duty of this Dominion manifestly lies in a liberal annual expenditure on enterprises that will attract population, settle our great North West, make accessible our mineral lands, and thereby vastly increase the revenue-producing power of the nation.

In feudal times the undisputed theory of taxation was that *Land* should furnish the revenue, which was chiefly spent in maintaining its peaceable possession. Within a period of less than two centuries, probably 70 per cent. of the British National Revenue was derived from the *Estates*. Since the development of commerce, and the consequent expenditure necessary to its protection, the land tax has been gradually reduced until it now amounts in Britain to only 17½ per cent. of the national revenue, as above stated. It is hardly contended, even by the opponents of Free Trade, that this extreme reduction of the land tax is just or fair to the non-land-owners of Britain. Since this great reduction of taxation has taken place the value of the area of England alone has increased an hundred fold. This vast increase in value is undoubtedly caused in a great measure by the industry of the commercial classes,—by the toil of the millions who labor in her workshops to maintain the supremacy of Britain's commerce throughout the world.

If these reflections be true as applied to Britain, they are much more so as applying to the Dominion of Canada. Fifty years ago our improved lands were of trifling value. To-day our cultivated lands and real estate in towns and cities cannot be worth less than *Two Thousand Millions of Dollars*. * This vast capital enjoys the protection and security

* The cash value of the farming Lands in the State of New York is estimated at 1,272 millions of Dollars, and the real estate of N. Y. City at about the same value.

of the nation, not only without expense, but at the direct expense of the consuming masses,—the large portion of whom are non-land-owners.

A small land tax in this country could not possibly be oppressive. If all lands were exempted not worth *ten Dollars per acre*, the struggling settler would be free until he had provided a home for himself and his family, and had made a fair start in life. An assessment of *one mill* in the dollar would, at the above valuation, yield a revenue of *two millions of dollars*. It would cost the owner of a town-lot, or a farm, assessed for five thousand dollars (and probably worth far more) just *five dollars* per annum, and large estates in the same proportion. The collection of this tax could be made by the ordinary Municipal Collectors, and a small commission allowed for its collection.

The transfer or sale of real estate might reasonably be made to yield a contribution to the revenue; the amount might not be large, yet it would considerably swell the receipts from the stamp act.

Of all sources of revenue, *Excise*, has in all countries been the most difficult to deal with, and the hardest to justify. *Naturally* the State has no more justification for imposing a tax on the manufacture of *High Wines*, than it has upon the making of soda-water. Originally the tax was imposed as a *penalty*, and a continued penalty pre-supposes a tolerated wrong-doing. If it be right for the State to impose a tax at all on such manufacture, it is right to impose the highest rate that can be collected. The returns of 1870 report the twenty-seven distilleries of the Dominion (25 of which are in Ontario) to have manufactured in the year about THREE and ONE HALF MILLIONS of GALLONS proof spirits, which paid a duty of 62½ cents per gallon, amounting to nearly two millions two hundred thousand dollars.

The *Excise* department of the Dominion is said to be of the most perfect sort, and that evasion of the duty is almost impossible. *The Excise duty should therefore, with all propriety, be doubled.* This would lead to a probable decrease in consumption of *one-third*—or say it would reduce the manufacture for consumption to *two millions and a quarter gallons*, which would produce a revenue of about *two millions and three quarters of dollars*. This would realize the sentiment so aptly expressed on a recent occasion by the Hon. the Treasurer of the Province of Quebec, "that the highest duty of a government of a country is not only to increase the revenue, but also to lessen the incentives to immorality among the people."

The *Excise* duty derived from tobacco and cigars, amounts to the sum of eight hundred and thirty-six thousand dollars. In some measure the same reasoning may be applied to this business that was to the spirit trade. If a tax be justifiable at all it should be such an one as will tend to diminish the consumption; an increased duty of 50 per cent., would probably yield a revenue of a million and a quarter. In either case, the Customs duty would of course be raised to harmonise with the increase of the *Excise* duty.

EXPORT DUTIES are not a very popular impost; yet in this country we have adopted it to a limited extent, viz., on square timber and saw-logs, yielding the considerable sum of a little less than *seventy thousand dollars*. If this tax be defensible at all, it ought to admit of wider application; as a rule, no natural product should be subject to an export duty, if the supply be perpetual. The annual product of the soil, and "the harvest of the ocean," the fisheries, are of this class. THE VIRGIN FORESTS of a new country do seem to be of a different class. If the material of them be used in building up the towns and cities of the country itself, they create sources of wealth and of revenue; but if exported to a foreign country, it does seem reasonable that the nation should derive some revenue from the sale of its only *natural crop*. The sawn lumber exported under various designations probably exceeds one million thousand feet, an export duty on which of one dollar per M. would yield as many dollars.

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To sum up, the reductions of revenues which I propose to this Board to recommend to the Legislature, amounts to **THREE MILLIONS OF DOLLARS**, and the increase in revenue which I propose above, is as follows, viz.:

Land Tax.....	\$2,000,000
Transfer of Land Tax.....	125,000
Increase from Excise on Spirits.....	550,000
Increase from Excise on Tobacco.....	375,000
Export Duty on Lumber, &c.....	1,000,000
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	\$4,050,000

Making a total of say **FOUR MILLIONS OF DOLLARS**.

If by the adoption of these suggestions, the national resources could be increased, the burdens lessened that now clog the wheels of Commerce, and above all the taxation of the country be more justly distributed, the result must be the speedy increase of our population, and a vast development of our almost boundless natural resources.

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

AFTERNOON SESSION.

FRIDAY, 19th January, 2 o'clock, P.M.

WM. MCGIVERIN, Esq., President, in the chair.

REVISION OF SOURCES OF REVENUE.

The question for discussion was on the following motion of Mr. ROBERT WILKES (Toronto), seconded by Mr. HENRY FRY (Quebec):

"That this Board, having fully considered the mode by which the Revenue of this country is levied, believes that the time has come when a revision of the sources of our revenue should be considered: this Board earnestly recommends to the Government and the various branches of the Legislature, that such modifications be made of the duties on articles that enter into the daily food and clothing consumption of the people, as will reduce the cost of living to our laboring manufacturing population, and on the raw material of manufacturing, thereby encouraging and protecting our native industries; and that a revenue of at least one mill in the dollar be levied on the improved estates of the country, in consideration of their protection and increase in value; also that a small tax be levied on the sawn lumber exported to the United States, such being derived from our perishable virgin forests, and also that an increased excise duty be levied on proof spirits and tobacco."

Hon. JOHN YOUNG said he had listened with great interest to the essay laid before the meeting; but he believed the question so important, that time should be given for its consideration. The paper would be published in the Secretary's report of these proceedings, and he therefore suggested that discussion upon it be postponed until next Annual Meeting.

Mr. W. J. IMLACH (Brantford), moved, seconded by Mr. M. P. RYAN, M. P. (Montreal):

"That the essay read by Mr. Wilkes be received, and laid over for future consideration."

Mr. HENRY FRY remarked, that although he did not concur in all the details of Mr. Wilkes' paper, he consented to second the resolution, in order

that the subject might be discussed ; but if it were the wish of the Board that the essay should be first printed, he would be glad to have the resolution withdrawn. At the same time there were several cognate subjects on the programme for discussion, and if Mr. Wilkes' resolution was to be postponed, the other questions would not have to be proceeded with.

Mr. W. H. HOWLAND (Toronto), asked if the motion proposed by Mr. Imlach meant, that all the subjects connected with our revenue laws were to be laid over. He thought that it was desirable to consider them, because there were statistics given in Mr. Wilkes' paper, which it would be improper to allow to pass uncontradicted.

Mr. W. J. IMLACH pointed out that other subjects placed on the programme by local Boards, were defined ; whereas Mr. Wilkes' essay was of a general character.

Mr. HENRY FRY said that a subject of precisely the same nature had been placed on the programme by the St. John's Board.

Mr. E. R. SMITH (St. Johns, Q.), said he was perfectly willing that the order should be discharged.

Mr. ROBERT WILKES admitted the justice of the remarks made, particularly as the subject had not been included in the business as first announced, and agreed to withdraw his resolution.

The motion of Mr. IMLACH was then put and carried.

REPEAL OF EXCISE DUTY ON PETROLEUM.

Mr. E. D. KIRBY (Petrolia), moved, seconded by Mr. H. F. HOWELL (Sarnia) :

"That this Board earnestly recommends that the Government repeal the Act imposing an excise duty of five cents per gallon upon Refined Petroleum, and that in lieu thereof, an inspection fee of fifty cents per barrel be levied."

Mr. KIRBY, in moving the resolution, urged that the presence of Excise officers in Petroleum refineries was very oppressive. Refiners were always trying experiments in improving oil, and Excise officers being constantly on the premises, the opportunity was given to them to inform others of the experiments, and of anticipating them through others. An English firm, with a capital of \$750,000, was ready to go into the making of lubricating oil, which it would not do were Excisemen to be kept on the premises. It was not the duty the Refiners objected to, but the great inconveniences and risk that were incurred by any casual neglect of the Excise requirements. The law applicable to distilleries was not at all applicable to refineries, with all their vexatious rules, that left them open to seizures when improvements were in progress. Another effect of the Excise law was that the poorer classes of oil were left in the country, whilst the finer oils were exported, on which duty was levied. Besides the Excise duty was unjust, even although some of the oil proprietors had asked for it ; because during the oil fever it fell from \$10 a barrel to 35 cents a barrel, and large quantities got into the hands of speculators who asked for five

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cents of Excise duty for the purpose of at least making that profit. The crude oil men agreed to that and to an inspection law, as they had been ruined already and did not care. If it was wrongly laid on, why should the duty be continued which affected consumers all over the country? The resolution fixed fifty cents a barrel; that was the mere indication of the refiners' desire to show that they did not grudge to contribute to the revenue, but that they were opposed to Excise espionage. The excise on refined petroleum was imposed in 1868. The stocks then on hand were large, and, as was anticipated, the revenue from this tax was small during the first and second years of its existence. The law came into effect in April, 1868, and during the remainder of that fiscal year there was collected \$10,032. In the year ending 30th June, 1869, there was collected \$104,078, and in the year ending 30th June, 1870, the revenue collected was \$200,709. The quantity produced in 1868-9 was 2,772,224 gallons, in 1869-70 it was 9,221,088 gallons. The quantity entered for consumption in the former year was 2,081,461 gallons, and in the latter year 3,092,728, the difference between the total manufactured and the quantity upon which the duty was collected being in each case accounted for by warehouse entries.

In addition to these figures, the exports to New York in bond, across the Suspension Bridge, amounted to 6,020,000 gallons, besides various quantities sent to places not particularised.

Hon. JOHN YOUNG asked what revenue the inspections would give, and who would receive the inspection fees?

Mr. KIRBY replied that the Government would appoint Inspecting officers, who would be similar to revenue officers, and they would collect the fees; but these officers would not have the power to enter refineries at any time they pleased. The revenue would give about \$87,000 instead of \$247,000.

Mr. M. P. RYAN, M.P., said that whilst desirous of meeting the views of the oil men, the Board should be exceedingly chary of recommending to Government any measure which would be calculated to diminish the revenue of the country, which was all needed for the prosecution of the extensive public works demanded. He was prepared to support any system for advancing the interests of the trade, if no reduction in revenue were involved in the proposal. Statistics proved that the Excise duty had not had the effect of crippling the oil trade. If a way could be pointed out by which the present revenue could be maintained, say, by leveying an inspection fee of \$2 per barrel, at the same time removing Excise supervision, then the question at issue would be simplified. The tax was not felt to be oppressive; and, whilst believing that there were good grounds for the oil men objecting to the presence of Excise officers, he wished the oil manufacturers would propose an inspection fee of \$2 per barrel.

Hon. MALCOLM CAMERON (Ottawa), said he could never understand what was at the bottom of the request made by the oil districts to levy a tax on oil, for he was not then aware that there was a scheme concocted

by a large body of oil holders. The principle of Excise supervision was entirely wrong. How would proprietors of salt mines like Excise officers to be sent down to inspect every mine? This oil interest had largely developed, and millions of dollars had been invested in it. He believed as a matter of principle, that the tax should be removed, and the revenue derived otherwise than by injuring the development of trade industries.

Mr. H. F. HOWELL (Sarnia), remarked that he had opposed the imposition of duty, to punish those who had allowed themselves to be made the cats-paws of oil speculators. When making experiments with Canadian oil, he had been obliged to remove to the United States, and there erect machinery, and import the oil, in order to be free from Excise officers; and he now possessed a patent for his system of treating crude oil. He did not care if the duty was placed at 10 cents per gallon, provided the Excisemen were removed from the premises; for all improvements in treating oil were retarded thereby. A standard should be established for the various qualities and fire tests; an Inspection duty should be imposed, and offences made punishable by fine. The advantage of this would be seen in the increased manufacture of lubricating oil for export, and an improved quality of oil sold here for illuminating purposes.

Mr. Howell further made some interesting statements relative to refined oils,—explaining the properties of different kinds, and showing how the Excise policy of the Government affected the home market, causing the purest qualities, and in reality the cheapest article to be exported, to the detriment of Canadian consumers. This ought not to be so, for the purest Canadian illuminating oil is now superior to the finest brands in the United States.

Mr. KIRBY contended that according to the argument adduced by Mr. Ryan, the channel of Lake St. Peter should not be improved, simply because the trade of Montreal increased notwithstanding this drawback.

Mr. W. H. HOWLAND thought that if the Petrolia manufacturers would make the inspection duty one dollar a barrel, the Board would agree to support the proposed change.

Mr. JOHN MACMILLAN (Petrolia), said they would be willing to adopt this suggestion, provided an equal duty were levied on coal gas.

Mr. M. P. RYAN, M.P., said the argument for the deepening of Lake St. Peter was that it would increase trade, and thereby augment the revenue of the Dominion.

Mr. ROBERT WILKES (Toronto), considered that it was the duty of the Government to have inquired whether the proposal to levy a duty on oil was brought forward by a "Ring." He objected to the duty on oil as much as he would do to one on coal or salt, as every inducement should be given to increase the development of our natural products. He supported all efforts made to produce good, inflammable and harmless oil, instead of the poisonous article now used, which may have caused the recent epidemics. He thought the increased production would make up the deficiency of \$165,000 by the change from Excise duty to an Inspection fee of 50 cents.

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HON. JAMES SKEAD (Ottawa), charged Mr. Wilkes with inconsistency in advocating the removal of the duty from oil and laying it on lumber. Mr. Skead declared himself to be a free-trader. He hated the name of an Exciseman, and thought there was no use for them here, where one-half the people were teetotallers, and the other half ought to be so.

Mr. EDWARD MCGILLIVRAY (Ottawa), thought the oil men should propose the transfer from Excise duty to an Inspection fee which would realise an equal revenue, as \$247,000 revenue should not be lost to the Government.

Mr. P. GARNEAU (Quebec), said no complaints as to the imposition of the duty had been made by consumers.

Mr. THOMAS RIMMER (Montreal), pointed out that there was a royalty charged on every ton of coal mined in Nova Scotia.

Mr. JOHN MACMILLAN (Petrolia), believed the oil producers would agree to an Inspection fee of one dollar per barrel.

Mr. M. P. RYAN, M. P., moved in amendment, seconded by Mr. J. R. THIBAudeau (Montreal):

"That this Board recommend the Government to impose an Inspection fee of 5 cents per gallon in lieu of the Excise duty of 5 cents per gallon."

Hon. JOHN YOUNG said that last year the Board had passed a resolution for the exemption of brown or lubricating oil. At present, oil exported was free of Excise duty; that was only levied on what was consumed in Canada, so that the principle of levying this fee had to be considered. The revenue must be raised somehow, and he was not prepared to ask the Government to relinquish \$250,000 of revenue.

Mr. HENRY FRY (Quebec), considered an Inspection fee of one dollar per barrel, would probably prevent any loss of revenue being sustained.

Mr. A. WATTS (Brantford), demurred to the high Inspection fee, as it would offer greater temptation to commit fraud, which would require the presence of revenue officers, the very thing sought to be got rid of.

Mr. RYAN'S amendment was negatived on a division, as follows:

Ayes—Messrs. Berton, Cheval, Doherty, Fry, Garneau, Joseph, Langelier, Morin, McGillivray, Ogilvy, Perry, Ryan, Spratt, Thibau-
deau.—14.

Nays—Messrs. Cameron, DeVeber, Howell, Howland, Imlach, King, Kirby, Lindsay, Morison, McDougal, MacMillan, Read, Rimmer, Skead, Scott, Smith, Thompson, Watson, Watts, Wilkes, Young.—21.

Moved in amendment by Mr. JOHN MACMILLAN (Petrolia), seconded by Mr. E. R. SMITH, (St. Johns, Q.):

"That in lieu of the words "fifty cents per barrel" in the original motion, the words "one dollar" be inserted."

Mr. MACMILLAN'S amendment was then put, and carried on the following division :

Ayes—Messrs. Berton, Cameron, DeVeber, Fry, Howell, Howland, Imlach, King, Lindsay, MacMillan, Perry, Read, Scott, Smith, Thompson, Watson, Wilkes, Young.—18.

Nays—Messrs. Cheval, Doherty, Garneau, Joseph, Kirby, Langelier, Morin, Morison, McGillivray, McDougall, Ogilvy, Rimmer, Ryan, Skead, Spratt, Thibaudeau, Watts.—17.

The original motion as amended was put and carried on the same division, as follows :

"That this Board earnestly recommends that the Government repeal the act imposing an Excise duty of five cents per gallon upon Refined Petroleum, and that in lieu thereof an Inspection Fee of one Dollar per barrel be levied."

NOTICE OF MOTION.

It was moved by Mr. LANGELIER (St. Hyacinthe, Q.), seconded by Mr. W. J. IMLACH (Brantford), and received as a notice for future consideration :

"That the principle of moderate incidental protection to home manufactures is a sound one, being in its operation calculated to meet revenue requirements, while stimulating industry generally and furnishing diversity of employment to the people, and is especially adapted to the circumstances of a new country like Canada :

"That the Customs tariff of the year 1859 was, in a general way, well adapted to the country's circumstances, and that it is for the public interest that the 20 per cent. list of that tariff be restored, with other alterations calculated to promote such manufactures as can be beneficially carried on in Canada :

"That it is desirable to balance the increase of duties on manufactured goods by reducing largely the duties on tea, coffee, sugar, spices, and such like natural products of tropical or distant countries, which do not come into competition with any productions of our own, and which are every-day necessities of life to our whole people."

The following notices by Mr. E. R. SMITH (St. Johns, Q.), were also received for future consideration :

1st. Free Trade is possible and profitable, only when a nation is *above competition*,—as Holland was in the 17th century ; and as Britain is to-day :

2nd. Where competition is *restrictive* or even *ruinous*, as in the case of Canada *vs.* the United States,—*Protection* is a necessity :

3rd. We do not ask a *Revenue Tariff* for Canada, to pay our debts, which are almost *nil*. The United States and France need a revenue tariff to pay their debts. All we want is a *protective tariff* to protect our manufacturing, commercial, and industrial arts :

4th. A Zollverein, or Customs union, with the United States is, under present circumstances, impossible, on political and financial considerations ;—

(a). *Political*—because it would practically lead to the absorption of Canada by the United States ;

(b). *Financial*—because the taxes and other monetary burdens of the United States, would have to be borne by the lightest-taxed people on earth. A Zollverein would require a compromise, or some abatement of burdens of the United States ; these the United States will not hear of. Therefore—

5th. Canada must then have a protective tariff of her own, not discriminative or retaliatory, but simply *protective* of her manufactures and commerce :

6th. That tariff should be set down *for a term of years*,—not changed annually,—except for grave and urgent reasons :

7th. This great principle of political economy should ever be borne in mind :—*that no nation can be said to prosper whose imports exceed her exports.*

INSOLVENT ACT OF 1869.

Hon. JOHN YOUNG asked that the notice given by the Montreal Board of Trade with reference to the Insolvent Act of 1869 be discharged, stating that whilst that Board believed the Act required some amendment, he was not prepared to state precisely what the changes should be.

Mr. M. P. RYAN, M. P., said that during last session, the question of insolvency was before the House of Commons, and it was only at the urgent request of the Government that a Bill to repeal the Bankruptcy Act was not carried. The time had arrived when the law might be amended with propriety. He had no hesitation in stating that its repeal might possibly be the result of discussion at next session of Parliament.

Mr. S. D. BERTON (St. John, N. B.), said the Insolvent Act of 1869 is the only Act on our statute books which protects creditors, and it had been found to work most beneficially. He viewed it as a law which had done more to establish the credit of the country than any other Insolvent Act that had been in operation. Of course, as the result of experience, the law could be amended and improved. Speaking the general opinion of the commercial men of St. John, he hoped this Board would urge upon Government that the Act be maintained.

Hon. JOHN YOUNG said that no doubt some advantages had flowed from the operation of the present Act; still, commercial men were all sensible that amendments were required; and he therefore moved, seconded by Mr. M. P. RYAN, M. P.:

"That in the opinion of this Board, the present Insolvent Act requires amendment in several particulars."

Mr. S. D. BERTON read a motion which he had prepared as an amendment, upon which Hon. John Young withdrew his resolution.

Mr. BERTON then formally moved, seconded by Hon. JOHN YOUNG:

"That the Insolvent Act of 1869 has been found to be a law bearing equally on debtors and creditors, and tending to uphold the credit and the solvency of the commercial and industrial interests of the Dominion; and although some amendments may be necessary, yet in the main it has been advantageous."

Mr. ROBERT WILKES (Toronto), moved in amendment, seconded by Mr. JOHN OGILVY (Montreal):

"That in the opinion of this Board the Bankruptcy Act of 1869 while it has afforded certain relief to insolvent traders, has at the same time encouraged fraudulency among a certain class of dealers, leading to frequent needless compositions; the Legislature are therefore requested to take the whole question of Bankruptcy into consideration, for the purpose of enacting several important amendments, or the enactment of a new statute."

Mr. WILKES said the present Bankruptcy Act had worked to some advantage, and had wiped out a considerable number of commercial difficulties; but the time had arrived for the enactment of a satisfactory Bankruptcy law in room of the present Act, under which debtors frequently made assignments for the benefit of assignees. The continued working of the Act was not desirable in the Province of Ontario; amendment was at least required in the arrangement for calling meetings of creditors at the

domicile of the insolvent. Meetings of creditors were frequently called in small rooms at some village. Nothing could more effectually place the management of the estate in the hands of the insolvent and assignee than this course: and any future Act should enforce the holding of creditors' meetings in the town or district where the majority of creditors in number and amount reside. He pointed out that some commercial firms had to engage an agent to travel round the country, and represent them at creditors' meetings called by assignees at villages in outlying districts. He objected to the system of assignment, as one grossly absurd. Traders frequently made private assignments, not because they were insolvent, but to force on their creditors a composition, which was often accepted in the face of the most fraudulent practices. The time had come for the whole subject to be thoroughly ventilated in Parliament.

Mr. W. H. HOWLAND (Toronto), said there was always a suspicion among creditors that a composition was necessarily fraudulent. The cases of undoubted fraud had been few, and they had generally been detected; and no one was to blame for traders making compositions of this character, but the creditors themselves. The debtor has rights as well as the creditor; and if he were unfortunate in business, he should be protected, and not be driven to the last extremity as was the custom under the old Act.

Mr. EDWARD MCGILLIVRAY (Ottawa), maintained that the commercial state of the country would have been in a very much worse position had the Bankruptcy Act of 1869 not been passed. He gave instances of the good results which had flowed from its working, and said the mercantile community must blame themselves for laxity in allowing fraud to be committed. No honest debtor need be afraid; but the law, if strictly carried out, would amply meet the case of dishonest debtors. There might be amendments wanted, but he hoped the Board would reject Mr. Wilkes' amendment, and thereby show that they were not prepared for the sweeping change it proposed. Under the present Bankruptcy Act, no insolvent could make effective transfer of his real estate, whilst without it every foot of his land could be sold and the money put in his own pocket.

Mr. J. R. THIBAudeau (Montreal), believed the law was not perfect, but without it there would be enormous frauds committed; he therefore trusted the Act would not be repealed, although it might be amended.

Mr. A. WATTS (Brantford), attributed the complaints made regarding the working of the Act to reckless credit being given to traders without due inquiry. He recommended a strict investigation into the position of traders. Merchants sometimes accepted a composition, believing that it was desirable to keep a man from insolvency; but this, frequently, need not have occurred, had proper precautions been taken by the creditors.

Mr. THOS. THOMPSON (London), believed the insolvency Act had worked well, and that with some amendments it would prove a benefit to the commercial men of the Dominion.

A vote was taken on the amendment, which was not agreed to, by the following division :

Ayes—Messrs. Cameron, Cheval, Doherty, Fry, Howell, Langelier, Morin, McDougall, Ogilvy, Read, Ryan, Thibaudeau, Wilkes.—13.

Nays—Messrs. Berton, DeVeber, Howland, Imlach, King, Kirby, Lindsay, McGillivray, MacMillan, Perry, Rimmer, Skead, Scott, Smith, Spratt, Thompson, Watson, Watts, Young—19.

The question was then put on the main motion, which was carried on the same division.

EMIGRATION.

The subject of emigration was then taken up, and the following paper was presented and read by Mr. G. H. PERRY (Ottawa) :

EMIGRATION.

The most important problem connected with the political economy of Canada is undoubtedly that relating to the increase of its inhabitants by Colonization ; and it will be necessary to consider all movements belonging thereto under the two-fold aspect of Emigration and Immigration,—taking the first to represent the outflow of population from the country, and the latter the influx of intending Colonists.

There are no statistics of a trustworthy character to show the actual amount of Emigration from Canada within any given period ; but from the best comparative statistics, it is certain that a very large number of our native population have sought homes in the United States during the last decade.

It is evidently of great importance to ascertain the cause of this movement, and to devise a remedy therefor, before any attempt is made to induce a steady influx of Immigration, as the outward movement would assuredly cause the inward to follow in its course.

The cause of this outward movement is to be traced to the greater scope for diversity of employment, nominally higher rates of wages, and the advantages which are presumed to accrue from the facilities offered by Prairie Farms in the United States.

In order to fully understand the value of those agents, it will be only necessary to remember that Canada offers to the great mass of people seeking homes on her soil, little beyond agricultural labor of the severest kind ; and although the present rate of remuneration is many times more than the British agricultural laborer ever anticipated, it is not sufficient to keep the native Canadian at what he is taught to consider drudgery of the worst description ; and as little or no diversity of employment exists, as a matter of course he seeks it wherever it may be found. Prairie Farms are sought under the idea that the only outlay necessary to secure profitable returns is immediate tillage, and to those who have witnessed the labor undergone in clearing heavily wooded lands, the attractions of a farm where crops can be raised without that labor, are sufficiently seductive,—and although the drawbacks go to prove the balance to be in favor of the woodland, such knowledge is not always within the reach of the intending Emigrant, nor sufficiently authenticated to merit his belief. The effect in the end from those causes is, that a valuable population is entirely lost to the State, and the evil will continue until a proper remedy is found, and that must be sufficiently powerful to retain what may be called our surplus population, as well as attract what this country so much needs—a steady stream of Immigration from Great Britain.

It is a curious anomaly of our social economy that a new country of vast area, with-

out any of its resources fully developed, should fail to retain its special population, while enjoying unexampled progressive prosperity, and offering excessively high wages for ordinary labor. It has been stated that the revenue raised in the fiscal year ending in June, 1871, amounted to \$21,000,000; that raised from the *two Canadas*, in 1841, was just \$1,076,000. Allowing that the Maritime Provinces helped materially to swell the aggregate last year, yet the increase of fully *twenty times* in *thirty years* is probably the most remarkable on record, while it is well known that the larger sum is a far less onerous burden than the smaller was, although the change in population is by no means proportionate.

A country capable of such developments, whose fiscal burdens are confessedly light, must offer superior attractions to one burdened with debt, where the laboring man is taxed from 40 to 240 per cent. on the necessaries of life, and the farmer from 40 to 100 per cent. on the implements by which he develops the agricultural wealth of the country, as is the case in the United States. Yet the immigrant will seek its shores in preference to Canada with all its advantages, because employment suitable to all classes is always to be found there, and because especial care is taken to make its capabilities a household word in the British Isles.

The great agent in attracting Immigration to the United States was the necessity imposed on Railway Companies to make their speculations valuable by the sale of the public lands granted as bonuses; and in this case every one of those works became great public operations undertaken by the State; and the promotion of public enterprise provided that diversity of employment, which absorbed the surplus native population, as well as attracted the foreign surplus labor.

It follows then that the inauguration of great public works, will be the first step towards the creation of those industries which will enable this country to retain its surplus native labor and to attract that of the Mother Country.

Canada may well be described as a large farm, requiring human labor to develop its resources; and it remains with the owners to say whether that shall be effected by means within reach, or its resources squandered in providing a population for the neighboring States.

The country has hitherto depended on private efforts, or very ineffectual Government measures—the total failure of all is too notorious to need comment. With wages of common labor at five shillings sterling per day, the cost of living not exceeding ten shillings per week, Canada has failed to attract any corresponding proportion of that labor which has passed into the States, where all those advantages were reversed.

It is as much the duty of the general Government to provide population to fill the districts of the country, to occupy waste lands, and furnish necessary labor towards developing its material resources, as to discharge any portion of its more generally recognized functions.

In order to render its action effective, recognized agents must be employed, and well authenticated information regarding the resources of the country disseminated in Great Britain and Ireland. Public works having for their primary object the providing employment for the Immigrant, must be inaugurated in Canada, and when possible free grants of lands to actual settlers, having worked say for two years thereon. Above all things the whole question should be made one of State Policy as a necessary element towards a practical solution of a very difficult problem in our political economy.

In connection with the foregoing, Hon. MALCOLM CAMERON moved, seconded by Hon. JAMES SKEAD:

"That in the opinion of the Dominion Board of Trade, the National commercial policy of Canada, demands the construction of such lines of railway, and canal com-

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munication as will develop the resources of our territories and promote the interests of colonization."

The motion was carried unanimously.

HOW MAY CANADA BE BENEFITTED BY IMMIGRATION?

Mr. M. P. RYAN, M. P. (Montreal), said the question of immigration was one which he was glad to see brought up for discussion;—the subject is of vital importance, in view of the great public works upon the prosecution of which the Dominion was about to enter with earnestness,—might he not say, with determined energy? But where are the skilled artisans, mechanics, and laborers to come from, who will be required to carry forward the Canal and Railway enterprises,—not to speak of the hundreds of thousands who will be needed to develop our mineral and agricultural resources? They are not in the country: they must, therefore, be brought here;—but how? Then, again, speaking of fostering and protecting home industries,—we want an immediate and large increase of population to create and sustain a home-trade,—and how is that to be accomplished? The Government had been frequently blamed for inertness, in that it did not promulgate a vigorous immigration policy; but he was glad to be able to say that, whatever may have been their short-comings in the past, there were evidences that the gentleman who had recently joined the Cabinet as Minister of Agriculture (Hon. J. H. Pope), had entered upon the immigration department of his duties with a vigor that would by-and-by result in a great influx of population.

Mr. Ryan called attention to the paper on "Immigration and its Results," prepared by Mr. Patterson, the Secretary of this Board—printed copies of which had been distributed to the Representatives present. Had the time of the Board permitted, he would have called particular attention to some of the suggestions contained in it; but other important matters were pressing. He therefore moved, seconded by Mr. J. R. THIBAudeau (Montreal):

Whereas, The Dominion Board of Trade has heard with much pleasure, that the subject of Immigration is now receiving the earnest attention of the Dominion Government.

Resolved,—That the Executive Council of this Board be instructed to request the Minister of Agriculture to consider the subject of liberal free-grants of the public lands in Manitoba, and in the regions westward towards the Pacific, to actual settlers, for the purpose of inducing a large increase in the immigration to the Dominion, and thus enable the Government to prosecute the Public Works likely to be entered upon.

The motion was unanimously adopted. The following is Mr. PATTERSON'S paper:

SOME PLAIN STATEMENTS ABOUT IMMIGRATION AND ITS RESULTS.

In one of the Preliminary Papers to the "Annual Report of the Trade and Commerce of Montreal, for 1866," a variety of statements were given relating to Immigration, with some collateral information. The following paragraphs formed the conclusion of that chapter:—

"Under Confederation, opportunity will be afforded for the inauguration of a new system for peopling the country—imitating in its details, as far as may be desirable, the policy of the United States. The flow of immigration can be directed to the Red River

and Hudson's Bay country, when these regions are brought under the ægis of the new government; the Ottawa Country, and the back townships in Canada West, can sustain a large influx of population; the country north of Montreal, the Eastern Townships, the St. Maurice and the Saguenay regions, may yet be made to induce multitudes of settlers;—while the Maritime Provinces, by their mineral and other resources, added to their peculiarly favorable position, will certainly receive large increases to their population. Thus would the great wave of civilization flow through British North America, surging onward, and onward, until kindred hearts on the shores of the Pacific found themselves indissolubly connected with those on the shores of the Atlantic and Gulf of St. Lawrence, forming a grand link in a commercial chain, uniting Europe with China and Japan.

“From what has preceded there can be little or no difficulty in determining what kind of settlers are required, and most likely to prosper in British North America. Let the enterprising capitalist and manufacturer come; let patient persevering farmers come; let the industrious miner come; let the skilful mechanic and artisan come;—and all their energies will conspire to build up a great and prosperous country. The experience of late years in the United States is, that new regions cannot be rapidly and efficiently settled, by individuals or single families plunging, so to speak, into the dense forest, and axe in hand, hewing out their future destiny. Organized emigration has been successfully tried; friends and neighbours, by fifties and hundreds, have banded themselves together, for mutual help,—taking with them schoolmasters and ministers of the gospel,—and towns and villages have thus sprung up in a day, the people carrying all the concomitants of civilization with them.

“In closing these suggestive remarks on a most important subject, it need only be further added, that if proper arrangements were made to give reliable information in Great Britain as to what the resources of British America are, and how capital might be safely (not speculatively) invested,—to explain the wealth of its resources, the productiveness of its soil, and the character of its climate,—there would come hither from the Mother-Country multitudes of immigrants, (not in transitu, but as *settlers*,) during the next ten years; and the money they would bring with them, would amount to a sum sufficient to build the Intercolonial Railway, and continue it onward to Westminster in British Columbia.”

In re-casting the paper from which the foregoing is an extract, it is proposed to how, with as much brevity as possible,—

I.—WHAT IMMIGRATION HAS DONE FOR THE UNITED STATES.

Increase of population.—It has been calculated that the average yearly increase of population in the United States, without immigration, would have been 1·38 per cent. In England the ratio is said to be 1·25; in France, 0·44; in Russia, 0·74; in Prussia, 1·17; in Holland, 1·23; in Belgium, 0·61; in Portugal, 0·72; and in Saxony, 1·08. Frederick Kapp, Esq., one of the Emigration Commissioners of New York, has made the following calculation: In 1790, the whole white and free-colored population of the United States was 3,231,930,—which, if only increased by 1·38 per annum, the average excess of births over deaths would have amounted,—

In 1800, to	3,706,674,	while in fact it was	(exclusive of slaves,	4,412,896
1810,	4,251,143,	“	“	6,048,450
1820,	4,875,600,	“	“	8,100,056
1830,	5,591,775,	“	“	10,796,077
1840,	6,413,161,	“	“	14,582,008
1850,	7,355,423,	“	“	19,987,563
1860,	8,435,882,	“	“	27,489,662
1865,	9,034,245,	“	“	about 30,000,000

Deducting 9,034,245 from 30,000,000, the remainder, or 20,965,755, represents the population of foreign extraction gained by the United States since 1790. If, therefore, the influx of aliens had been stopped in that year, the population in 1865 would have been very nearly what it actually was in 1825; so that immigration has enabled that country to anticipate its natural growth some forty years.

Mr. Kapp further says:—The increase of wealth in every branch of national activity, has been in the exact ratio of the increase of population. Official statistics show, indeed, that the augmentation of imports, exports, tonnage, and revenues, has been most rapid during the periods of the largest immigration. The following tables give proof of this fact :

	Imports.	Exports.	Tonnage.	Revenues.
1800..	\$ 91,252,768	\$ 70,971,780	972,492	\$12,451,184
1810..	85,400,000	66,757,974	1,424,783	12,144,206
1820..	74,450,000	69,691,699	1,280,166	20,881,493
1830..	70,876,920	73,819,508	1,191,776	24,844,116
1840..	131,571,950	104,805,891	2,180,764	25,032,193
1850..	178,136,318	151,898,720	3,535,454	47,649,388
1860..	362,168,941	400,122,293	5,353,868	76,752,034

The number of immigrants between 1819 and 1829 was.....	128,502
“ “ “ 1830 and 1839	538,381
“ “ “ 1839 and 1849	1,427,337
“ “ “ 1849—Dec. 31, 1860	2,968,194

Total in 41½ years.....5,062,414

Inducements to Emigrants from Europe.—The preferences of emigrants from Europe to the United States, are neither to be accounted for by political sympathy, nor climatic attraction; they are to be attributed to the inducements held out to all who desire to better their condition in life. Apart altogether from the *ex parte* statements of agents, the intelligent artisans in Europe find the real inducement to emigrate in the following facts:—

One of the earliest movements made by the Government of the United States after the war of independence, was to procure from the States of New York, Virginia, Massachusetts, Connecticut, Georgia, &c., the cession of certain lands, (embracing a tract of more than 1,000 miles square,) which were thereafter designated the North-Western Territory; and for the purpose of promoting its settlement, Congress provided for the sale of homesteads to actual settlers,—generally consisting of a quarter section, or 160 acres, at the minimum rate of \$1.25 per acre. It was also enacted that, in disposing of the public lands, the sixteenth section in every township should be set apart for the advancement of education, and this portion came to be known as the “school lands.” When Nebraska Territory was organized, the Act provided that the sixteenth and thirty-sixth sections of each township should be “school lands,”—and in more recently organized territories this principle is believed to have been adopted. Subsequently, Congress made liberal grants of public lands to aid in making wagon-roads and railways,—one most notable example being the Illinois Central Railway. In 1862, provision was made for giving portions of the public domain to build up or endow agricultural and mechanical colleges; and in 1862 and 1864 the crowning act was to grant homesteads [quarter-sections] to actual settlers,—the only charge being the nominal sum of \$10, to cover expense of survey, &c. Under such legislation as is here referred to, the free

disposal of the public lands by the Federal Government until 30th September, 1865 had been as follows :

For works of internal improvement and schools.....	130,875,000	acres-
“ Wagon and rail roads (estimated).....	125,300,000	“
“ Military services (reaching back to the Revolution).....	68,000,000	“
“ Agricultural and Mechanical Colleges.....	9,330,000	“
Swamp Lands conceded to the various States.....	45,319,000	“
	378,824,000	acres.

The quantity of public lands disposed of by the United States Government during fifteen months,—from 1st July, 1864, to 30th September, 1865,—amounted to 5,394,329 acres, the revenue being \$1,038,400.78. The following statement shows the quantities of public lands donated and sold during two recent fiscal years :

	Acres in 1868-69.	Acres in 1869-70.
Cash sales.....	2,899,544	2,159,515
Locations of military bounty-land warrants..	449,780	512,360
Homestead entries.....	2,737,365	3,698,910
Agricultural College scrip locations.....	352,664	192,848
Certified for Railways.....	746,769	996,685
Certified for Wagon-roads.....		36,628
Approved to States as swamp-lands.....	455,768	481,638
Indian scrip locations.....	24,259	16,827
	7,666,151	8,095,413

The homestead entries in 1869-70 show that 23,118 actual settlers,—doubtless heads of families,—became proprietors of free land in that year.

The cost of making homestead entries on the public lands is shown in the following table.

No. of Acres entered.	Price per Acre	COMMISSIONS.		FEES. Payable when entry is made	Total Fees and Commissions
		Payable when entry is made.	Payable when certificate issues		
100	\$1.25	\$4.00	\$4.00	\$10.00	\$18.00
80	1.25	2.00	2.00	5.00	9.00
40	1.25	1.00	1.00	5.00	7.00
80	2.50	4.00	4.00	10.00	18.00
40	2.50	2.00	2.00	5.00	9.00
100	\$1.25	\$6.00	\$6.00	\$10.00	\$22.00
80	1.25	3.00	3.00	5.00	11.00
40	1.25	1.50	1.50	5.00	8.00
80	2.50	6.00	6.00	10.00	22.00
40	2.50	3.00	3.00	5.00	11.00

NOTE.—The fees and commissions in the upper half of the table apply to homestead entries on surveyed lands in Michigan, Wisconsin, Iowa, Missouri, Minnesota, Kansas, Nebraska, Dakota, Alabama, Mississippi, Louisiana, Arkansas, and Florida; those in the lower half to surveyed lands in California, Nevada, Oregon, Colorado, New Mexico, Washington, Arizona, Idaho, Utah, Wyoming, and Montana.

How Immigrants are cared for at New York—The Castle-Garden Depot includes the following Departments:—1. A department for the boarding of ships on arrival at quarantine,—an officer ascertaining number of passengers, hearing complaints, &c., &c. 2. The landing department, which provides for the careful transfer of passengers, luggage, &c., to the main building. 3. The registering department, where name,

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nationality, destination, &c., are recorded. 4. The railway department, where the immigrants can procure passage, without risk of fraud or extortion, to all places in the United States and Canada. 5. Baggage delivery department, for transfer of baggage from ship-board to the depot, railway stations, or places in the city. 6. Exchange department, certain Brokers being admitted, who exchange specie, &c. 7. The information department, to enable immigrants to communicate with friends. 8. The letter-writing department. 9. Boarding House department, keepers of such places for immigrants being under careful supervision. 10. The forwarding department receives remittances from friends of persons either before or after arrival, and applies them as directed. 11. The Ward's Island, or hospital department. 12. The labor exchange department, where immigrants desiring work, and persons desiring laborers or others, find ample opportunity for supplying their wants. 13. The General Agent's office, where is transacted all the executive business of the Commission. 14. The Treasurer's department, which is sub-divided for (1.) correspondence of all kinds,—(2.) money affairs,—and (3.) business with the Counties and Institutions.

What the Immigrants do in return.—In a recent report to Congress the Commissioner of the U. S. General Land Office said:—"The rapid extension of our western settlements is largely due to the influx of foreign immigration. The annual accessions from this source show a decided increase to our population. Though partially arrested by the late civil war, the return of peace has expanded this popular movement to larger proportions than ever. From correspondence on file it appears that a more than usual proportion of the intelligent and moneyed classes of Europe have become interested in our extraordinary resources. This improved character of foreign immigration, there is reason to believe, is mainly due to the distribution, at the Paris Exposition of 1867, of brief reports on the resources of the United States, and by the circulation by the State Department of official information on the subject throughout Europe . . . We now see an increasing annual import of capital and skilled labor, enabling us to give a more varied and remunerative character to our industry, by engaging in the higher and more elaborate processes of art. This enlargement of the scope of our home activity will ultimately result in benefits which, as yet, we are entirely unable to appreciate."

An important consideration is the average cash capital in possession of the immigrants. Officials at Washington have made different estimates of the amount. Hon. Edwd. Young is of opinion that \$68 *per capita* is a fair average.—Hon. D. A. Wells says \$80; while Mr. Kapp, whose opinion is entitled to the highest consideration, thinks \$100 nearer the mark. The latter gentleman says:—"The money, however, is not the only property which immigrants bring with them. In addition to it, they have a certain amount of wearing apparel, tools, watches, books, and jewelry. Assuming that their cash amounts to only \$100 a head, I do not think I exaggerate in estimating their other property at \$50,—thus making \$150 the total of the personal property of each immigrant." If Mr. Kapp is correct, (and his conclusions are accepted by the Commissioner of the U. S. General Land Office), then the very large amount of \$37,500,000 was added to the cash capital of the U. S. by 250,000 immigrants who landed at the port of New York during 1869. It is also reckoned, on the same basis, that, since the policy of naturalising aliens was adopted, the sum of one thousand millions of dollars has been brought to the United States by the in-flowing tide of foreigners.

But a still more striking consideration is added by Mr. Kapp, when he averages the *economic* value of each immigrant at \$1,125, and infers, therefore, that the addition of value by foreign immigration has amounted to at least *five billions of dollars*,—or according to the present ratio of immigration, at least \$1,000,000 per day.

II.—EFFLUX OF POPULATION FROM GREAT BRITAIN.

The number of emigrants from Great Britain to all other countries during a period of 45 years,—1815 to 1859,—was 4,917,598. There has been a larger exodus of late years, as will be seen by the following official figures for a period of 20 years:

YEARS.	To N. American Colonies.	To United States.	To Australian Colonies and New Zealand.	To other Places.	TOTAL.
1851	42,605	267,357	21,532	4,472	335,966
1852	32,873	244,261	87,881	3,749	368,764
1853	34,522	230,885	61,401	3,129	329,937
1854	43,761	193,065	83,237	3,366	323,429
1855	17,966	103,414	52,309	3,118	176,807
1856	16,378	111,837	44,584	3,755	176,554
1857	21,001	126,905	61,248	3,721	212,875
1858	9,704	59,716	39,295	5,257	113,972
1859	6,689	70,303	31,013	12,427	120,432
1860	9,786	87,500	24,302	6,881	128,469
1861	12,707	49,764	23,738	5,561	91,770
1862	15,522	58,706	41,843	5,143	121,214
1863	18,083	146,813	53,054	5,808	223,758
1864	12,721	147,042	40,942	8,195	208,900
1865	17,211	147,258	37,283	8,049	209,801
1866	13,255	161,000	24,097	6,530	204,882
1867	15,503	159,275	14,466	6,709	195,953
1868	21,062	155,532	12,869	6,922	196,325
1869	33,891	203,001	14,901	6,234	258,027
1870	35,295	196,075	17,065	8,505	256,940
	430,535	2,919,709	787,000	117,531	4,254,775

According to this table, 4,254,775 persons emigrated from Great Britain during the past twenty years,—of whom 68.62 per cent., or 2,919,709, went to the United States, while only 10.10 per cent., or 430,535, came to the British North American Provinces,—18.52 per cent., or 787,000, having gone to the antipodes, and 2.76 per cent., or 117,531, to other countries.

III.—ARRIVAL OF IMMIGRANTS IN CANADA DURING ELEVEN YEARS.

Number of Immigrants arriving at Quebec *via* River St. Lawrence during the season of the respective years 1860 to 1870.

YEAR.	Number of Im'igrants <i>via</i> Quebec.	NATIONALITIES.						TOTAL NATIONALITIES.			NUMBER OF IMMIGRANTS.	
		English.	Irish.	Scotch.	German.	N'rwegian	Other Countries.	British.	Foreign.	Total.	Per Steamers.	Per Saili'g Vesscls.
1860	10,150	2,491	2,831	1,850	725	1,809	444	7,172	2,978	10,150	6,932	3,218
1861	19,923	3,574	3,180	2,015	2,040	8,668	446	8,769	11,154	19,923	7,535	12,388
1862	22,176	5,180	5,468	3,026	2,516	5,289	697	13,674	8,502	22,176	12,466	9,710
1863	19,419	4,830	5,508	3,949	3,047	1,416	669	14,287	5,132	19,419	13,480	5,939
1864	19,147	3,143	5,084	2,320	2,262	5,525	813	10,547	8,600	19,147	10,732	8,415
1865	21,355	5,070	6,836	2,112	2,096	4,382	859	14,018	7,337	21,355	16,433	4,922
1866	28,648	3,380	3,422	2,074	4,013	14,968	791	8,876	19,772	28,648	11,539	17,109
1867	30,757	5,151	4,260	1,827	3,773	13,173	2,573	11,238	19,519	30,757	14,178	16,579
1868	34,300	6,497	3,563	1,937	5,068	16,031	1,204	11,997	22,303	34,300	20,527	13,773
1869	43,114	27,876	2,743	2,867	1,073	8,553	2	33,486	9,628	43,114	33,440	9,674
1870	44,475	27,183	2,534	5,356	411	8,985	6	35,073	9,402	44,475	31,747	12,723

The following statement shows the number of immigrant arrivals during the last five years at all points of the Dominion, in so far as the Government Agents have been able to obtain information :

	1866.	1867.	1868.	1869.	1870.	1871.*
Via the St. Lawrence.....	28,648	30,757	34,300	43,114	44,475	
" the Suspension Bridge and inland Ports of Ontario and Quebec.....	23,147	25,631	36,511	30,326	23,857	
" Halifax		781	366	448	437	
" St. John, New Brunswick..		409	271	456	219	
" Miramichi				21	31	
Total.....	51,795	57,578	71,448	74,365	69,019	

On the same authority, the number of immigrants who settled in Canada during five years, and the numbers merely passing through, were as follows :

	No. of Settlers.	No. in transit.
1866	10,091	41,704
1867	14,666	47,212
1868	12,765	58,683
1869	18,630	57,202
1870	24,706	44,313
1871*		

In view of the results shown in these tables (and the figures are official), it can hardly be wondered at that unfavorable criticisms have been from time to time uttered, respecting the seeming lack of efficiency in the machinery employed by the Department of Immigration in Canada. As mere criticism, however, is not the object of this paper, the suggestions made in the following Section are submitted with some hesitancy, and not as containing anything new or remarkable, but as the result of experience and observation,—simply in the hope of assisting to direct public effort into the right channel.

IV.—HOW MAY CANADA BE BENEFITTED BY IMMIGRATION ?

The main purpose, in some of the foregoing pages, has been to adduce facts to show the magnitude of the stream of emigration from the Old to the New World,—and to indicate the immense value of immigration to the United States,—with a view to stimulate to adequate exertions to cause a deflection to some extent of that stream towards Canada. The writer has to acknowledge here the kindness of B. Casserly, Esq., Superintendent of Emigration at Castle-Garden, New York, in favoring him with documents from which some of the facts were obtained. Of course, in the article published in 1866, to which reference has already been made in the opening portion of this paper, the free lands in Canada were referred to. The arrangements made since Confederation, by the Provinces of Ontario and Quebec, for free-grant lands to heads of families and others in certain circumstances, are very liberal and well worth the attention of Immigrants. The present remarks apply more particularly to the general policy of the Dominion Government respecting the vast tracts of agricultural, mineral, and other lands, now brought under its control by the extension of the country from the Atlantic to the Pacific. With reference to the inquiry,—How may the Dominion be benefitted by Immigration?—it is far better to be able to refer to results elsewhere, than to rely upon a mere theoretical reply ; and it is believed that the reflective reader will

* I had hoped to be able to give the figures for 1871 ; but the official reply to my inquiry seems to render that impossible, without waiting too long ; this sheet is, therefore, put to press to-day (17th Feb.) without them.—W. J. P.

experience no difficulty in concluding that,—the whole circumstances of the two countries being not dissimilar so far as immigration from the north of Europe is interested,—what has been productive of such immense results to the United States, could not fail to benefit Canada. (1.) The climate of Canada is as favorable for the European emigrant, as is that of the Northern States; (2) there is plenty of good land for agricultural purposes to admit of the Dominion Government adopting a free homestead policy, as well as to admit of liberal grants to railways, &c.; and (3.) there are numerous public works to be entered upon, railways, canals, &c., which will afford abundant employment to multitudes of new comers. Given for Canada the same persistent, systematic agitation,—similar inducements to immigrants, and the same fostering care for them on landing, as in the neighboring Republic,—and it cannot reasonably be doubted that great results would follow.

The first consideration, then, is how to introduce population into the vast tracts of arable land in the interior of the Dominion. Government should at the outset adopt the system of free homestead grants to actual settlers, by pre-emption,—the grant to be completed after five years of occupancy,—the pre-emptor to pay only a small fixed sum to reimburse the expense of survey, entry, &c. The policy as regards grants of land to railway enterprises should also be liberal. These grants, as heretofore in the United States, should be in alternate sections,—the companies being, in their turn, bound to grant a certain number of acres of their free lands [say ten acres,] to each mechanic or laborer who shall have been employed during two years in constructing their roads. Railway Companies would in this way be prevented from holding up all their lands for speculative purposes,—while the enhanced value of the lands consequent upon improvement by settlers would be participated in by the Government.

With such a basis for disposal of the Public Lands, there would, it is believed, be little or no difficulty in inducing the coming hither of bands of laboring men and agriculturalists to work upon the Pacific Railway, and upon its eastern connections. It must not be overlooked, however, that discretion on the part of the Emigration Agents in Europe is of incalculable importance. There must be discrimination exercised,—pauperised immigrants are not to be desired,—and perhaps much of the “assisted” emigration should be discouraged. Every inducement should be given to those who have willing, hopeful hearts, strong arms, and good constitutions, to come hither and assist in laying, broad and deep, the foundation of civil and commercial prosperity.

A great step towards inducing desirable classes of immigrants, would be for the Dominion Government to commence upon an extensive scale the work of improving the channels of internal navigation,—the Rivers St. Lawrence and Ottawa with their existing and projected systems of Canals,—a new Welland Canal being a desideratum. These would offer abundant inducements to mechanics and laborers,—holding out a sure prospect of employment immediately upon arrival.

While the free-homestead grants would induce agriculturalists and laborers to push their way into the interior, facilities for settlement nearer the centres of population, ought, if possible, to be afforded to organized parties intending to settle *en bloc*, by entering, so to speak, upon municipal life from the outset of their career in this New World. Such companies of settlers would, of course, include mechanics and artisans of various classes, farmers, laborers school-teachers, and ministers of the gospel,—carrying with them into the forest, or out upon the prairie, the amenities, comforts, and enjoyments of the homes they had left in the Old World.

The objective point for such immigrant parties would, always be determined before-hand; there ought, therefore, to be a guide or conductor waiting for each company on arrival, whose sole duty it would be to pilot it by the most direct travelled route to

their destination, determining for them the proper places for transient rest, refreshment, &c.

For the purpose of managing the Immigration service systematically and economically, the Dominion Minister of Immigration might appoint a Board of Commissioners, whose first duty would be to establish a capacious receiving depot, say at Point Levi, with the accompanying Departments as existing at Castle-Garden, in New York City. The proceeds of the *per capita* tax should be handed over to the Commissioners, to be applied towards maintaining their establishment.

With the view of inducing the right class of emigrants from Europe to come to Canada, the Agents of the Government should apply themselves especially to the "northern races," as best adapted to endure the mutations of climate which are experienced. The duties of Agents in Great Britain or other countries, should be to give full and reliable information on all points relating to settlement in any of the Provinces,—explaining the advantages to be derived from emigration in companies; and a "HAND-BOOK FOR CANADA" should be prepared, embodying classified information relating to each of the Provinces in the Dominion,

Such a book, carefully prepared, and scattered broad-cast in Europe, would be of immense service. It should contain brief statements on the following topics:—1st, Historical notices relating to the Government of the Dominion and of the Provinces; 2nd, Remarks on the Soil, Climate, and Mineral resources of Canada,—specifying Coal, Salt, Iron, Copper, Silver, Gold, &c.; 3rd, Natural Productions—Grain, Timber, &c.; 4th, Industrial enterprises,—Agriculture, Commerce, and Manufactures; 5th, Water Power; 6th, Internal Navigation, and Railway and Canal communication with the Interior; 7th, Postal and Telegraphic service; 8th, Revenue and Taxation of the Dominion and Provinces; 9th, Wages, and the purchasing power of money; 10th, Religion, Education, &c.

The proposed *Guide Book* ought also to contain Directions and Advice for Emigrants from the Old World,—indicating who may emigrate,—suggesting arrangements, when and how to go,—what to do on arrival,—how most economically, all things considered, to reach different localities,—tables of steamboat and railway fares,—setting forth also in detail the special arrangements made for reception of immigrants, &c., &c.

A work containing such information as above suggested,—if frequently revised to keep the information *fresh*, as well as to admit of embodying the experience of those who may come to Canada,—would be the *right arm of the service*, and perhaps do more to promote the prosperity of the Dominion by the immigration it would induce, than all other agencies put together.

Particular Schemes.—In bringing these general remarks to a close, the writer is of opinion, that it would be out of place to encumber his paper with details of what he may think to be a preferable scheme, for promoting the bringing hither of colonies of settlers from the Old World. For the same reason, he thinks it inexpedient to particularise any of the colonization projects which have been promulgated, however feasible they may appear to be;—leaving the statements and suggestions to influence as they may the mind of the reader.

ASSIMILATION OF CUSTOMS AND EXCISE LAWS.

Mr. M. P. RYAN, M.P., (Montreal), moved, seconded by Mr. JAMES WATSON (Hamilton):

"That the attention of the Dominion Government be respectfully called to the desirability of assimilating the Customs and Excise laws, so that they be applicable to the Provinces of Manitoba and British Columbia."

Motion carried.

CENTAL SYSTEM.

The following motion by Mr. M. P. RYAN, M. P., seconded by Mr. W. H. HOWLAND (Toronto), was carried without discussion :

"That this Board be requested to use its influence with its constituent bodies, to promote by all possible means the adoption of the Cental system, especially in the buying and selling of Grain."

WAREHOUSE RECEIPTS.

Mr. W. H. HOWLAND (Toronto) called attention to the subject of Warehouse Receipts, remarking that loss frequently occurred to merchants from warehousemen issuing false receipts. He was of opinion that Warehouse-keepers, having so much property under their charge, should give security. It was true that, if on presentation of the receipt, there was no grain to represent it, the party could be punished; but the defaulter had generally made his escape before the fraud was discovered. He pointed out that it was not generally known, that an actual transfer of a portion of the property sold must be made to render the written transfer legal. Government should provide by law that, to hand over the warehouse receipt should constitute a perfect delivery of the goods it represented.

He moved, seconded by Mr. A. JOSEPH (Quebec) :

"That a revision of the Law relating to warehouse receipts is recommended by this Board; first, that all warehousemen be obliged to deposit good and sufficient bonds as security, before they be permitted to issue warehouse receipts, either with the Government, or with the local Boards of Trade, or Collectors of Customs,—such bonds to be for an amount equal to five per cent. of the value of goods ordinarily contained in such warehouse; and secondly, that the transfer by endorsement, for proper consideration of warehouse receipts, shall be made by law to constitute legal delivery of the articles covered by such warehouse receipts."

Hon. MALCOLM CAMERON (Ottawa), said that to lay down as a principle that no man should open a warehouse unless he gave bonds, would be something new in the history of commerce, and would act as an arbitrary restriction on trade.

Mr. M. P. RYAN M. P., (Montreal), remarked that during his experience in the trade of Montreal, he only knew of one case of loss occurring from false warehouse receipts, and that was to a very limited extent. Fraudulent warehouse-keepers were liable, of course, to punishment; but a merchant who required a loan always took care to deposit his property in a proper warehouse. The Banks raised no difficulty regarding warehouse receipts. He did not think, therefore, that additional legislation was needed; for Banks and similar institutions were quite capable of protecting their own interests. He would vote against the motion.

Mr. A. JOSEPH (Quebec), said, the fact that Montreal had honest warehouse-keepers, was not a valid reason why the resolution should not be adopted. But Montreal had not always been exempt from fraud by warehousemen,—nor was it enough to say that the frauds had hitherto been small. The protection asked for in the resolution should be given to merchants by warehousemen, and the trade required it.

Hon. JOHN YOUNG pointed out, that if a warehouseman were required to give a bond of five per cent. on the value of 600,000 bushels of wheat

deposited in his warehouse, the security would amount to \$30,000, which would press very heavily on these men. We cannot make people honest by legislation. The Warehouse Act had, on the whole, worked well; and there were but few instances where warehousemen had proved dishonest. The principle of calling upon them to give security of five per cent. on the value of goods warehoused was a wrong one.

Mr. HENRY FRY (Quebec), said a similar resolution to that proposed was discussed by the Board last year, and negatived. As a director of a Bank, he knew that in Western Canada, and more particularly in Toronto, they had had some losses by warehouse receipts. The remedy proposed was very cumbrous, and in the end would afford little security. He held it to be a sound principle, that the less Government interfered with trade, the better for all traders; because as a general rule, commercial men were quite able to take care of themselves. He moved in amendment, seconded by Mr. M. P. RYAN, M. P.:

"That all the words from "first" to "secondly" (both inclusive) be omitted."

The amendment was then put and carried; and the main motion, as amended, was adopted as follows:

"That a revision of the law relating to Warehouse Receipts is recommended by this Board, so that the transfer by endorsement, for proper consideration, of warehouse receipts, should be made by law to constitute legal delivery of the articles covered by such warehouse receipts."

POSTAL DELIVERY OF LETTERS IN CITIES AND TOWNS.

Moved by Mr. M. P. RYAN, M. P., seconded by Mr. THOMAS RIMMER (Montreal):

"That the Dominion Government be petitioned in favor of postal delivery in cities and towns, without additional charge to the requisite postage upon letters, newspapers, &c.; and that the Executive Council be requested to make inquiry relative to a postal guarantee delivery, said to be in operation in some other countries, and to bring the question to the special notice of the Dominion Government."

After a few general remarks by the mover and seconder on the obvious necessity for the delivery of letters without further charge in the cities, towns, and villages of Canada,—

Mr. ROBERT WILKES (Toronto), said the time had arrived when they should press upon the Government the necessity for adopting a complete postal delivery as called for by the resolution. There was no reason why this Dominion should be so far behind the mother country in this branch of the public service,—and especially as regards the irregular arrival of mails. He had made a rough estimate of the loss occasioned by the present system. He took it that 100,000 persons had occasion daily to call at Post Offices, or to employ messengers to do so; their time would certainly be worth 20 cents an hour, and they were frequently compelled to call two or three times daily. Taking \$20,000, a day, and reckoning three hundred working days in the year, it would be found that there was a loss of \$6,000,000 sustained yearly by the people; whereas, the work could not possibly be worth more than \$100,000 a year. This loss of time seriously affected the mercantile community; and he believed not only a large amount of money

would be saved to the country, but that the value of the postal service,—the whole system, indeed.—would be vastly increased.

Mr. HENRY FRY, as proving how admirably the postal service is conducted in England, said that in the City of London, with a population of $3\frac{1}{2}$ millions, there is a letter delivery every two hours, making six deliveries per day. With the exception of a few newspapers, and official establishments, all letters were delivered by hand.

Mr. L. E. MORIN (Montreal), said it was a great anomaly that postal cards could be sent thousands of miles by mail for one cent each; while to have one delivered say at a distance of half-a-mile two cents were charged.

Mr. J. C. LANGELIER (St. Hyacinthe, Q.), explained the guaranteed postal system which had existed in France for several years. Guaranteed letters were sent for a small fee, and those containing documents and money, were made good by the Government if stolen. He condemned the registration system of Canada as worse than useless,—being only an indication to the thief that the letter was valuable. It was the duty of the Government to establish the guarantee system throughout the Dominion.

Hon. ROBERT READ (Belleville), concurred in the remarks of the previous speaker, and said that all who visited England admired the postal system there in operation. For several years he had urged upon the Postmaster-General the adoption of the system here; but it was contended that we must first carry out strictly the prepaid system. He did not think this answer worth considering. He referred to the insecurity of the registration system; and, in conclusion, said that in all parts of Great Britain the deliveries were made regularly, whether in the country or in the cities; and the same system must be established here. It could be accomplished; and it was therefore the duty of the Dominion Board of Trade to impress upon the Government that it should be carried out, and that without delay. Every interest in Canada demanded it.

The motion was then unanimously adopted.

EXTENSION OF TELEGRAPH LINES.

Mr. P. GARNEAU (Quebec), moved, seconded by Hon. JOHN YOUNG:

“That with a view to the greater protection of the trade of the Dominion, it is of paramount importance that the telegraph system along the Gulf of St. Lawrence should be as complete as possible, and that it be a recommendation to the Federal Government, to assist the construction and laying of a sub-marine cable at some point near Point des Monts, in order to connect with a line proposed to be constructed on the North Shore, eastward to a distance of about seventy-five miles, and also with the telegraph system of the Dominion generally.”

Mr. GARNEAU, in submitting the motion, said the lines of the Montreal Telegraph Company extended from Quebec to Matan on the South Shore. At Metis they are laid across the country to the Bay of Chaleur, thence to Gaspé and Fox River. It was contemplated next summer to complete the link between Matan and Fox River by private enterprise, being a distance of 160 miles, which would give ample facilities for communicating with shipping along the whole coast. When this line is completed, it will

be of the greatest importance in the protection of shipping on the North Coast. It was found impossible to carry a line from Quebec, the whole distance along the North Shore, owing to a large extent of the coast being rocky; and, therefore, it had been thought advisable to lay a wire across the Gulf opposite Point des Monts. The practical objection to this was the want of proper means to carry out this part of the project. The length of line to be constructed on the North Shore eastward is 75 miles, and this would also be carried out by private enterprise. The assistance of the Government is only asked in the construction and laying of the submarine cable, in order to make connection with the line proposed on the North Shore eastward. Shipping had suffered very considerable loss for want of complete telegraphic communication with Quebec, in order to procure immediate assistance to any vessels that may have gone ashore; for under present circumstances, the needed assistance could not be rendered within five or six days. He asked the Board to support the proposal, as one which would afford great advantages to trade generally; especially as the assistance required from the Government to successfully accomplish it would not exceed from \$20,000 to \$25,000.

The resolution was then adopted unanimously.

GENERAL INSPECTION LAW.

Copies of a proposed General Inspection Law, introduced during last Session of Parliament, by Hon. Sir Francis Hincks, had been furnished to the Dominion Board of Trade, and distributed among its members.

Mr. A. JOSEPH (Quebec), in bringing up the subject of a General Inspection Law, said he objected to the first clause in the draft Bill handed in by the Finance Minister, regarding the inspection of staple articles,—which enacted that the Inspectors should be appointed by Government. He contended that they should be appointed by local Boards. He therefore moved, seconded by Mr. L. E. MORIN (Montreal):

“That this Board hears with satisfaction, that the Government has decided upon introducing into Parliament during next session, a general Inspection Bill; and would recommend that the Inspection of Butter, Fish and Fish-oils of all kinds, Petroleum, Leather and Hides, Ashes, and Provisions, including Pork and Beef, should be compulsory, but that the inspection of Flour, Meal, Lard, Cheese, and Grain of all kinds, should not be compulsory.”

Mr. L. E. MORIN referred to the enormous quantities and splendid quality of the fish caught in Canadian waters, and condemned the disgraceful manner in which they were packed and sent to market for sale by auction. The only remedy for this unsatisfactory system was compulsory inspection; because unless the inspection were so, the fishermen would not submit to it, being very foolishly satisfied to lose \$2 a barrel rather than pay even the smallest inspection fee. He strongly advocated the compulsory inspection of Butter and Hides.

The resolution was then carried

INTERNATIONAL METEOROLOGICAL OBSERVATIONS.

On motion of Mr. M. P. RYAN, M. P., seconded by Mr. J. R. THIBAUDEAU (Montreal), the following resolution was adopted :

"That this Dominion Board of Trade memorialize the Government of the Dominion, in favor of bringing about a meeting of the leading meteorologists of different nations, so as to devise a uniform system of observations and crop reports, and secure their publication for the benefit of commerce and agriculture throughout the world."

APPOINTMENT OF AVERAGE ADJUSTERS.

Hon. JOHN YOUNG moved, seconded by Mr. HENRY FRY :

"That it is desirable that the Boards of Trade of St. John, N. B., Halifax, N. S., Quebec, and Montreal, Que., Toronto, and Hamilton, Ont., be empowered by Parliament to appoint average adjusters for these ports."

Motion carried.

PLACE OF MEETING.

A notice placed on the programme by the Quebec Board of Trade, recommending the re-consideration of motion passed at last annual meeting, appointing Ottawa as the permanent place of meeting, was withdrawn.

UNIFORMITY IN GAUGING LIQUIDS.

Mr. L. E. MORIN submitted a motion having for its object the settlement of the difficulty that constantly occurred between Upper and Lower Canadian dealers in liquids. All liquids from Upper Canada ran short when measured in Lower Canada owing to the difference in gauging, which caused a great deal of annoyance. He therefore with a view to promote harmony, presented the following resolution, seconded by the Hon. JOHN YOUNG :

"That it is highly desirable to have a uniform method of gauging liquids all over the Dominion, and this Board requests the Government to pass a Bill establishing a rule, which would be acceptable in all parts of the Dominion."

The motion was put and carried.

VOTE OF THANKS TO HON. JOHN YOUNG.

Hon. JAMES SKEAD (Ottawa), moved a resolution of thanks to the late President. He said he had known the Hon. John Young since 1839, and had watched his actions since that time. For a long period he was one of the largest and ablest merchants in Montreal, and on all occasions was an advocate of public improvements. Since his retirement, he had been a consistent advocate of the construction of canals, railways, and other public works. He had indeed always been the prime mover in these undertakings, not excepting the Victoria Bridge, which is one of the wonders of the world. He could truly designate Mr. Young as the father of all public improvements in the Dominion of Canada. It was unnecessary to do more than allude to his services in connection with the organization of this Board. He had pleasure in moving, seconded by Mr. W. H. HOWLAND (Toronto) :

"That the members of the Dominion Board of Trade cannot separate, without recording their opinion of the great services their late President has rendered the com-

mercial interests of Canada and this Board,—and their appreciation of his high character; they therefore request the President to present the thanks of the Dominion Board of Trade to the Honorable John Young."

The PRESIDENT in submitting the motion to the Board said, that no man more deserved the kind remarks of Mr. Skead than the Hon. John Young, and no man stood higher in the estimation of the public.

The resolution was then carried unanimously, all the members rising.

After the PRESIDENT had formally tendered this unanimous token of respect,—

Hon. JOHN YOUNG, in acknowledgment, said that during his residence in Canada he had endeavored to do his duty. In early life it had been his lot to travel over a great deal of the western country; during ten years he travelled 5,000 miles every winter, and in that way became impressed with the vast capacities of Canada. He had had, as some say, a pretty hard road to travel, in inducing people to think as he did; but the progress of the country bore out the correctness of his judgment. The progress we are now making made it evident to him that we must undertake public works of a very large character to meet its requirements. It was not only the trade of our vast country in the North-West for which we had to provide in improving the River St. Lawrence, but we might also attract a very large portion of the trade of the United States, whose products might come through our waters. He was one of the oldest inhabitants here; and his knowledge of the country had induced him, when Commissioner of Public Works, to offer for sale lots near the Chaudiere Falls, the taking up of which had laid the foundation of the city of Ottawa. He concluded by thanking the Dominion Board of Trade for their very cordial recognition of his services;—he had taken the warmest interest in the Board since its establishment, and would continue to do so.

The Board then adjourned until 9.30 o'clock to-morrow morning.

FOURTH DAY'S PROCEEDINGS.

FINAL SESSION.

SATURDAY, 20th January, 9.30 o'clock, A. M.

WM. MCGIVERIN, Esq., President in the chair.

The minutes of previous day were taken as read, and confirmed.

EXTENSION OF NAVIGATION LAWS OF GREAT BRITAIN.

Mr. JAMES KING (Sarnia), moved, seconded by Mr. H. F. HOWELL, (Sarnia):

Whereas, Serious difficulties have been felt in the inland waters of Ontario, from the fact that the navigation laws of Great Britain do not extend above the Port of Montreal, and in the matters of Salvage, Sailors' Wages, and Marine Supplies, great injustice is now suffered therefrom, therefore.

Resolved,—"That this Board recommends that the Executive Council memorialize the Government to take the matter into serious consideration."

The motion was carried unanimously.

MAIL SUBSIDY,—SARNIA TO FORT WILLIAM.

Mr. H. F. HOWELL in bringing this subject before the Dominion Board of Trade, said he did so without any intention of detracting from Toronto,—her enterprise having fairly earned all the advantages she may derive from the Collingwood route ; but he asked that Sarnia be also granted special privileges, by the Government making it a weekly mail route, with a subsidy equal to that given to the Collingwood line. He read the following statement:—“The whole of the Peninsula, west of Hamilton and Toronto, consisting of some twenty counties, and including the cities of Hamilton and London, besides numerous towns upon the different lines of railway, comprising now a population of over 750,000—will find at Sarnia and Goderich the natural outlet to points farther west, these points being the termini of the three great railways in the country. Before the close of the year 1872 another line will be added, of great importance to the trade of the western portion of Ontario. It is from these counties that the majority of emigrants will go who are leaving Canada to settle the great country opened up to us in the North-west ; and from these counties will be drawn all the supplies required in constructing roads from Fort William, and the opening up of that country, so rich in minerals, on the North side of Lake Superior. To aid in any enterprise which will develop the route best adapted to accommodate the trade of that section of the country, while offering equal advantages to any other route for all Canada east of us, seems a duty of the Government. That the Sarnia route offers advantages in time, distance, and safety, for the western section of the country referred to, as compared with the Collingwood route, will be made evident by the consideration of the following points : The distances as given in Thompson’s Coast Pilot are, sailing distance from Sarnia to Sault St. Mary, 288 miles ; from Collingwood to St. Mary, 305 miles ; thus showing a distance in favor of Sarnia of 17 miles ; while the difference in time, in favor of the Sarnia route, is 12 hours, owing to the difficult navigation of the Georgian Bay. The route from Sarnia is a clear open course through Lake Huron, and requires no landmarks to make the navigation of the Lake safe ; while the Collingwood route, owing to its tortuous course among islands and through narrow channels, would be very difficult to render safe, even by the erection of numerous lighthouses, as they would not guard against the heavy fogs, to which it is always liable. The advantages offered by the Sarnia route are therefore obvious. Toronto will find it equally favorable for its trade with Collingwood. The difference in favor of Collingwood route from Toronto is only 40 miles ; but as the difference is by railway, this is compensated for by difference of water transit, saving of time, less insurance, and by competing lines by railway from Toronto to Sarnia. For Montreal and all points east, and for immigration by way of Montreal or Portland, Sarnia is assuredly the natural outlet for the North-west. Merchandise and passengers reach it by the Grand Trunk without change of cars. For all passenger travel by way of New York and Suspension Bridge, the Great Western Railway forms the direct connection with Sarnia. Although satisfied that the opening of the route would prove a commercial success, we think we are entitled to the same Government aid as is rendered to the Collingwood

route. Steamboat owners do not feel willing to open a new route and take all the risk; and, as the commercial success depends in a measure upon the amount of American passenger travel that can be secured to and from Marquette, and other ports upon the south shore of Lake Superior, it would be necessary that boats placed upon this route should be first class, including speed and safety. Such boats would, no doubt, succeed in directing a large amount of travel from Boston, New York, and Buffalo, through Canada to Lake Superior, as it would be about fourteen hours shorter than by the Lake Shore line *via* Cleveland, the present port of departure of American steamers,—thus securing to Canadian railways a large trade, none of which can be even hoped for by the Collingwood route. In urging this matter upon the attention of the Board, we only ask that the western section may at least receive advantages proportioned to its population, resources, and railway facilities for this particular trade, which, thus far, we have been unable to obtain."

Mr. Howell concluded by moving, seconded by Mr. JAMES KING :

"That to meet the increased demands of the trade of the Western portion of Ontario, and to secure the emigrant travel to the far West, this Board recommends the subsidizing of a weekly line of steamers from Sarnia to Fort William, making Goderich a point of call."

Motion carried.

A CANADIAN COMMERCIAL AGENT AT WASHINGTON.

Mr. JAMES KING submitted a resolution requesting the Dominion Government to consider the desirability of appointing a commercial agent at Washington. He said he was instructed by the Sarnia Board of Trade, to call the attention of the Dominion Board to this seemingly important question, because at Sarnia and other Western ports many disputes had occurred with the people of the United States. He was informed by Americans that if Canada had a Commercial Agent at Washington, differences could be settled with very little trouble, and he presented the resolution simply with the object of having these difficulties removed.

Mr. M. P. RYAN, M. P., (Montreal), remarked that the Dominion Government had virtually no power to make such appointment.

Hon. JOHN YOUNG thought if this question were fully entered into it would involve discussion of the question of independence.

Mr. W. H. HOWLAND (Toronto), said the Dominion Government had no power to appoint such commercial agent unless Canada were granted the same privileges accorded to Australia; and if such were given to Australia they would no doubt be extended to all British Colonies.

Mr. FRY (Quebec), thought the Board should be exceedingly cautious in passing resolutions of the character of that proposed, which touched upon matters of a very delicate nature, and possibly might do more harm than good. No doubt the proper medium for questions of this kind, as between the Dominion Government and United States Government at Washington, was the British Minister. So long as there was a British Minister at

Washington, it would be an act of discourtesy to request the appointment of a Commercial Agent. He hoped the proposal would be withdrawn.

Hon. MALCOLM CAMERON said, that about 1837 Canada had no power to make tariffs, and when they thought they would apply for such power to be granted it was called by some people here treason. But the very moment the home Government received the request they granted it, and found no fault whatever. If the home Government were now willing to grant to Canada power to make treaties, to go to Washington and make their own bargains, it would not be more treasonable two years hence than making tariffs was at the present time. Some people were very sensitive and always talking about loyalty. If Great Britain will grant to Canada this privilege, this Dominion will have obtained all it needs to make it practically independent.

Mr. King then withdrew the motion.

HARBOR IMPROVEMENT.

By general consent, Mr. S. D. BERTON (St. John, N.B.), moved seconded by Mr. M. LINDSAY (St. John, N.B.):

"That the attention of the Government be called to the state of the harbor of Richibucto, in the Gulf of St. Lawrence, and the necessity of a Breakwater to improve the entrance to that harbor."

Mr. BERTON stated that the channel to the harbor was constantly shifting, owing to prevalence of north-east winds, and that a breakwater was necessary, in order to prevent the sand filling up the channel. The subject had already been brought before the Government, and plans of proposed improvements were now in the office of the Minister of Marine and Fisheries. All he asked was that their hands should be strengthened by the adoption of the resolution by the Board. The harbor of Richibucto was becoming one of importance; it was now the second one in importance of the New-Brunswick harbors lying in the Gulf of St. Lawrence, and was frequented by ships of all nations.

The resolution was adopted.

THANKS TO MEMBERS OF THE GOVERNMENT.

Moved by Hon. JOHN YOUNG (Montreal), seconded by Mr. ROBERT WILKES (Toronto):

"That the thanks of the Dominion Board of Trade are hereby tendered to the Members of the Government, for their kindness and attention during the sittings of the Board."

Hon. JOHN YOUNG said that last year much good came from the deliberations of the Board, owing to the readiness with which the Government had considered their recommendations; and he was convinced that the action of some of the members of the Government in participating in our deliberations this year had given weight to the Board's proceedings. He therefore hoped the resolution would be unanimously adopted.

Mr. ROBERT WILKES remarked that one of the advantages of this Dominion Board of Trade meeting at Ottawa,—and which, he hoped

met with general approval,—was that they were brought into direct contact with members of the Ministry, who, under our system of Government, largely controlled the affairs of the Dominion. Members of the Board had also enjoyed social intercourse with members of the Government, who had entered cordially into the consideration of various subjects without relation to their political bearings, and our appreciation of the kindness and consideration thus shown should undoubtedly be made a matter of record.

The motion was carried unanimously.

COMPLIMENTS TO REPRESENTATIVES OF U. S. NATIONAL BOARD OF TRADE.

Moved by Mr. M.P. RYAN, M.P., seconded by Hon. JOHN YOUNG, and carried unanimously :

“That the Members of this Board cannot separate, without expressing the pleasure they have derived from the presence of Messrs G. S. Hazard and W. P. McLaren, Representatives of the National Board of Trade of the United States, and their kindness in taking part in the deliberations of the Dominion Board.”

Mr. GEORGE S. HAZARD (Buffalo), in acknowledging the vote of thanks, said: I thank you for adopting this resolution; and my co-delegate and myself will return home a thousand-fold repaid for all the trouble occasioned by our attendance here, and by absence from our business and homes. I have learned something I shall never forget; I thought I had pretty broad views, but I must say they have been extended very considerably. I can assure you that the National Board of Trade of the United States will co-operate with you in all great movements for the improvement of Canada, as well as our great western country. I am quite sure every important undertaking which is projected by Canada, as well as the United States, for the development of our vast territories, will be a benefit to each. There is an immense country out on the western plains; it is large enough for all, and there is no necessity for any envy on the part of either nation. You have great public improvements which you intend to prosecute; and we, too, have public works which we intend to carry out; I trust, therefore, we shall work together for the common good. There is one matter we should consider in the development of this immense country, viz.: we must look to the future,—for we have a strong competitor in the great wheat fields of Russia,—if we expect to maintain the supremacy that we now enjoy in supplying the great breadstuffs market of the world, the United Kingdom,—all the other markets not being of much account. The markets of the United Kingdom regulate the price of wheat, and there is capacity enough in them to absorb all our surplus breadstuffs. Their difficulties in regard to an adequate supply are increasing; their population, too, is increasing, while their own productive capacity is diminishing. It now becomes a question of cheap transportation between this country and Great Britain, as compared with that between Russia and Great Britain. Russia is advancing in her ideas of internal improvement; she is extending her railways, her canals, and all her lines of inter-communication. To supply the market of the United Kingdom is felt to be a necessity; it is her life,—for this is the only market she has for surplus cereals. We at this time enjoy, however, a

very great advantage in the superior qualities of our wheats. We raise, perhaps, the best Spring wheat in the world; I can speak from experience, because I have examined all the varieties of wheat grown in the wheat districts of the world. I was appointed a Commissioner at the late Paris Exhibition. I saw there many specimens of wheat from Russia; she had more than five hundred varieties of cereals arranged in a most beautiful manner. I must say for Canada, that she was next to Russia, in the beautiful arrangement of her cereals and products; and whoever had charge of that Department, certainly did great credit to himself and his country in the arrangement and exhibition of your products. At the Paris Exhibition, too, I found that Canada and the United States far excelled Russia as regards the quality of their wheats, and indeed in their cereals generally. The result was, that Canada carried away one of the highest premiums for cereals; while to the United States was awarded the highest medal for wheat, which was raised in California. Now, if Canada and the United States both cheapen transportation, I am convinced we shall both maintain the supremacy we now have in this trade; and your great country, instead of being a fringe upon the St. Lawrence and Lake Ontario, would be thickly settled, while the North-west Territory will yield millions of bushels of wheat to feed the dense population in the old country. The National Board of Trade of the United States desire to bring about a mutual interchange between their country and Canada; and I speak advisedly when I say, that this wish is not only entertained by the National Board, but it is the sentiment of the people of my own and other States. That there is a very general desire to have cordial and most friendly relations between our own States and Canada, I am satisfied; and this will be accomplished if proper measures are taken. We cannot, however, expect to achieve this in a day or two, or even in a year; but it will be accomplished ultimately. It will afford the members of the National Board great pleasure if you will meet them in a fair and kind manner,—which I am sure you will do,—with a view to bringing about this result. There is a liberal spirit prevailing here; I am sure you will find the same feeling existing on our side; and we will willingly co-operate with you in all these great movements. You want prosperous neighbors, and so do we; and it has been truly said by an English statesman, that you could not afford to have poor neighbors. I do not think you can live without the people outside of you. There must be trade relations between us, for each nation to prosper; and I hope to see the day when the Custom-house regulations on each side of the line will be nominal, and when we shall have as free trade with you as we have between our own different States. As a member of the Buffalo Board of Trade, as well as of the National Board, I trust we will have the pleasure of meeting members of the Dominion Board across the line.

Mr. WM. P. McLAREN (Milwaukee), said: I have never been present at a meeting where I was more pleased with the broad, liberal views expressed on the subjects discussed; and the matters you have considered are equally interesting to us on the South side of the St. Lawrence, as to you on the North side. The question is often asked by members of our Boards of

Trade, who do not take special interest in our National Board,—what is the practical use of these gatherings? I think the record of the proceedings of this Board will show that there have been very satisfactory practical results flowing from this meeting. We have accomplished a very practical end in becoming satisfied that our aim is mutual. We do not want you to come to our views of what ought to be the nature of the trade relations existing between the United States and Canada, and you do not want us implicitly to coincide in your views. We want to find out where lies the common ground; and, having found it, I am satisfied, not only by the expressions of this Board, but by the voice of the business men of Canada, that we shall occupy it.

THANKS TO THE SPEAKER AND SERGEANT-AT-ARMS OF THE
HOUSE OF COMMONS.

Mr. HENRY FRY (Quebec), moved, seconded by Hon. JOHN YOUNG:

"That the thanks of the Dominion Board of Trade be tendered to the Honorable Speaker of the House of Commons, for his courtesy in allowing the Board the use of rooms for its meetings,—and to the Sergeant-at-arms, for many kind attentions."

The motion was carried unanimously.

A LIGHT SHIP AND FOG WHISTLE.

Mr. FRY here stated for the information of the Board, that at their meeting last year a resolution was passed, recommending Government to place a light-ship and fog-whistle on the North Shore of the St. Lawrence. The contract had been signed, and on the opening of navigation the light ship and fog-whistle would be placed on the dangerous shoals at Manicouagon.

INTER-PROVINCIAL COLLECTION OF DEBTS.

Mr. EDWARD MCGILLIVARY desired to call attention to the following resolution which had been adopted at the meeting last year, and further wished to be informed as to what steps had been taken in the matter:

"That the difficulty of enforcing judgments rendered for Debts in any one Province of the Dominion, in other Provinces, be brought under the notice of the Government, and that it is desirable that Legislation be requested, remedying the existing defect."

The SECRETARY stated that the resolution had been duly communicated to the Minister of Justice, whose reply was that the whole matter lay with the individual Provinces.

ADDRESS OF CONGRATULATION TO HER MAJESTY THE QUEEN.

Hon. JAS. SKEAD (Ottawa), moved, seconded by Mr. L. E. MORIN (Montreal), that the following address be presented to Her Majesty the Queen:

To the Queen's Most Excellent Majesty:

"MAY IT PLEASE YOUR MAJESTY:

"The Board of Trade of your Majesty's Dominion of Canada, beg leave to tender you their sincere congratulations on the recovery of your beloved son, His Royal Highness the Prince of Wales, and to evince their gratitude to Almighty God for His great mercies

in sparing the heir of England and the hope of the British Empire, to your Majesty and your people.

"And they also beg leave to record their expression of esteem for your character as a Sovereign and a mother, and attachment to yourself and family.

"They have the honor to subscribe themselves, your Majesty's most loyal and loving subjects.

"On behalf of the members of the Dominion Board of Trade, &c., &c.

The address was cordially and unanimously adopted, and on motion of Messrs. SKEAD and MORIN, it was further resolved :

"That the President (Wm. McGiverin, Esq.), Hon. John Young, Hon. Robert Read, Hon. Malcolm Cameron, the mover (Hon. Jas. Skead,) and seconder (L. E. Morin, Esq.) be a deputation from this Board to wait on His Excellency the Governor-General, and request him to forward the address to Her Majesty the Queen."

THANKS TO THE PRESIDENT.

The Hon. JOHN YOUNG having requested that Mr. Fry, the Vice-President, occupy the chair, moved, seconded by Mr. M. P. RYAN, M. P. :

"That the thanks of the Dominion Board of Trade be tendered to the President for his conduct in the chair."

Motion carried unanimously.

On resuming the chair the PRESIDENT tendered his acknowledgements, and thereafter declared the adjournment of the Second Annual Meeting of the Dominion Board of Trade.

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APPENDIX.

CONSTITUTION

OF THE

DOMINION BOARD OF TRADE.

PREAMBLE.

In order to promote the efficiency, and extend the usefulness of the various Boards of Trade, Chambers of Commerce, or other chartered bodies organized throughout the Dominion, for commercial purposes, and 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:—This Association, on this sixth day of October, one thousand eight hundred and seventy, is hereby formed by Delegates now in session in the City of Montreal, representing the following named Commercial Organizations, to wit: Belleville Board of Trade, Hamilton Board of Trade, Kingston Board of Trade, London Board of Trade, Montreal Board of Trade, Montreal Corn Exchange Association, Ottawa Board of Trade, Quebec Board of Trade, St. John, N.B., Chamber of Commerce, and the following Constitution is adopted:

ARTICLE I.

SEC. 1.—This Association shall be designated the “DOMINION BOARD OF TRADE.”

ARTICLE II.

SEC. 1.—Every local Board of Trade, Chamber of Commerce, or other organized body for general commercial, and not for special or private

purposes, and duly chartered under or by Legislative enactment, shall be entitled to membership in this Association, on the approval of two-thirds of the bodies represented at any meeting of the Association, and shall be accorded the following representation: Each such Association shall be entitled to one delegate; having forty members, two delegates; having eighty members, three delegates; having one hundred and fifty members, four delegates, and for each additional hundred members, one additional delegate.

SEC. 2.—Delegates shall be selected by the local organizations, and in such manner, and for such term, of not less than one year, as each may see fit. At each meeting of the Board, they shall present credentials under seal of the Secretaries of the respective constituencies; these credentials shall certify the number of members authorized to vote, then connected with the body claiming representation, and which may present or may have a copy of its charter on file in this Board.

ARTICLE III.

SEC. 1.—Each delegate shall be entitled to one vote in person, but no voting by proxy shall be allowed. All votes, except for election of officers, shall be *vivâ voce*. Any delegate may demand a division of the House, and a call of the Yeas and Nays shall be had and recorded on the call of any two delegates.

ARTICLE IV.

SEC. 1.—The administration of the affairs of this Board shall be vested in a President, Vice-President, and eight other members, who shall be elected by ballot on a majority of votes, and who shall serve until their successors are chosen. Their election shall be the first business in order. They shall be known as an Executive Council, and five of their number shall be a quorum for the transaction of business. In the absence of the President or Vice-President, the Council shall choose one of their own number to preside.

SEC. 2.—It shall be the duty of the Executive Council immediately after their election, to select a Secretary and a Treasurer, (neither of whom shall be of their own number,) who shall hold office for such time, and who shall receive such compensation, as the Council may determine.

SEC. 3.—The offices of the Secretary and Treasurer may be located at such places as the Council shall determine.

SEC. 4.—Special meetings of the Council shall be held on the call of

the President or three members thereof, at such place as they may designate, on fifteen days' notice to be given by the Secretary.

SEC. 5.—In case of the removal, resignation, or death, of any member of the Council, his place for the unexpired term shall be promptly filled by the remaining members of the Council.

ARTICLE V.

SEC. 1.—It shall be the duty of the Executive Council :

1st. To provide for full and accurate record of the proceedings of the Board, and of its own meetings.

2nd. To submit to each annual meeting a report of the doings of the Board, and of its own official acts, as well as a statement of what new or unfinished business may require attention.

3rd. To make full statement concerning the finances of the Board to the annual meetings, and to other meetings when called to do so.

4th. To apportion to each constituent body its assessment for the expenses of the Board as provided in Article VII.

5th. To make such recommendations as it may deem to be necessary for the welfare, and to promote the objects of this Board.

SEC. 2.—The Secretary shall conduct the official correspondence, and shall make and have charge of the records of the Board and of the Executive Council.

SEC. 3.—The Treasurer shall give such security as the Executive Council may require, receive and account for all monies belonging to the Board, and collect assessments and fines ; but he shall pay out money only on a warrant of the Secretary, countersigned by the President.

ARTICLE VI.

SEC. 1.—A meeting of the "DOMINION BOARD OF TRADE" shall be held on the third Wednesday, or following day, should Wednesday be a holiday, in January of each year, at such place as shall have been determined upon at a previous annual meeting on the majority vote of all constituent bodies represented.*

SEC. 2.—Special meetings of the Board shall be held on the call of

* At the First Annual Meeting of the Dominion Board of Trade, held at the City of Ottawa on 18th January, 1871, and following days,—the question of deciding upon the place at which the next Annual Meeting should be held, being under consideration,—it was on motion unanimously resolved that "the place of Meeting should be fixed." Thereafter, moved by Mr. John Walker (London), and seconded by Mr. M. P. Ryan, M. P., (Montreal),—"that the City of Ottawa be decided upon as the permanent place of meeting of the Dominion Board of Trade." This motion was adopted.

five members of the Executive Council, or any ten members of the Board, at such place as the Executive Council may designate.

SEC. 3.—The attendance of fifteen delegates shall constitute a quorum.

SEC. 4.—Notice of the annual meeting shall be sent by the Secretary to each constituent body, at least thirty days before the time of assembling; the notice to state the objects of the meeting and the questions to be considered.

SEC. 5.—A meeting of the Executive Council shall be held on the day preceding the day of any meeting of the Board, and at such other times as may be provided in its By-Laws.

ARTICLE VII.

SEC. 1.—The expenses of the Board shall be provided for by an assessment to be made by the Executive Council on each constituent body, according to the ratio of its officially reported membership.

ARTICLE VIII.

SEC. 1.—Questions or resolutions, except those which involve points of order, can be submitted by the constituent bodies of the Board; and when any constituent body shall desire to present a subject for the consideration of the Board, it shall do so in a written paper, to be placed in the hands of the Secretary at least forty days previous to the annual meeting at which it is to be considered: provided, however, that any subject not thus submitted, may be introduced by any member, and considered and acted on by consent of delegates present.

ARTICLE IX.

SEC. 1.—Any constituent body charged with a violation of the laws of this Board, may, after formal complaint thereof in writing, on a vote of two-thirds of all the delegates of the other bodies represented herein, be expelled; but it shall not be exempted from the payment of assessments levied for the current year.

SEC. 2.—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.

ARTICLE X.

SEC. 1.—This Constitution may be amended at an annual meeting, on a vote of two-thirds of the delegates present;—notice of the proposed amendment having been first submitted to the Secretary by a constituent

body, at least thirty days previous to the meeting at which the same is to be considered, and transmitted by the Secretary in circular copies to each constituent body at least twenty days before said meeting.

ARTICLE XI.

SEC. 1.—The meeting of delegates called in accordance with the circular from the Montreal Board of Trade of 9th June last, shall be regarded as the first meeting of the "DOMINION BOARD OF TRADE," and is hereby empowered to chose officers to serve until their successors shall be elected, and to act upon all papers and resolutions laid before it, the same to be considered as having been submitted in the form and manner required by the Constitution.

BY-LAWS
OF THE
DOMINION BOARD OF TRADE,

As adopted in January, 1871, and amended in January, 1872.

The "DOMINION BOARD OF TRADE" for the Dominion of Canada in Council assembled, do hereby enact that the following shall be the Rules of Order for governing the proceedings of the Board :

Rule I.—At the appointed time of each meeting, after the President, Vice-President, or Chairman, having called the meeting to order, the Secretary (or if absent, some one to be appointed by the Board to supply his place), shall proceed to call the roll of members, marking all the absentees, and if a quorum is present according to the Constitution, the President, Vice-President, or Chairman, shall announce the fact to the meeting, and business shall be proceeded with in the following order, viz :—

- 1st. The reading of the minutes of the last meeting, and amendment or approval of the same ;
- 2nd. Presentation of petitions and communications ;
- 3rd. Reports of Standing Committees ;
- 4th. Reports of Select Committees ;
- 5th. Unfinished business of preceding meetings ;
- 6th. New business.

Rule II.—If a Chairman is appointed, he shall only preside until the arrival of the President or Vice-President.

Rule III.—Unless there be a quorum present, no business can be transacted.

Rule IV.—All questions relative to the priority of business shall be decided without debate.

Rule V.—The President, Vice-President, or Chairman, shall preserve order, and shall decide all questions of order, subject to appeal to the Board.

Rule VI.—The President, Vice-President, or Chairman, may vote with the other members on all questions,—and any question on which there is any equality of votes shall be deemed negatived.

Rule VII.—After the question having been put from the chair, all members present shall vote thereon, unless excused by the Board, or except such as are directly interested, and shall keep their seats until the votes are taken.

Rule VIII.—When two or more members rise at the same time, the President, Vice-President, or Chairman, shall name the member who is first to speak.

Rule IX.—When the President, Vice-President, or Chairman, is called upon to decide a point of order, his decision shall be final, except by appeal to the Board. All questions shall be put in the order in which they are moved. And it shall be the duty of the President, Vice-President, or Chairman, whenever he shall conceive that a motion which he has received and read may be contrary to those rules, to apprise the Board thereof immediately before the question on such motion is put. After the question is finally put from the chair, no member shall speak thereto, nor shall any motion be made until after the result is declared; and the decision of the chair as to whether the question has been finally put shall be conclusive.

Rule X.—A member, being called to order, shall immediately sit down, unless permitted to explain; if there be no appeal, the decision of the chair shall be final; but if the member appeal from the decision of the chair, the Board shall decide the case without debate.

Rule XI.—Any member may of right require the question under discussion to be read for his information at any time during the debate, but not so as to interrupt a member while speaking.

Rule XII.—No member shall speak beside the question in debate, nor shall he in any manner interrupt the proceedings of the Board, or any member who is speaking.

Rule XIII.—No member other than the one proposing a question or motion (who shall be permitted to reply when all the other members choosing to speak shall have spoken), shall speak more than once on the same question without leave of the Board, except in explanation of a material part of his speech, which may have been misconceived; but then he is not to introduce any new matter.

Rule XIV.—Every member previous to his speaking shall rise from his seat, and respectfully address himself to the President, Vice-President, or Chairman; he shall confine himself strictly to the matter under discussion, and shall sit down as soon as he is done speaking.

Rule XV.—No motion shall be put or debated unless the same be seconded; when seconded, it shall be stated by the President, Vice-

President, or Chairman, before debate ; and every such motion, except a motion to adjourn, shall be reduced to writing.

Rule XVI.—After a resolution is stated by the President, Vice-President, or Chairman, it shall be deemed in possession of the Board, but may, by permission of the Board, be withdrawn at any time before decision or amendment.

Rule XVII.—When a blank is to be filled up, and different sums or times are proposed, the question shall be taken first on the largest sum or the longest time ; and when a question is under debate, the only motions in order shall be—1st, to adjourn ; 2nd, the previous question ; 3rd, to lay on the table ; 4th, to postpone indefinitely ; 5th, to adjourn to a certain day ; 6th, to refer ; 7th, to amend.

Rule XVIII.—A motion to adjourn the Board shall be always in order, except—1st, when a member is in possession of the floor ; 2nd, while the Yeas and Nays are being called ; 3rd, when the members are voting ; 4th, when it has been decided that the previous question shall be taken ; and a motion to adjourn simply, cannot be amended, but a motion to adjourn to a given day, may be, and is, open to debate.

Rule XIX.—When the previous question is moved and seconded, it shall be in this form :—Shall the main question be now put ? if this be carried, all proposed amendments and all further motions and debates shall be excluded.

Rule XX.—A motion to lay a question on the table simply, is not debateable ; but a motion to lay on the table and publish, or any other condition, is subject to amendment and debate.

Rule XXI.—A motion to refer to a Standing Committee shall take precedence of a similar motion for a Special Committee ; and a motion for commitment until it is decided, shall preclude all amendments of the main question.

Rule XXII.—A motion to amend an amendment shall be in order, but to amend an amendment to an amendment, shall not be entertained. An amendment modifying the intention of a motion shall be in order, but an amendment relating to a different subject shall not be in order. The paragraph to be amended shall first be read as it stands, then the words proposed to be struck out and those to be inserted, and finally the paragraph as it would stand if so amended.

Rule XXIII.—A question may be re-considered at any time during the same meeting, and when once made and decided in the negative, shall not be received before the next meeting of the Board ; and no question

shall be re-considered more than once, nor shall a vote to re-consider be re-considered.

Rule XXIV.—The Standing Committees of the Board shall be appointed by the Board annually, on entering on the duties of their office,—1st, Finance Committee; 2nd, By-Law Committee; 3rd, Printing Committee.

Rule XXV.—The Secretary of the Board shall duly record in a book, all minutes or resolutions, decisions and other proceedings of the Board, entering therein all accepted reports, orders, and resolutions; shall notice reports, memorials, and other papers submitted to the Board only by their titles, or a brief description of their purport; but all accepted reports shall be entered at length.