## PROCEEDINGS

## FOURTH ANNUAL MEETING

OF THE

AT THE

# DOMINION BOARD OF TRADE

## HELD AT OTTAWA,

ON 24th, 25th, 26th and 27th FEBRUARY, 1874.

#### MONTREAL :

GAZETTE PRINTING HOUSE, NEARLY OPPOSITE THE POST OFFICE.

## OFFICE-BEARERS OF THE DOMINION BOARD OF TRADE, For 1874.

#### President :

W. H. HOWLAND, Esq., TORONTO, ONT.

#### Vice-Presidents :

C. H. FAIRWEATHER, Esq., St. John, N.B. Hon. G. W. HOWLAN, CHARLOTTETOWN, P.E.I. CATHCART THOMSON, Esq., Halifax, N.S. HUGH McLENNAN, Esq., Montreal, Que. Hon. JAMES SKEAD, OTTAWA, ONT.

#### Executive Council.

ANDREW ROBERTSON, ESQ., MONTREAL, QUE. HON. T. R. JONES, ST. JOHN, N.B. WM. PENNOCK, ESQ., OTTAWA, ONT. WM. HARTY, ESQ., KINGSTON, ONT. ADAM BROWN, ESQ., HAMILTON, ONT. HOSPICE LABELLE, ESQ., MONTREAL, QUE. WILLIAM THOMSON, ESQ., TORONTO, ONT. A. JOSEPH, ESQ., QUEBEC, QUE.

## Treasurer: • C. H. GOULD, Esq., MONTREAL.

Secretary : WILLIAM J. PATTERSON, MONTREAL. Domi is fro servic 7 and 1 to su care who and a

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## PREFATORY NOTICE.

In issuing the Proceedings at the Fourth Annual Meeting of the DOMINION BOARD OF TRADE, I have pleasure in stating that the Report is from the Stenographic Notes of Mr. S. Hutchison of this city, whose services were secured for the occasion.

The comparatively short time which has elapsed between the meetings and the present date, have, I need scarcely say, rendered it impossible to submit speeches to members for revision; I trust, however, that the care I have bestowed upon the work will warrant the hope that all who took part in the discussions will find the Report to be correct, and as nearly as may be a *verbatim* one.

WM. J. PATTERSON,

Secretary.

MONTREAL, 8th April, 1874.

## LIST OF BOARDS AND DELEGATES.

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| Place.              | 01           | rganization.                            | No. of<br>Members. | Names of Delegates.  |
|---------------------|--------------|---|--------------------|--|
| elleville, Ont      | Board of Tr  | ade                                     | 15                 | Hon. Robert Read.  |
| rantford, Ont       | Do           |   | 40                 | George H. Wilkes.<br>W. J. Imlach.*  |
| harlottetown, P.E.I | Chamber of ( | Commerce                                | 90                 | Hon. George W. Howlan<br>F. T. Newbery.  |
| hatham, Ont         | Do           |   | 80                 | Iohn A Ach #   |
| alt                 | Do           |   | 40                 | Wm. Osborne.   |
| alifax, N.S         | Chamber of ( | Commerce                                | 110                | Wm. Robinson.<br>Cathcart Thomson.*  |
| amilton, Ont        |              |   | 160                | Adam Brown.<br>W. F. Findlay.<br>James Turner.   |
| liette, Que         | Do           |   | 40                 | [ Donald McInnes.*<br>George Baby.<br>Edward Guilbeault.   |
| ngston, Ont         | Do           | •••••                                   | 80                 | Wm. Harty.<br>John Carruthers.<br>Wm. Ford.  |
| ng's Co., N.B       | Do           | ••••••                                  | 85                 | Robert Marshall.<br>J. D. M. Keator.*  |
| vis, Que            | Do           | •••••••••••••••••                       | 51                 | (Richard Titus.*<br>I. N. Belleau.   |
| ondon, Ont          | Do           | ••••••                                  | 77                 | John Walker, M.P.<br>Jisaac Waterman.<br>Hugh McLennan.  |
| ontreal, Que        | Do           | ••••••••••••••••••••••••••••••••••••••• | 256                | Wm. Darling.<br>George A. Drummond.<br>Thomas White, Jr.   |
| Do                  | Corn Exchar  | nge Association                         | 277                | Andrew Robertson.<br>Alexander Mitchell.<br>M. McCulloch.<br>Wm. W. Ogilvie.<br>Hospice Labelle. |
| shawa, Ont          | Board of Tr  | ade                                     | 40                 | Robert Spratt.<br>J. S. Larke.<br>W. F. Cowan.   |
| awa, Ont            | Do           | ••••••                                  | 150                | Hon. James Skead.<br>Wm. Pennock.<br>Francis Clemow.   |
| rt Hope, Ont        | Do           |   | 40                 | Charles Magee.<br>Wm. Craig.<br>Richard O'Neill.   |
| 1ebec, Ont          | Do           |   | 170                | T. LeDroit,<br>P. Garneau.<br>A. Woods.<br>A. Joseph.  |
| rnia, Ont           | Do           |   | 60                 | Wm. J. Keays.<br>James King.   |
| atford, Ont         | Do           |   | 19                 | P. R. Jarvis.*   |
| . Catherine's, Ont  | Do           |   | 41                 | Sylvester Neelon.  |
| t. John, N.B        | Do           | ••••••                                  | 90                 | C. H. Fairweather.<br>J. A. Harding.<br>Hon. T. R. Jones.  |
| . Johns, Que        | Do           |   | 40                 | Hon. T. R. Jones.<br>Jas. McPherson.<br>J. E. Molleur.*  |
| ree Rivers, Que     | Do           |   | 30                 | George Balcer.   |
| 'oronto, Ont        | Do           |   | 150                | George Balcer.<br>(Wm. Thomson.<br>John Gillespie.<br>Wm. B. Hamilton.                           |
| Do                  | Corn Exchan  | nge Association                         | 75                 | Wm. Elliott. Wm. H. Howland.   |
| /indsor, Ont        | Deard of The |   | 50                 | James Dougall.   |

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#### OFFICIAL PROGRAMME.

OFFICIAL PROGRAMME of Recommendations and Resolutions to be presented at the Fourth Annual Meeting of the Dominion Board of Trade, to be held in Ottawa on Tuesday, 24th February, 1874, and following days.

## I.—Proposed Amendments to Constitution.

| Subjects.   | Board or Chamber<br>Proposing. | Recommendations and Resolutions.   |
|---|--------------------------------|--|
| I. PROPOSED AMBND-<br>MENTS TO CONSTI-<br>TUTION. |                                | That hereafter the Sessions of the Annual General<br>Meeting of the Dominion Board of Trade shall com-<br>mence on the third <i>Twesday</i> of January, in each year.<br>That the election of office-bearers shall hereafter be the<br>last business transacted at any Annual Meeting.<br>That hereafter the list of Office-bearers shall include four<br>(or more) Vice-Fresidents,—that is to say, one from each<br>of the Provinces represented at any Annual Meeting.<br>That in accordance with the Act of Incorporation, Sec.<br>3, of Art. IV. of the Constitution be amended so as to<br>read as follows: "The Offices of the Secretary and<br>Treasurer shall be located in the City of Montreal. |

## II.—Reciprocal Trade Relations.

| п.  | RECIPOCAL TRADE<br>RELATIONS. | Executive Council.                 | That it is the duty of the Dominion Board of Trade to<br>favor all measures calculated to promote the industrial<br>and commercial prosperity of Canada;—and that all its<br>influence will be exerted in favor of a Treaty for Recipro-<br>cal Trade with the United States, upon a broad, compre-<br>hensive, and liberal basis. |
|-----|-------------------------------|------------------------------------|--|
| III | FOREIGN TRADE RE-<br>LATIONS. | Kingston (Ont.) Board<br>of Trade. | That our Trade Relations with foreign countries, in-<br>cluding the coasting trade with the United States, be con-<br>sidered.   |
| IV. | . Coasting Trade.             | Montreal (Q.) Board<br>of Trade.   | Reciprocal concessions respecting the Coasting Trade<br>of Canada and Italy, &c.   |
| v.  | FRIENDLY RELA-<br>TIONS.      | Executive Council.                 | More intimate relations, and intercommunication on<br>commercial subjects, with the Associated Chambers of<br>Commerce of Great Britain.   |

## III .--- The Canada Pacific Railway.

| VI. PACIFIC RAILWAY.  | KINGSTON (ONT.) BOARD<br>OF TRADE. | What is the best and most practical method to adopt for building the Pacific Railway ?  |
|-----------------------|------------------------------------|---|
| VII, Pacific Railway. | LEVIS (Q.) BOARD OF<br>TRADE.      | That, in the opinion of the Dominion Board of Trade,<br>the Canadian route of the Pacific Railway will be the most<br>beneficial to the commercial interests of the Dominion,<br>and will guarantee at once to our people, the exclusive ad-<br>vantages and prosperity to be derived from the immense<br>trade surely to spring up from the settlement of our great<br>North-West, and the construction of a great highway for<br>the Asiatic trade.<br>That the commercial interests of the Dominion will be<br>immediately benefitted by a bold prosecution of this great<br>national undertaking on Canadian territory. |
| VIII. PACIFIC RAILWAY | SARNIA (ONT.) BOARD<br>OF TRADE.   | Advisability of constructing the first link of the Cana-<br>dian Pacific Railway, between some point on Lake<br>Superior and Fort Garry, Manitoba.  |

| IVNavigar | tion and | Internal | Improvements. |
|-----------|----------|----------|---------------|
|-----------|----------|----------|---------------|

| IX. INLAND NAVIGA-<br>TION. | TORONTO (ONT.) CORN<br>EXCHANGE ASSOCIA-<br>TION.<br>Consideration of the question of enlargement of the |
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|-----------------------------|--|

| Subjects.                                    | Board or Chamber<br>Proposing.               | Recommendations and Resolutions.  |     |                |
|--|--|---|-----|----------------|
| X. CANAL NAVIGATION.                         | HAMILTON(ONT.)BOARD<br>OF TRADE.             | The necessity for a Ship Canal at Sault Ste. Marie, on the Canadian side of the river.  |     |                |
| XI. HARBOR IMPROVE-<br>MENT.                 | Kingston (Ont.)Board<br>of Trade.            | That the deepening and protecting of the Kingston<br>Harbor shall be considered part of the general plan for<br>improving the route from the west to the ocean; and that<br>the Dominion Board be recommended to ask the Govern-<br>ment that a competent engineer be appointed to examine<br>the harbor and report thereon.  | ¥   | xx<br>xx<br>xx |
| XII. HARBOR IMPROVE-<br>MENT.                | OF TRADE.                                    | Necessity for improvement of Sarnia Harbor, especially<br>as it is public property, and its improvement would be of<br>great advantage to the marine of our inland waters.  |     | XX             |
| XIII. GRAVING DOCK<br>AT QUEBEC.             | Levis' (Q.) Board of<br>Trade.               | That, in the opinion of the Dominion Board of Trade,<br>the construction of a Graving Dock at the Port of Quebec,<br>would greatly promote the shipping interests of the Do-<br>minion : therefore the Board strongly urge upon the<br>Dominion Government the necessity of taking a favorable<br>view of the matter.   |     | XX'            |
| V  | -Transportation                              | by Water and Railway.   |     | XXI            |
| XIV. ROUTE TO MARI-<br>TIME PROVINCES.       | ST. JOHN, (N.B.) BOARD<br>OF TRADE.          | To take into consideration the most speedy and short-<br>est route by railway from Montreal to the Maritime<br>Provinces.   |     | XXX            |
| XV. Common Carriers.                         | Toronto (Ont.) Corn<br>Exchange Association. | That in the opinion of this Board, a law should be enact-<br>ed to compel Common Carriers to grant receipts for<br>goods, definitely, and not "more or less" as at present;<br>and making them responsible for full delivery at destina-<br>tion, according to Original Bill of Lading,—except in<br>cases of special contract.   |     | XXX            |
| XVI. Railway<br>Tariffs.                     | ST. Johns, (Q.) Board<br>of Trade.           | That the attention of Government should be called to<br>the infringement by several Railway Corporations, of<br>clauses 27, 28 and 29 of the Act concerning railways, chap-<br>ter 66 of the Consolidated Statutes of Canada.   | şr. | XXX            |
| VI   | - Classification and                         | d Inspection of Vessels, &c.  | L   | XXX            |
| XVII. CLASSIFICATION<br>OF VESSELS.          | HAMILTON(ONT.)BOARD<br>OF TRADE.             | The inspection and proper classification, by a Govern-<br>ment Inspector or Inspectors, of all vessels over   |     | XXX            |
| XVIII. TONNAGE OF<br>VESSELS.                | Kingston (Ont.)Board<br>of Trade.            | Consideration of the question of Uniform Measurement<br>of Vessels.   |     |                |
| XIX. CANADIAN<br>TONNAGE.                    | King's County (N.B.)<br>Board of Trade.      | ) On Canadian tonnage, and Mr. Plimsoll's Bill.   |     | XXX            |
| XX. Inland Steamers                          | Kingston (Ont.)Board<br>of Trade.            | The management of our inland steamers, and the best<br>mode of equipping them to protect passengers from danger;<br>and also to provide for the Officers of such steamers pass-<br>ing an examination, and obtaining certificates of compe-<br>tency, as well, for the Officers and Crews of such vessels<br>being exercised in the management of boats at least once<br>a-month. |     |                |
| XXI. Masters and<br>Mates.                   | Hamilton (Ont.)Board<br>of Trade.            | The examination of all Masters and Mates of ves-<br>sels, navigating the lakes and rivers of Canada; certificates<br>to be granted by a Government Examiner or Board of<br>Examiners when Masters and Mates are found competent,<br>and pass a satisfactory examination,—and certificates to<br>be cancelled at any time should holders prove incompe-<br>tent.                   |     | xxx            |
| XXII. DISCIPLINE ON<br>SHIPBOARD.            | SARNIA (ONT.) BOARD<br>OF TRADE.             | The question of system and discipline as regards those who command and those who man our ships.   |     | XL. 1          |
| XXIII. REGULATIONS<br>FOR PROTECTION OF LIFE | TORONTO (ONT.) BOARD<br>OF TRADE.            | Better rules and regulations for the protection of life on<br>our Inland Steamers.  |     | XLI.<br>INSU   |

## IV .- Navigation and Internal Improvements.-Continued.

#### OFFICIAL PROGRAMME.

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## VII.—Insolvency Legislation.

| Subjects.                        | Board or Chamber Pro-<br>posing.    | Recommendations and Resolutions.  |
|----------------------------------|-------------------------------------|---|
| XXIV. INSOLVENCY<br>LAWS.        |                                     | Expiry of the Insolvent Act of 1869, and its Amendment ;<br>shall it be extended, amended or abrogated?                             |
| XXV. Do.                         | HAMILTON (O.) BOARD<br>OF TRADE.    | The continuance and amendment of the Insolvency Laws.   |
| XXVI. EXTRADITION OF<br>DEBTORS. | HAMILTON (O.) BOARD<br>* OF TRADE.  | A treaty with the United States for the Extradition of<br>Absconding Debtors.   |
| XXVII. INSOLVENT<br>ACT.         | ST. JOHNS, (Q.) BOARD<br>OF TRADE.  | That the Insolvent Act be continued, with any amend-<br>monts that may tend to simplify or render its operations<br>more effective. |
| XXVIII. Do.                      | ST. JOHN, (N.B.) BOARD<br>OF TRADE. | Amendments to the Insolvent Act of 1869.  |

VIII.-Tariff-Customs-Excise-Inspection, &c.

| XXIX. THE TARIFF.                            | ST. Johns (Q.) Board of<br>Trade.  | That a duty of 15 per cent is fair and reasonable, and no<br>disturbance of the Tariff is at present desirable.   |
|--|--|---|
| XXX. A PROTECTIVE<br>TARIFF.                 | TORONTO (O.) BOARD OF<br>TRADE.  | Encouragement and Protection to Manutactures.<br>Specific Duties, as against <i>Ad Valorem</i> , for the further<br>protection of Trade and Revenue.  |
| XXXI. DUTIES ON PE-<br>TROLEUM, &c.          | Petrolia (Ont.) Board<br>of Trade.   | That the question of Excise and Customs Duties upor<br>Petroleum Oil, be considered; also the Duties upor<br>articles used in its production and manufacture.   |
| XXXII. CUSTOMS RE-<br>GULATIONS.             | Montreal (Q.) Board<br>of Trade.   | The systems of Examination at different ports of entry<br>and the anomalies caused thereby.   |
| XXXIII. CONSULATE<br>FEES.                   | ST. JOHNS (Q.) BOARD<br>OF TRADE.  | That efforts should be made to reduce the onerous<br>charges made on entries of our produce going to the United<br>States, and especially the heavy and useless fees demander<br>by Inspectors on vessels passing through Lake Champlain  |
| XXXIV. GENERAL IN-<br>SPECTION.<br>XXXV. Do. | Toronto (O.) Corn Ex-<br>change Association,<br>Montreal (Q.) Board<br>of Trade. |   |
| XXXVI. CENTAL<br>System.                     | Montreal (Q.) Corn<br>Exchange Association                                       | That the Dominion Board of Trade consider what step<br>are necessary, and practicable, to secure a general adop<br>tion of, the Cental System in buying and selling all kind<br>of Grain, &c.   |
| XXXVII. GUAGING OF<br>LIQUORS.               | Kingston (O.) Board of<br>Trade.   | Whereas, the sale of Liquors by gauging, as practised<br>is highly unsatisfactory, and in different parts of the coun<br>try represents different quantities; therefore be it<br><i>Resolved</i> ,—That the Board memorialize the Govern<br>ment to enact such legislation as will compel the adoption<br>of an uniform standard throughout the Dominion, and<br>that in the opinion of the Board, sales by weight or calli<br>per would be preferable. |

## IX .- Stamp Duty-Insurance, &c.

| XXXVIII. STAMPDUTY                           | TORONTO (ONT.) BOARD<br>OF TRADE. | The repeal of Act, "Stamps on Notes and Bills."  |
|--|-----------------------------------|--|
| XXXIX. INSURANCE<br>POLICIES.                | HAMILTON(ONT.)BOARD<br>OF TRADE.  | An uniform Fire Insurance Policy.  |
| XL. LIFE ASSURANCE.                          | SARNIA (ONT.) BOARD<br>OF TRADE.  | Foreign Life Assurance as affecting the national inter-<br>ests of the Dominion.                                 |
| XLI. INSUFFICIENCY OF<br>INSURANCE DEPOSITS. | QUEBEC (Q.) BOARD OF<br>TRADE.    | Insufficiency of Deposits with Government by Foreigr<br>Insurance Companies, for the security of Policy-holders. |

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## OFFICIAL PROGRAMME.

| Subjects.                      | Board or Chamber Pro-<br>posing.  | Recommendations and Resolutions.  |
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| XLII. INSURANCE.               | TORONTO (ONT.) BOARD<br>OF TRADE. | Uniformity in Conditions of Fire and Marine Policies<br>of Insurance.   |
| XLIII. MERCANTILE<br>AGENCIES. | QUEBEC (Q.) BOARD OF<br>TRADE.    | That Government be requested to institute an inquiry<br>into the operations of Mercantile Agencies,—and as to the<br>desirability of causing the several Companies in the Do-<br>minion to give security, as is now done by Life and Fire<br>Insurance Companies. |

## IX .- Stamp Duty-Insurance, &c.-Continued.

| X   | Unclassed | Notices  | of | Subjects. |  |
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| A.— | Unuusseu  | IVUILLES | 01 | Duojeus.  |  |

| CHANGE ASSOCIATION. |   |  | TI  |
|---------------------|---|--|---|
|                     | The establishment of a Dominion Board of Agricul-<br>ture.  |  | opened  |
| OF TRADE.           | To recommend the passage of an Act relating to Short<br>Weight and Count, to apply to goods manufactured in the<br>Dominion, and to imported goods,making such goods<br>liable to seizure, and the manufacturers to fine.   |  | dent,)<br>followin  |
|                     | Which is most desirable-the incorporation of local<br>Boards of Trade under a general law, or by special Acts<br>of Parliament?   |  | absence   |
| OF TRADE.           | favor of postal delivery in cities and towns, without ad-<br>ditional charge to the requisite postage upon letters, news-   |  | W. H. I   |
|                     |   | . 64   | DEA   |
| OF TRADE.           | Whereas, the Government have assumed the position,<br>and receive the emoluments as Common Carriers over<br>Public Works owned by the Dominion, it is, therefore,<br>the opinion of this Board that a law should be enacted<br>legalizing suits to be brought against them for loss or<br>damage of life and property, in the name of the party or<br>parties having jurisdiction over these works, on behalf of<br>the Government; and a judgment against such agents<br>shall be assumed as against themselves. |  | and I m<br>the Dom<br>my abse<br>tesy I ha  |
|                     | CHANGE ASSOCIATION.<br>KING'S COUNTY (N.B.)<br>BOARD OF TRADE.<br>ST. JOHN (N.B.) BOARD<br>OF TRADE.<br>EXECUTIVE COUNCIL.<br>TORONTO (UNT.) BOARD<br>OF TRADE.<br>ST. JOHN (N.B.) BOARD<br>OF TRADE.   | <ul> <li>of Trade.</li> <li>KING'S COUNTY (N.B.)<br/>BOARD OF TRADE.</li> <li>ST. JOHN (N.B.) BOARD<br/>OF TRADE.</li> <li>TO recommend the passage of an Act relating to Short<br/>Weight and Count, to apply to goods manufactured in the<br/>Dominion, and to imported goods, -making such goods<br/>liable to seizure, and the manufacturers to fine.</li> <li>EXECUTIVE COUNCIL.</li> <li>EXECUTIVE COUNCIL.</li> <li>Which is most desirable-the incorporation of local<br/>Boards of Trade under a general law, or by special Acts<br/>of Parliament?</li> <li>TORONTO (ONT.) BOARD<br/>OF TRADE.</li> <li>ST. JOHN (N.B.) BOARD (D. S.)</li> <li>ST.</li></ul> | <ul> <li>CHANGE ASSOCIATION.</li> <li>merce in Canada be recommended for the consideration of the Constituent Organizations of the Dominion Board of Trade.</li> <li>KING'S COUNTY (N.B.)<br/>BOARD OF TRADE.</li> <li>ST. JOHN (N.B.) BOARD<br/>OF TRADE.</li> <li>EXECUTIVE COUNCIL.</li> <li>EXECUTIVE COUNCIL.</li> <li>TORONTO (ONT.) BOARD<br/>OF TRADE.</li> <li>That the Dominion Government be again petitioned in favor of postal delivery in cities and towns, without additional charge to the requisite postage upon letters, newspapers, &amp;c.</li> <li>ST. JOHN (N.B.) BOARD<br/>OF TRADE.</li> <li>ST. JOHN (N.B.) BOARD<br/>OF TRADE.</li> <li>TORONTO (ONT.) BOARD<br/>OF TRADE.</li> <li>ST. JOHN (N.B.) BOARD AND THAT THE DOMINION GOVERNMENT HAVE ASSUMED the position, and receive the emoluments as Common Carriers over Public Works owned by the Dominion, it is, therefore, the opinion of this Board that a law should be enacted legalizing suits to be brought against them for loss or damage of life and property, in the name of the party or parties having jurisdiction over these works, on behalf of the Government; and a judgment against such agents</li> </ul> |

(Signed)

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

MONTREAL, 24th January, 1874.

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## PROCEEDINGS.

## RAILWAY COMMITTEE ROOM, OTTAWA, February 24, 1874.

THE Fourth Annual Meeting of the Dominion Board of Trade was opened at 10 o'clock, A. M.

Mr. W. H. HOWLAND, Vice-President, (in the absence of the President,) took the chair, and, after calling the meeting to order, read the following letter from the President, Henry Fry, Esq., explanatory of his absence :--

QUEBEC, 30th October, 1873.

W. H. HOWLAND, Esq.,

Vice-President Dominion Board of Trade, Toronto.

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P.,

Urgent private affairs compel me to leave for England immediately, and I much regret that I shall be unable to return in time for the Annual Meeting of the Dominion Board of Trade. Will you kindly convey to the Board my apologies for my absence, with my earnest and sincere thanks for the unvarying kindness and courtesy I have always experienced at the hands of every member.

Believe me, Dear Sir,

Your faithful servant,

HENRY FRY,

President.

Mr. HOWLAND observed that Mr. Fry had been always active in promoting the interests of the Board, and nothing but the most urgent business would have prevented him being present. He was sure the whole Board regretted his absence.

On motion of Mr. T. WHITE, Jr., seconded by Mr. A. ROBERTSON, the minutes of the former meeting were taken as read, and were confirmed.

#### REPORT OF EXECUTIVE COUNCIL.

The PRESIDENT then called for the reading of the Annual Report of the Executive Council, which was thereupon read by Mr. WM. J. PATTER-SON, the Secretary, as follows:—

#### REPORT OF EXECUTIVE COUNCIL.

TO THE REPRESENTATIVES CONSTITUTING THE DOMINION BOARD OF TRADE.

The Executive Council have much pleasure in laying before the Fourth Annual Meeting of the Board, a summary report of proceedings since the meetings held in January, 1873; and at the outset they beg to remark that the general election, consequent upon the dissolution of the Dominion Parliament, constrained them to somewhat exceed their powers in postponing the meeting until 24th February. The week in which it was announced to be held, in accordance with a provision of the Constitution, was subsequently ascertained to be the one between nomination-day and the day appointed for polling, in some Provinces in others the time designated being respectively a week later—and as many of the delegates would probably be required to remain at home pending the elections, your Council were of opinion that, unless the responsibility of postponement were assumed, the result would be an unsatisfactory attendance. It is respectfully submitted that, as the circumstances were purely exceptional, and such as could not be foreseen,—the necessity for action being also urgent,—the decision arrived at can only be considered a precedent in a precisely similar emergency.

#### ADDRESS OF WELCOME TO HIS EXCELLENCY THE GOVERNOR-GENERAL.

Immediately after the adjournment of the Board in January, 1873, a numerous delegation waited upon Lord Dufferin, at the St. Lawrence Hall, in Montreal, and presented the Address of Welcome. The persons present on the occasion were :--From Quebec, Henry Fry, Esq., President, and Mr. A. Frazer; from Montreal, Messrs. Hugh McLennan, John Kerry, Andrew Robertson, M. P. Ryan, M.P., L. E. Morin, W. W. Ogilvie, Robert Spratt, Thomas White, jun., and W. J. B. Patterson, Acting Secretary; from Toronto, Mr. Robert Wilkes, M.P.; from St. John, N.B., Mr. R. S. DeVeber and Hon. J. R. Jones; from Halifax, N.S., Mr. John L. Wylde.

After being introduced, the President read the Address, as follows :---

#### May it please your Excellency :

We, the President and Members of the Dominion Board of Trade, respectfully approach your Excellency, to offer our sincere and dutiful welcome on your assuming the important duties of Governor-General of the Dominion of Canada; and to assure you of our loyal attachment to the throne of Her Majesty, our gracious Queen. As an organization concerned in the commercial interests of the Dominion, we

As an organization concerned in the commercial interests of the Dominion, we would beg to direct your Excellency's attention to the great natural resources of our country.

Situated as we are geographically, there devolved on the people of Canada the duty of turning to the utmost account whatever natural advantages they possessed, under the penalty of being wholly distanced in the race of American progress and prosperity.

Under this conviction an extensive canal and railway system has been inaugurated, our rivers have been deepened, ocean steamers have been established, and other means have been taken, and are still being prosecuted, to make the River St. Lawrence the great natural outlet of the Continent for its ever-increasing Western trade.

The surveys which have already been made show that the route to the Pacific Ocean, through Canada, from the Atlantic, will be the shortest, not only for the transit of that immense Eastern commerce which now seeks for outlets by circuitous channels, or through foreign territory, but will also connect the Ocean ports on the St. Lawrence with the North-Western United States by a route shorter in distance than any now existing to American ports on the Atlantic.

Trusting that these matters, so essential to the commercial progress of Canada,

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which yo importan are anxio have the I nee as a body atmosphe material consists i I ha been eng liberality the warm with the of the cor I see not career on more fave ficent sys heart of a tion by a in the wo of Europe your labo Intercolo the Domi I con have beer endeavors My o Canadian

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will be found worthy your Excellency's consideration, and with the assurance of our warm welcome, in the assumption of your important duties, and of our prayer for the health and happiness of yourself and Her Excellency the Countess Dufferin.

Signed on behalf, &c., &c.,

HENRY FRY, President.

WM. J. PATTERSON, Secretary.

OTTAWA, 17th January, 1873.

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His Excellency graciously replied as follows :--

To the Board of Trade of the Dominion of Canada,

Gentlemen,—I beg to return you my best thanks for the kind expressions with which you are pleased to welcome my arrival in this country, and the assumption of the important duties of my high office, and I recognize with pleasure that in doing so you are anxious to afford a fresh proof of your loyal attachment to the Sovereign whom I have the honor to represent.

I need not assure you that I fully appreciate the importance of the functions which as a body, you exercise in this great and growing community. Removed from the stormy atmosphere of political contention, you devote yourselves to the promotion of the material prosperity of your native country; while the very essence of your existence consists in establishing and extending friendly relations with all neighboring States.

I have followed with the keenest interest the discussions in which you have lately been engaged, and I have observed with admiration what an amount of intelligence, liberality of sentiment, and sound economical science they have exhibited. It is with the warmest sympathy that I shall associate myself with you in your friendly rivalry with the United States; and I must say that as far as the physical and material resources of the country, or the moral and intellectual qualities of the inhabitants are concerned, I see nothing which need lead you to expect anything but a most successful issue to the career on which you have embarked. Never, perhaps, have any people entered under more favorable auspices upon a fairer field of industry and exertion. The most magnificent system of water communication existing on the habitable globe leads into the heart of a region of unexampled fertility, of unmeasurable extent, enriched in one direction by a varied field of mineral wealth, and in the other, one of the largest coal-fields in the world. Already the news of your brightening prospects has reached the shores of Europe, and each year is probably destined to see thousands of fresh recruits added to your laborious population; while another decade will see completed that great line of Intercolonial Railway communication which is to unite the eastern and western limits of the Dominion.

I consider it a most fortunate circumstance that my arrival in this country should have been so timed as to permit me to participate in your aspirations, to assist your endeavors, and, I trust, to share in your triumphs.

My only desire and ambition is to identify myself as completely as possible with Canadian interests, and to win the confidence of the Canadian people.

After His Excellency had thus replied formally to the Address, he entered into conversation with the deputation on various subjects relating to the progress and prosperity of Canada. He had taken pleasure in watching the proceedings of the recent Annual Meeting, as reported in the press from day to day; he also stated that he would be happy to assist in furthering the objects of the Dominion Board of Trade, and that its President and Executive Council might always rely upon him as a firm friend.

The President remarked that a copy of the official Reports of proceedings at the several Annual Meetings of the Board would be presented to His Excellency, and the deputation withdrew.

#### PETITIONS, MEMORIALS, AND RESOLUTIONS.

Copies of all the Resolutions and Recommendations adopted, were speedily transmitted to each of the constituent organizations; and the instructions of the Board were

complied with as promptly as possible; all the Petitions, Memorials and Resolutions ordered to be presented to His Excellency the Governor-General in Council, and to Parliament, being transmitted, and acknowledgments thereof received. They included the following :--

Petitions .- For continuance of the Insolvent Act of 1869, and its Amendments. For Act of Incorporation for Dominion Board of Trade. Application for General Act for Local Boards. Memorials .- On Reciprocal Trade with United States. Relating to inconvenient United States Regulation at Duncan City. Direct telegraphic communication between Europe and the Dominion. Respecting Delivery of Letters in cities and towns. Reduction of Postage on Newspapers. Ocean Mail facilities. Extension of the system of Weather Reports. On the Crimping System. Uniformity in Fire Insurance Policies. Respecting Suits against Government. Uniformity in Gauging Liquids, &c. Registration of vessels navigating inland waters. Extension of Admiralty Jurisdiction. Repeal of the Stamp Tax. Appointment of Average Adjusters. A General Inspection Law. Resolutions .- Relating to the Customs Tariff. On Canal Improvements and Public Works. On the reciprocal use of American and Canadian Canals and Rivers.

On the reciprocal use of American and Canadian Canals and River Relating to Pilotage system on the Lower St. Lawrence. Respecting the carriage of Deck-loads by Sea-going vessels.

#### LEGISLATION BY THE DOMINION PARLIAMENT.

The Council congratulate the Board upon the amount of legislation during the first Parliamentary session of 1873, resulting, to some extent, it may fairly be assumed, from the discussions which have taken place at the annual meetings.

Chap. 10. An Act to add to the number of the members of the Corporation of the Trinity House of Quebec, and to increase the powers thereof.

Chap. 11. An Act to amend the Acts relating to Port Wardens at Montreal and Quebec.

Chap. 42. An Act to continue for a limited time the Insolvent Act of 1869, and the Acts amending the same.

Chap. 49. An Act to amend and consolidate, and to extend to the whole Dominion of Canada, the laws respecting the inspection of certain Staple Articles of Canadian Produce.

Chap. 54. An Act respecting Pilotage.

Chap. 56. An Act respecting Deck-loads.

Chap. 58. An Act to amend the Acts for more effectually preventing the Desertion of Seamen.

Chap. 61. An Act respecting the Trinity House and Harbour Commission of Montreal.

The General Inspection Act requires alteration in many of its details; whilst the "Act respecting Pilotage" unfortunately perpetuates the vicious system so often condemned by this Board. The Act for preventing the desertion of seamen is but a small instalment of much needed reform.\*

\* See proceedings of 26th February-Morning Session.

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Your Council entertain no doubt that the Acts relating to "Port Wardens," and "Deck-loads," will be productive of the happiest results, in preventing the destruction of much valuable property, and infinitely more valuable lives.

#### THE CENTAL SYSTEM.

With reference to a notice in the Official Programme respecting the introduction of the Cental System, your Council request attention to an Act of the Dominion Parliament, entitled "an Act respecting Weights and M. sures," assented to on 23rd May last. The following are noted as among its provisions :—

1st. It is enacted that "A weight of one hundred pounds avoirdupois shall also be, and may be called and described as a 'CENTAL'"

2nd. On and after the first day of January, 1874, the provisions of the present Law as to the weight of a bushel of the undermentioned articles, namely :---

Wheat, Indian Corn, Rye, Pease, Barley, Oats, Beans, Clover Seed, Timothy Seed, Buckwheat, Flax Seed, Hemp Seed, Blue Grass Seed, Castor Beans, Potatoes, Turnips, Carrots, Parsnips, Beets, Onions, Salt, Dried Apples, Dried Peaches, and Malt,-

will cease to have effect, and thereafter "all the above-mentioned articles when bought or sold by weight, shall be specified by the cental and parts of a cental."

3rd. It will follow, therefore, that parties who make contracts with reference to the *bushel* of any of the above-mentioned articles, will only be legally bound by the bushel of *capacity*, which, until otherwise proclaimed under the provisions of the Act, will be the *Winchester* bushel.

It is believed by some who have examined the provisions of the above-mentioned law, that there is incongruity between them and some of the clauses of the General Inspection Act. These will doubtless be specified when this question comes before the Board. In the meantime, your Council are informed that inquiries have been made at the Inland Revenue Department as to whether there is any penalty for making contracts or delivering Grain by the bushel. The following is understood to be the substance of the reply: That although no special penalty is provided for making contracts, or delivering articles, by the bushel, still such contracts would be illegal, and could not be enforced; and that a bushel of Wheat, for example, even if specially mentioned in the agreement, would not mean 60 lbs. as heretofore, but only a bushel of capacity.

This subject is one of serious import, not only to merchants and traders, but to the entire commercial community of the Dominion, and it will, no doubt, receive the careful consideration of the Board.

#### INSOLVENCY LEGISLATION.

The Insolvent Law engaged a considerable share of the attention of your Executive Council; and it was only after a very large amount of correspondence, and repeated visits to Ottawa, that it was ultimately extended to the close of the now next ensuing session of the Dominion Parliament. A circular was issued to the various Boards of Trade, in which their attention was called to this subject, requesting suggestions on such points in the present law as they thought required alteration. Very few replies have been received thus far; but it is hoped that the representatives who attend the Fourth Annual Meeting will be prepared to indicate such improvements as they believe will, from their experience heretofore, tend to lessen the expenses, facilitate the winding up of estates, and make discharges more difficult to be obtained.

From the almost unanimous feeling hitherto manifested in this Board, as well as the very strong sentiments entertained in all the large centres of trade and commerce throughout the Dominion, in favor of a good Insolvent Law, your Council would most earnestly impress upon their successors in office the necessity for taking active measures to secure the introduction of a Bill immediately on the assembling of the new Parlia

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ment, for the continuance of the present law, with such modifications as they may, in their wisdom, see fit to make.

#### DOMINION BOARD OF TRADE INCORPORATED.

In accordance with the Resolution adopted at last Annual Meeting, application was made to the Dominion Parliament for an Act of Incorporation. The Bill, as originally presented, did not contain a clause relating to "domicile." The Committee on Banking and Commerce, however, considered such a provision essential, and "Montreal" is understood to have been unanimously inserted by them. The following is a copy of the Act :--

#### CHAP. 66. AN ACT TO INCORPORATE THE DOMINION BOARD OF TRADE.

#### [Assented to 23rd May, 1873.

THEREAS a certain association, consisting of delegates representing certain commercial organizations, to wit, the Montreal Board of Trade, the Montreal Corn Exchange Association, the Quebec Board of Trade, the Toronto Board of Trade, the Ottawa Board of Trade, the Belleville Board of Trade, the Hamilton Board of Trade, the Kingston Board of Trade, the London Board of Trade, and the Saint John, New Brunswick, Chamber of Commerce, met on the sixth day of October, one thousand eight hundred and seventy, in the City of Montreal, for the purpose of constituting a Dominion Board of Trade, and then and there adopted a constitution and by-laws, 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 for other purposes connected therewith ; and it is desirable that the said Dominion Board of Trade should be incorporated and vested with such powers for the purposes aforesaid as may not be inconsistent with any law in force or hereafter to be in force in the said Dominion : Therefore, Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows :-

1. The several organizations hereinbefore mentioned, and such other commercial organizations, as may, since the sixth day of October, one thousand Dominion Board eight hundred and seventy, have become united with the said Dominion of Trade incorpo-Board of Trade, or any such other commercial organizations in the

Dominion, as may hereafter be constituted by any act of Parliament, or under the provisions of this Act, are hereby constituted a body politic and corporate. by the name of "The Dominion Board of Trade," and may by that name sue and be sued, implead and be impleaded, answer and be answered, defend and be defended, in all courts of law and equity, within the said Dominion and other places; and by that name they and their successors shall have perpetual succession, and may have a common seal, and may break, alter or renew the same at pleasure, and the legal domicile of the said corporation shall be at the City of Montreal.

2. It shall be lawful for the said corporation, or a majority of them present at any general meeting, consisting of not less than fifteen members, to alter or

Amendment constitution and by-laws.

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amend its constitution, and to make and enact such by-laws, rules and regulations, for the government of the said corporation, its Council, officers and affairs, and the promotion of the objects contemplated by

its constitution, and from time to time to repeal, alter or amend the said constitution and by-laws as such majority shall deem meet: Provided that no such

Proviso. by-law or provision in the said constitution shall be contrary to or inconsistent with the laws in force in the said Dominion; and such constitution and bylaws shall be binding on all members of the said corporation, its officers and servants, and all other persons whomsoever lawfully under its control. 3.

Within six months from the passing of this Act the Secretary of the Dominion Board of Trade shall record and attest by his signature in a register to Secretary to reg-ister and attest constitution and amendments: lebe kept for that purpose, the existing constitution and by-laws of the said Dominion Board of Trade, and shall subsequently record and attest any by-laws or resolutions or change in the constitution to be made gal effect of such hereafter; and a certified copy thereof, or any amendment, alteration, repeal o be a true ister, un be prim said Do

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repeal or addition thereto, so entered in the said register as herein provided, certified to be a true copy of such constitution, by-laws or resolutions, as recorded in the said register, under the hand of the said Secretary and the seal of the said Corporation, shall be *prima facie* evidence of the contents thereof, in all courts of law and equity in the said Dominion.

Your Secretary has duly complied with the requirements of Section 3 of the Act, and a Seal has been provided for use in such official documents as may require it—the device consisting of the Dominion Arms enclosed in a wreath bearing the dates of establishment and incorporation of the Board.

#### PROPOSED GENERAL LAW FOR ORGANIZING BOARDS OF TRADE.

A Bill to make provision for organizing Boards of Trade throughout the Dominion was also introduced into Parliament during the Spring session. Either from imperfection of the draft, or from misconception of the object sought to be attained, the proposed Act did not seem to be fairly appreciated by members of the Committee to which it was referred; the result was its not being favorably reported upon. The object of the measure,—as your Council understand it, and as they believe it was understood by the Board,—is simply to save the trouble and expense of procuring special Acts of Incorporation, at least to those towns in which the number of members in a purely commercial organization would be comparatively few. It is, therefore, recommended that the Bill be referred to a Special Committee of the Board for consideration and revision, with a view to its being again introduced in Parliament.

#### RECIPROCAL TRADE RELATIONS WITH THE UNITED STATES.

The Memorial on this subject, presented to the Governor-General in Council, is as follows :---

#### To His Excellency, Earl Dufferin, Governor-General of the Dominion of Canada, in Council. The Memorial of the Dominion Board of Trade,

#### Most Respectfully Sheweth :

That under the operation of the Reciprocity Treaty, which was entered into in 1854 by the Governments of Great Britain and the United States, for the purpose of furthering and enlarging trade relations between the United States and the Provinces of British North America, the commerce and general prosperity of Canada were greatly promoted and increased,—said Treaty being also of great value to the commercial interests of the United States :

That at the instance of the Government of the United States, formal notice was given in the year 1865, for the abrogation of said Reciprocity Treaty, which was thereupon abrogated in the year 1866,—that notwithstanding the abrogation of said Treaty, the trade of Canada with the United States has continued to increase,—and that it is confidently believed that, if a new Reciprocity Treaty, on an enlarged, liberal, and equitable basis were negotiated on behalf of the Dominion of Canada with the United States, there would be a still further and very much larger augmentation of the volume of trade between the two countries; and that with this view, the business men and commercial organizations of both countries have been, and are giving the question of reciprocal trade relations their most earnest consideration :

That at the Fifth Annual General Meeting of the United States National Board of Trade, held in the city of New York in October, 1872, a resolution was adopted with great unanimity, as follows:—

great unanimity, as follows:— Resolved: "That the Executive Council be instructed to memorialize Congress to make an appropriation for the appointment of a Commission to act in conjunction with the State Department, in negoitating a treaty with Great Britain for reciprocal trade with the Dominion of Canada, on a broad, comprehensive and liberal basis, which shall also include the enlargement of the Canadian Canals by the Government of Canada,

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and the right of American vessels to navigate the said canals under the same conditions as are imposed upon Canadian vessels."

That at the Third Annual General Meeting of the Dominion Board of Trade, held in the city of Ottawa, in January of the present year, a resolution was unanimously adopted, as follows:—

*Resolved*: "That the Executive Council be instructed to memorialize the Government of the Dominion, in favor of the appointment of a Commission to act with that of the United States, should one be named, or to take such other means, as shall best respond to any action on their part, to carry out a Treaty of Reciprocity in Trade with the United States."

Wherefore, your Memorialists do very respectfully represent to your Excellency in Council, their most earnest and cordial desire, that you will be pleased to consider the important question of initiating some system of Reciprocal Trade between the two countries that will give effect to the views herein set forth; and your Memorialists beg further to express the hope that your Excellency in Council will be pleased to make such representations to the Imperial Government, as will procure the appointment of a Commission to meet and confer with a similar Commission on the part of the Government of the United States, (if such Commission has been, or shall be appointed,) for the purpose of framing and negotiating such a Treaty of Reciprocal Trade, as will be for the mutual advantage and benefit of the trade and commerce of the Dominion of Canada and of the United States.

Signed in name, and on behalf of The Dominion Board of Trade, Montreal, 18th February, 1873.

(Signed,)

HENRY FRY, President.

(Signed ,

#### WM. J. PATTERSON, Secretary.

#### Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor-General in Council on the 27th March, 1873.

On the Memorial of the Dominion Board of Trade, dated 18th February, 1873, on the subject of a Treaty of Reciprocity in Trade with the United States,—

The Hon. the Minister of Customs, in a report dated 10th March, 1873, states that it appears by the said Memorial that the business men and commercial organizations, both of the United States and Canada, have been and are giving the question of reciprocal trade relations between both countries their most earnest consideration.

That the United States National Board of Trade at the Annual General Meeting, held in the city of New York, in October, 1872, unanimously resolved that the Executive Council of that Board be instructed to memorialize Congress to make an appropriation for the appointment of a Commission, to act in conjunction with the State Department in negotiating a treaty with Great Britain for reciprocal trade with the Dominion of Canada, on a broad, comprehensive and liberal basis, which shall also include the enlargement of the Canadian Canals by the Government of Canada, and the right of American vessels to navigate the said canals under the same conditions as are imposed upon Canadian vessels.

That the Dominion Board of Trade, at their Annual General Meeting, held in Ottawa, in January last, adopted unanimously a corresponding resolution in favor of the appointment of a Commission to act with that of the United States, should one be named, or to take such other means as shall best respond to any action on their part to carry out a Treaty of Reciprocity in trade with the United States.

That the Memorialists conclude, by representing their most earnest and cordial desire, that your Excellency in Council will be pleased to consider the important question of initiating some system of reciprocal trade between the two countries that will give effect to the views in their memorial set forth; and that your Excellency in Council will be pleased to make such representations to the Imperial Government as will procure the appointment of a Commission to meet and confer with a similar Commission on the part of the Government of the United States (if such Commission has been, or shall be appointed,) for the purpose of framing and negotiating such a Treaty of Reciprocal Trade as will be for the mutual advantage and benefit of the trade and commerce of the Dominion of Canada and of the United States.

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The Minister of Customs states, that while heartily concurring in the views expressed both by the National Board of Trade of the United States, and also the Dominion Board of Trade, he desires to call attention to the fact that both Her Majesty's Government and the Government of Canada have availed themselves of every suitable opportunity, since the abrogation of the Reciprocity Treaty, to press upon the Government of the United States the desirability of a renewal of reciprocal trade relations between the latter country and Canada, upon a broad and liberal basis; and submits, for the favorable consideration of your Excellency in Council, that the Dominion Board of Trade should be informed, that, should the Government of the United States comply with the wishes expressed by the National Board of Trade, the subject will receive the fullest consideration of the Government of Canada.

The Committee concur in the Report of the Minister of Customs, and advise that the same be approved; and that the substance of this Minute be communicated to the Dominion Board of Trade.

Certified. (Signed,)

W. A. HIMSWORTH, C. P. C.

#### OTTAWA, 31st March, 1873.

Sm,—His Excellency the Governor-General in Council, having had under consideration the Memorial from the Dominion Board of Trade, dated 18th February last, on the subject of a Treaty of Reciprocity in Trade with the United States, together with a report from the Hon. the Minister of Customs, calling attention to the fact that both Her Majesty's Government and the Government of Canada have availed themselves of every suitable opportunity since the abrogation of the Reciprocity Treaty, to press upon the Government of the United States the desirability of a renewal of reciprocal trade relations between the latter country and Canada upon a broad and liberal basis, I have it in command to acquaint you that His Excellency has been pleased to order and direct that the Dominion Board of Trade be informed that, should the Government of the United States comply with the wishes expressed by the National Board of Trade, the subject will receive the fullest consideration of the Government of Canada.

I have the honor to be, Sir,

Your most obedient servant, (Signed.)

R. S. M. BOUCHETTE.

WM. J. PATTERSON, Esq.,

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Secretary Dominion Board of Trade,

## Montreal, Canada.

#### COMPULSORY DELAYS TO VESSELS NAVIGATING THE UPPER LAKES.

A Memorial was presented to the Governor-General in Council, setting forth the inconvenience and delay arising from an U. S. Customs regulation requiring all Canadian vessels bound for Lake Michigan ports, to call at Duncan City and obtain permit to proceed to destination,—respectfully soliciting that communication be opened with the United States Government to secure a modification of this regulation. The matter was promptly acted upon. A letter from the Department of Marine and Fisheries, was subsequently received by the Secretary of this Board, enclosing a despatch from the Colonial Office in London, covering one from the British Minister at Washington. The latter is as follows :—

#### WASHINGTON, 19th May, 1873.

"My LORD,—With reference to your Lordship's despatch, No. 20 of this series, and of the 16th ult., I have the honor to inform you that I have made enquiries with regard to the regulation of the United States Treasury Department, which imposes upon Canadian vessels the obligation to touch at Duncan City before entering Lake Michigan for commercial purposes.

"I find that this measure was not adopted during the recent civil war, but that in October, 1866, it was first ordered that all merchant vessels, both those of the United States and Canada, should, before entering Lake Michigan, touch at Mackinaw on the north side of the straits of that name, and should there exhibit their manifests to the Collector of Customs, who was to take a copy of them and countersign the originals. The Collectors at the Ports in Lake Michigan, were directed to see that the manifests were so countersigned, and not to admit vessels to entry unless this formality had been observed.

"It was subsequently found that Duncan City would be a more convenient port for the above purpose, and in May, 1867, it was ordered that at this port the formalities which had been previously carried out at Mackinaw should be observed.

" I understand the prevention of smuggling was the principal object of the regulation, and that, as it has proved very effective, it is not likely that the Treasury Department will consent to its being annulled.

"I have, &c. (Signed.)

EDWARD THORNTON.

"TO EARL GRANVILLE, K. G.

With the greatest deference to official authority, your Council were nevertheless unable to comprehend how calling at an out-of-the-way port like Duncan City could in any wise prevent smuggling,-except, by the merest possibility, on Lake Michigan, where Canadian contraband traders (if any such there be) would be least likely to show themselves. Being informed, however, that both United States and Canadian vessels are subjected to inconveniences in the manner referred to, the recent delegation from this Board to Chicago brought the matter to the notice of a Committee of the U.S. National Board, and the result was the adoption of the following preamble and resolution :--

WHEREAS, The representatives of the Dominion Board of Trade have brought to the notice of this Board certain regulations of the U.S. Treasury, requiring all Canadian vessels and American vessels from Canadian ports, entering Lake Michigan, to report at Duncan City, and there procure a clearance for the port of destination, and

WHEREAS, These regulations are felt by vessel owners, and others interested in navigation, to be unnecessarily onerous and burdensome to trade, causing serious delay to vessels in the prosecution of their voyages, therefore

Resolved, That the Executive Council be instructed to lay the subject before the Secretary of the Treasury, and respectfully request him, if not inconsistent with the interests of the public revenue, to allow all vessels to proceed direct to ports of destination on Lake Michigan, without being compelled to report at any intermediate port.

#### ANNUAL MEETING OF UNITED STATES NATIONAL BOARD OF TRADE AT CHICAGO.

A very cordial invitation having been received from the Executive Council of the U. S. National Board of Trade, to send a delegation to their Annual Meeting at Chicago on 21st October, it was accepted; and, by unanimous consent of your Executive Council, the President (Henry Fry, Esq.) was authorized to nominate representatives for the occasion. The appointments were as follows :--

LONDON, ONT.-John Walker, Esq. HAMILTON, ONT.-A. T. Wood, Esq. TORONTO, ONT.-W. H. Howland, Esq., C. J. Campbell, Esq. KINGSTON, ONT.-W. Harty, Esq OTTAWA, ONT. -- Wm. Pennock, Esq., Hon. Jas. Skead. MONTBEAL, Q.-Hugh McLennan, Esq., Andrew Robertson, Esq., H. Labelle, Esq., Thos. White, Jr., Esq., and the Secretary, Mr. Wm J. Patterson.
 QUEBEC, Q.-A. Joseph, Esq., T. H. Grant, Esq.
 ST. JOHN, N. B.-R. S. DeVeber, Esq., C. H. Fairweather, Esq.
 HALIFAX, N. S.-Cathcart Thomson, Esq., John T. Wylde, Esq.

The results of the meeting with the National Board of the United States promise to be more fruitful of good, than any that have arisen out of former conferences. At first the Canadian delegates had to contend with a very general feeling in the United

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States, which, while not positively inimical to Canada, still was without inclination to meet liberally the wishes of the Dominion, except by some sweeping measure like the proposed Zolverein, which would have put our trade entirely in their power. Your Ccuncil, however, have found each year a more kindly feeling existing, and do not think it is claiming too much to say that it is greatly due to the meetings and discussions between the representatives of the two Boards during the past four years. Much has been accomplished during the year recently closed,—for it seems as if the merchants of the United States are now thoroughly aroused to the necessity for, and advantage of more unrestricted commerce with the Dominion. The following preamble and resolution, passed unanimously at the National Board, will show clearly the feeling of that body on the Reciprocity question :—

WHEREAS, The National Board of Trade has, at every suitable opportunity since its organization, emphatically endorsed the principle of the freest possible commercial intercourse between the Dominion of Canada and the United States, consistent with the absolute requirements of our revenue system; and

WHEREAS, The experience of the last five years has served to deepen the conviction in the minds of the business men of this country that important concessions, in the interchange of commodities, might be made by both countries, which would serve to materially increase the trade between them, and relieve it from many vexatious restrictions to which it is now subjected; and

WHEREAS, This Board has reason to believe that the business community and people of Canada are equally desirous of bringing about these results, and that the Dominion Government is prepared to meet our Government in the discussion of the proper basis for a treaty with Great Britain for such reciprocal concessions in trade relations as would be mutually advantageous; and

WHEREAS, The Treaty of 1854, between Great Britain and the United States, having been abrogated by a notice from the United States in 1865, it would be courteous and desirable that the first steps towards devising and negotiating a new treaty should be taken by the United States,—therefore,

Resolved, That the Executive Council is hereby instructed to prepare a bill, providing for the appointment of a Commission to act in conjunction with the State Department in negotiating a treaty with Great Britain, for such modifications of the trade regulations between the Dominion of Canada and the United States, as would be mutually advantageous, and tend to facilitate the freest interchange of necessary commodifies, and also to secure for American vessels the use of Canadian canals connecting common waters, on the same condition as Canadian vessels use them; and the Executive Council is instructed to take measures to secure the introduction into Congress of said bill, and urge its passage.

It is very gratifying to Canadians to find that their heighbours so frankly and justly acknowledge their responsibility in abrogating the former treaty, by admitting it to be their duty to initiate the negotiations for a new one. The instructions given to the Executive Council of the National Board, to secure the introduction of a bill in Congress during the present session for the appointment of a Commission, will, there is good reason to hope, be complied with,—and your Council feel that this is a practical measure, which will, in all probability, lead to a better understanding of the trade relations between the two countries.

In the same liberal spirit the delegates were met in all matters in which they were interested, more especially when the question of Transportation was discussed, when, owing to the able and sustained argument of Messrs. McLennan and White of Montreal, the Canadian system of canals and water route to the Ocean were given a prominence in the proceedings of the Board, which will certainly tend to our advantage. Much surprise and gratification were expressed at the extent and nature of the works undertaken by the Dominion Government for improving the internal communications; and your Council feel satisfied that the prospects of the supporters of the Niagara Ship Canal, and those who advocate the enlargement of the Erie Canal, were not improved by the showing of your Representatives as to the facilities the Canadian route would soon afford to American trade.

One of the questions of which notice had been given, related to the wreck of the propeller "Philadelphia," in Canadian waters, and respecting which the following preamble and resolutions were adopted :--

Your Committee, to whom was referred subject No. 8, on official programme, beg leave to report that, on consultation with the delegates of the Dominion Board of Trade, they received assurances that the disaster referred to had promptly been brought under the notice of the proper authorities in Canada, and some steps taken to make that portion of the channel more safe. It would seem, however, that the width of the channel at the point where the "Philadelphia" was wrecked, is not sufficient for the requirements of trade, as at present carried on ; and it is believed that there are, at other points, in the common waters used by both countries, which are under the control of the Dominion of Canada, difficulties and obstructions in the way of navigation, such as were not specially important till recent changes in the class and size of vessels employed in our lake marine have rendered them dangerous. Your Committee would, therefore, recommend the following resolutions :--

*Resolved*—That this Board has learned with pleasure of the prompt action of the Dominion Government, in enquiring into the wreck of the "Philadelphia," and in placing a buoy at the spot where the disaster occurred.

Resolved—That in view of the larger class of vessels now in service on the lakes, and the enlargement of Canadian canals now going on, the necessity for a more thorough supervision of these common waters is apparent; and the Executive Council is hereby instructed to present this subject to the Dominion Board of Trade, in order that the attention of the Dominion Government may be called to it, and obstructions to navigation, if any such be found, may be removed.

The delegates desire to express, in the highest terms, their sense of the courtesy and kindness they experienced at the hands of the National Board and the people of Chicago; and, as a large delegation from the National Board is expected to be present at our meeting, your Council trust that they will receive such attention at your hands as will justify a similar expression from them on their return home.

#### THE INVITATION FROM THE ST. JOHN (N.B.) BOARD OF TRADE.

It will be remembered that at last Annual Meeting an invitation was given by the representatives from St. John, N.B., for a meeting of this Board at that city, at some convenient time during the summer of 1873. That invitation was referred to your Council, who gave the matter very careful consideration, and by correspondence and otherwise, endeavored to ascertain whether an adequate number of representatives could be expected to attend a Special Meeting at St. John. Replies were not satisfactory that a sufficiently numerous meeting would assemble in response to a call of the Council merely (as provided for in Sect. 2, Art. VI. of the Constitution.) An explanatory communication was, therefore, sent to the St. John, N.B. Board, indicating that your Council would endeavor to remedy the matter. It is, therefore, suggested that at the close of the sessions of this Fourth Annual Meeting, there shall be *an adjournment* to the city of St. John,—in this way, with the direct influence of the whole Board, providing definitely for a meeting in the heart (so to speak) of the Maritime Provinces, leaving special meetings in any emergency to be called under the rule above referred to.

Since last Annual Meeting Prince Edward Island has been united to the Dominion; it is understood that the coming in of Newfoundland is not very far off; and your

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Council are of opinion that it is expedient, and would be productive of the happiest results, to hold a meeting at St. John in the summer of 1874. The attendance of considerable numbers from all the Maritime Provinces might be naturally expected; and the occasion would be a most favorable one for increasing and strengthening the commercial bonds which unite the Eastern Provinces of the Dominion with those of the West.

#### INCREASE OF AFFILIATED ORGANIZATIONS.

The influence of the Dominion Board is perhaps best shown by the increase in number of affiliated organizations. In looking over the Secretary's correspondence your Council observe that several announcements have been received from new local Boards, intimating their intention to be represented at the Fourth Annual Meeting, including delegates from Charlottetown, P.E.I. This steady augmentation of constituent organizations is encouraging; and your Council recommend special efforts for increasing the membership of the Local Boards, and for the establishment of new ones.

#### THE OFFICIAL PROGRAMME.

As supplying additional evidence of the importance of the Fourth Annual General Meeting,—upon the business of which you are now entering,—the Executive Council refer to the numerous recommendations and resolutions, of which notice is given in the Official Programme. Some of the subjects are of paramount importance to the Dominion, and from intimations received, it appears that the number of "written papers" on various subjects will be more numerous than heretofore. Among these may be mentioned —"Insolvent Act of 1869 and Amendments," "Harbor Improvements," "Canadian Pacific Railway," "Inland Marine Regulations," "Canadian Tonnage and Mr. Plimsoll's Bill," "A Dominion Board of Agriculture," "Changes in the Customs Tariff," &c., &c. With reference to general discussions, your Council most respectfully press upon your attention a remark of their predecessors, as follows : "The time that can be alloted for "discussing each of these important subjects, must necessarily be restricted; the ex-"perience of preceding Annual Meetings, however, warrants the Executive Council in "looking forward to a conciseness of debate, which will not only economize the valu-"able time of the Board, but give clearness and force to the discussions."

The task of arranging and classifying the various notices which appear on the Official Programme, was necessarily left in the hands of your Secretary, but all that he has presumed to do was to group them for facility of reference. In a few instances, where precisely similar notices were forwarded from different bodies, only one has been inserted,—and in some cases where a notice was not sufficiently explicit, it has been omitted. Your Council suggest that a Committee on Business be appointed, on whose recommendations the discussion of subjects in order, shall depend. With regard to the "Proposed Amendments to Constitution," your Council beg to state that, by request, the notice has been given by the Montreal Board of Trade,—Article X, of the Constitution, providing that any such must be submitted by a constituent body.

#### ABSENCE OF THE PRESIDENT.

Your Council cannot avoid expressing their deep regret that the President (Henry Fry, Esq., of Quebec,) is unavoidably absent,—having been called to England in November last, by pressing engagements, without the probability of being able to return in time to preside at the opening of this Meeting. In letters addressed to your Vice-President, and to the Secretary, he has requested that his assurances of continued inter-

est in all that involves the success of this Board, be presented to you. Mr. Fry has been identified with the Dominion Board of Trade from the first, taking an active part in all its proceedings,—as evidenced by the able manner in which he advocated and discussed important measures, which have since been enacted by Parliament.

#### THE TREASURER'S STATEMENT.

In conclusion, your Council have pleasure in informing you that the debt of over \$300, reported at last Annual Meeting, may now be said to be practically extinguished, and that hereafter, it is believed, there will be no difficulty in providing for necessary outlay during any year, without increasing the *per capita* assessment. Besides paying off the deficit of former years, your Treasurer (C. H. Gould, Esq.,) has met all the necessary expenditure of the year ended 31st December last,—the amount of outstanding liabilities chargeable to current year, and for which he has temporarily provided, amounting to about \$100. His accounts show an income for 1873 of \$1,578, the disbursements balancing.

Respectfully submitted on behalf of the Executive Council,

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W. H. HOWLAND, Vice-President.

OTTAWA, 23rd February, 1874.

On motion of Mr. C. H. FAIRWEATHER, (St. John, N.B.,) seconded by Hon. T. R. JONES, (St. John, N. B.,) the Report was received and adopted.

#### APPOINTMENT OF COMMITTEES.

The CHAIRMAN nominated the following Standing and Special Committees :---

#### FINANCE.

| HUGH MCLENNAN, Convener | MONTREAL. |
|-------------------------|-----------|
| CHARLES MAGEE           | OTTAWA.   |
| JOHN WALKER             | LONDON.   |
| HOSPICE LABELLE         | MONTREAL. |

#### BY-LAWS.

| JOHN CARRUTHERS,   | Convener | KINGSTON.       |
|--------------------|----------|-----------------|
| SHERIFF J. A. HARD | ING      | ST. JOHN, N. B. |
| P. R. JARVIS       |          | STRATFORD.      |

#### ORDER OF BUSINESS.

| THOMAS WHITE, JR., Convener |                 |
|-----------------------------|-----------------|
| C. H. FAIRWEATHER           |                 |
| JOHN GILLESPIE              |                 |
| CATHCART THOMSON            |                 |
| J. E. MOLLEUR               | ST. JOHNS, QUE. |
| FENTON T. NEWBERY           |                 |
| ROBERT MARSHALL             |                 |

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#### GENERAL BOARD OF TRADE LAW.

| HON. JAMES SKEAD, Convener | .OTTAWA.   |
|----------------------------|------------|
| MICHAEL MCCULLOCH          | MONTREAL.  |
| WM. HARTY                  | .KINGSTON. |
| WM. CRAIG                  | PORT HOPE. |

These nominations were confirmed by the Board.

#### COMMITTEE ON INSOLVENCY LEGISLATION.

Mr. A. ROBERTSON (Montreal), said that when the report of the Executive Council was prepared, very few replies to the circular of the Executive Council had been received from the different Boards of Trade, on the subject of Insolvency Legislation; but since the report was printed a number of replies had been sent in. He might say on behalf of the Committee appointed by the Board last year to lay the matter before Parliament, that there was considerable difficulty in getting a large attendance. Although the Board passed a resolution, that the insolvency law should be continued without amendment, yet there was a very strong feeling expressed that there should be some amendment. Consequently, the committee who went to Ottawa to get the Act continued, found it would be necessary to do something in the way of preparing amendments. Accordingly, at their suggestion, the Executive Committee issued a circular in October last to all the Boards of Trade.

The PRESIDENT remarked that there could be no discussion at this stage. Mr. ROBERTSON—I merely wish to explain the reason for requiring a Committee on the subject now. Since the report was printed, a great many replies from Boards had been received, containing many suggestions; and now I would move for a Committee to consider these suggestions, and bring the matter before the Board in a proper shape. I therefore beg leave to propose the following Committee on Insolvency Legislation :—

> ANDREW ROBERTSON, Convener, Montreal. Hon. T. R. JONES, St. John, N.B. WM. PENNOCK, Ottawa. JOHN CARRUTHERS, Kingston. WM. THOMSON, Toronto. W. F. FINDLAY, Hamilton. JOHN WALKER, London. GEORGE BABY, Joliette, Q. A. JOSEPH, Quebec, Q. CATHCART THOMSON, Halifax, N.S. WM. DARLING, Montreal. J. A. HARDING, St. John, N.B.

The motion was agreed to.

The next business in order was the election of officers; but as a number of delegates from the West had not yet arrived, the Board, on motion of Mr. T. WHITE, Jr., seconded by Sheriff HARDING, adjourned until 2 o'clock, P. M.

## AFTERNOON SESSION.

TUESDAY, 24th February.

The Board resumed business at 2 o'clock, P. M., W. H. HOWLAND, Esq., Vice-President, in the chair.

#### ELECTION OF OFFICERS.

The first order of business being the election of officers, Messrs. Wm. ELLIOTT and S. NEELON were appointed by the Chairman Scrutineers to receive the ballots. Nominations having been made, and the ballots having then been taken, the Scrutineers reported the result, as follows :---

#### President.

#### W. H. HOWLAND, Esq., Toronto.

Vice-President. C. H. FAIRWEATHER, Esq., St. John, N.B.

## Executive Council.

A. ROBERTSON, Esq., Montreal. Hon. T. R. JONES, St. John, N.B. WM. PENNOCK, Esq., Ottawa. WM. HARTY, Esq., Kingston. ADAM BROWN, Esq., Hamilton. CATHCART THOMSON, Esq., Halifax, N.S. HOSPICE LABELLE, Esq., Montreal. WM. THOMSON, Esq., Toronto.

#### Address of the President-Elect.

The PRESIDENT: In rising to thank you for the very high honor you have conferred upon me, I desire to express my profound appreciation of the honor, seeing the position to which you have elected me is the highest which the merchants of Canada can confer upon any of their number. Considering the position that our merchants occupy, to be placed at their head is an honor which any might be proud of. I must certainly acknowledge that there are many in this Board far more worthy of the position than I am—men whom I may speak of as commercial Gamaliels, at whose feet I would be willing to sit and learn. But, as you have called me to the position, I shall endeavor to fulfil its duties in such a way as to merit your commendation. In addressing you on this occasion, I think I could not do better than give you a short sketch of the history of this Board. It has a longer record than perhaps many are aware of, as the idea was thought

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of by several gentlemen before it was brought to fruition. The first word said about it, in all probability, was in Montreal, 1862 or 1863, when Mr. William P. McLaren, now of Milwaukee, whom we hope to see at this meeting, at that time a member of the Council of the Board of Trade of Montreal, made mention of the desirability of having yearly meetings of representatives from the various Provinces. There was some correspondence at the time, but it led to no immediate practical result. The next movement in that direction, of any importance. originated out of the Detroit Convention, to which delegates were sent from the British North American Provinces. A number of delegates. shortly before proceeding to Detroit, met in Toronto, and for the first time organized; and what you may call the beginning of the Dominion Board of Trade was afterwards formed, with Hon. Thomas Ryan, of Montreal, as Chairman, and Messrs. Wm. J. Patterson, of Montreal, and Chas. Robertson, of Toronto, as Joint Secretaries. The idea was not then fully carried out; but at Sarnia, the day before the meeting of the Detroit Convention, several gentlemen, whose names should be mentioned, among whom were Messrs. John McLennan, Thomas Rimmer, and Wm. J. Patterson, of Montreal, and T. H. Grant, of Quebec-met together, and after talking the matter over, came to the conclusion that nothing would be more for the interest of the country, than that the commercial men from all the Provinces, should regularly meet together and discuss questions in which they had a common interest. This idea was carried out; and the day before the Convention separated, all the Delegates from the different Provinces met at their hotel in Detroit, and there decided on forming an Intercolonial Chamber of Commerce, delegating to the Montreal Board of Trade authority to prepare whatever was necessary in the way of Constitution, and also authority to call them again together. This was in July, 1865. Promptly following up the proposition, Mr. J. H. Winn, Chairman of the Special Committee of the Montreal Board of Trade, presented a very complete Report on the subject, which I have now before me. This Report was sent to the Boards of Trade in the different Provinces, with invitations to send delegates to a general meeting, and in September of the same year, what may be called the first meeting of the Inter-colonial Board of Trade was held. There was very little business done, beyond the appointment of interim Office-bearers, of which, unfortunately, no record has been kept.\* The first formal general meeting was appointed to be held in June

\* The President, doubtless, meant to say that no separate official record had been preserved. The following extract from a Report of the Council of the Montreal Board confirms the general statement made by Mr. Howland :--

"In accordance with a resolution of the Delegates assembled at Detroit, referred to "your Council for action, the question of the manner and form of Constitution of a "Central Board of Trade, to be composed of Delegates from all the Boards of Trade of "British North America, was taken up and reported upon, and the Report adopted and "published on the 22nd of August. Subsequently notice was forwarded to all the "Boards of Trade of which our Secretary had information, inviting Delegates to meet "here on the 27th September, on occasion of the public reception of visitors from these "Provinces, together with some Representatives from the city of Quebec and from

of the following year, (1866), at which time the delegates were summoned to meet. But you will remember that was the month of the Fenian raid : and the country was in such a state of turmoil, and the feeling in the matter was so great, as to overpower every other consideration, and the delegates were telegraphed not to attend. That broke up the plan for the time-being. But in 1870 the matter was again taken up by the Montreal Board of Trade, the Hon. John Young being President, and it at last resulted in the first meeting of the "Dominion Board of Trade." Mr. Young, whose activity at the time entitles him to a great deal of credit, has the honor of having presided over the first regular meeting of this body. So you see it is of considerable interest to look back at the attempts which were made to establish this Dominion Board; how the idea was in many men's minds; and how near we came, twelve or fourteen years ago, to carrying it into effect. In looking back upon the course pursued by this Board, I think we may safely say, that it has commanded the confidence and respect of the country. In every matter discussed by the Board, affecting the material interest, or affecting the public revenue-matters which would be considered of importance in Parliament itself-there has been a caution, a consideration, and a conservatism in the manner of dealing with it, which has satisfied the people that they can trust to the decisions which are rendered here, as the result of fair and thoughtful deliberation. I think every one of you is satisfied of that, from the way we are spoken of in the press and abroad. Although composed, as we are, of all shades of politics, we can say with the greatest truth, there has never been a remark made here which would indicate political bias, or raise the slightest shade of feeling in that direction. (Cheers.) We have before us today some questions which might be considered ticklish on that point-for instance, the Pacific Railway; but I am satisfied that this Board will consider that subject in a commercial light, without allowing anything in the shape of political feeling to influence their consideration. (Hear, hear).

I think I would hardly be doing justice to my position, did I not bring before you what seems a very striking feature of the statistics of the Government, in the matter of imports and exports. The increase is very satisfactory; but if we look to the year 1869–'70, we find the exports over two millions of dollars more than the imports. Four years later we find the imports have increased fifty-five millions, while the exports have increased only seventeen millions; so that instead of the exports being two millions over the imports, our imports are thirty-nine millions over our exports. This proceeds from one of three causes. First, that we have been running greatly into debt. The second cause would lie, as the free traders might probably say, in the increased prosperity of the country, and the increased immigration,—though it would be hard to account for so large a sum in

"Western Canada, when the Report of your Council, on the objects and mode of consti-"tuting was submitted and approved; and it was resolved to call a meeting for organi-"zation and business, agreeably with its provisions, in this city, on the 5th day of June "next. Your Council would respectfully call the attention of the Board, and of their "successors in office, to the importance of this movement."—W. J. P. tha def the: exp Gov of t port dut busi Gov inco com

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that way. The third cause would lie in the fact that our returns are very defective. My impression is that the latter is the real cause, and that there is no such difference as thirty-nine millions between our imports and exports. I think it would be worth your while, to call the attention of the Government to the importance of ascertaining whether there is any return of the shipments out of this country by rail, which are so important a portion of our exports. My impression is there is not, and I think it our duty—considering that we want these figures to be a guide to us in our business, and in dealing with the trade of the country—to bring before the Government the fact that it is possible these figures are to a great extent incorrect. If they are not, there is no question we ought to go into committee on the state of the nation, and see how it is we are buying so much more than we seem able to pay for.

I am glad to inform you that we have a large delegation from the National Board of Trade of the United States this year. I had hoped to introduce them this afternoon; but as they are not all present, we will postpone that pleasing task until to-morrow morning. I can say most sincerely, that the way our Delegates have been treated at the meetings of the National Board has been most gratifying; and in all the discussions there in which we have taken part, the attention and consideration given to the utterances of the Canadian Delegates, have been most flattering and satisfactory. As you already know, they have, of their own accord, expressed a wish for a new Reciprocity Treaty between this country and theirs, and have felt it to be the duty of their Government-seeing that they abrogated the old treaty-to take the initiative in bringing about a new treaty. I think that shows a very good state of feeling, and certainly a very fine perception of what is right. The resolution I refer to, was carried unanimously at the last meeting of the U.S. National Board of Trade ; and I have a letter from Mr. Frederick Fraley, President of that Board, in which he states that the representations made by him on this subject to the Washington Government were favorably received, and he expected a favorable answer. I have no doubt, therefore, we may soon hear of a Commission being appointed to confer with a Commission from Canada. There are some, I believe, who are not favorable to freer commercial intercourse with our neighbors, on the ground that we have got on very well since we lost the Reciprocity Treaty; that we have prospered without it, and therefore that it is not necessary. That very reason-the fact that we have prospered, that we have got a good position, that we have found new markets-is a strong argument why we should have more liberal commercial intercourse with our neighbors, as soon as we can get it; and the present is a most opportune time for dealing with the question. You are all aware that there is a Fishery Commission now sitting in Washington, to decide the difference in value between the fisheries of Newfoundland and the American fisheries. There is also a Commission to sit at Halifax to determine the value of the Dominion fisheries as compared with the American, with the view of deciding how much money, if any, is to be paid Canada under the Washington Treaty. It is some time since the Treaty went into effect. These Commissioners have, so far, effected

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very little; and I have very good authority for saying that they do not anticipate closing their labors for two or three years. When we consider that the treaty, so far as the fisheries are concerned, has only a very short time to run, and that we will soon require to have another settlement of the question, I think you will see the probability is, that both these Commissions as well as both Governments, would be very glad of any proposition which would be likely to prevent these questions coming up again. If this opportunity is taken advantage of, we may have a settlement, not only of the fishery question, but also of the navigation of Lake Michigan.

There is only one other point I will trouble you with, and that is one of even greater importance. It is the question of the enlargement of the St. Lawrence Canals-a question, with regard to which, the supineness of our Parliament has been almost criminal, when you consider that the people of the United States, and especially of New York State, have their eyes on this work, and are trembling lest we do what we ought to do,---that by enlarging these canals we shall unquestionably have control of the great Western trade, and that with these canals enlarged to the extent of accommodating 1,000 or 1,200 ton vessels, we shall have so great an advantage in competing with the American route-I say our supineness is almost criminal. We have been placed by nature in the position of the man to whom were committed ten talents; but thus far we have acted like the man with but one, who buried his talent in the earth. To show you what the Americans are thinking upon this question, I will read you an extract from the Annual Report of the New York Produce Exchange for 1872–'73. The writer says :

"The work of enlarging the Welland and St. Lawrence canals has already been "commenced, and its completion is assured within the period of three years. When "it shall have been completed and brought into practical use, navigation will be opened "for 1,000 or 1,200 ton ships and steamers between Chicago, Milwaukee, Toledo, Detroit, "Duluth, and Liverpool and London, free navigation, excepting the 69 miles comprised "in the Welland and St. Lawrence canals. Wealth, commerce, and exchange will "follow the cheaper route; and the St. Lawrence route, improved as proposed, cannot "but be the cheaper and the more expeditious, as compared with the present facilities "of the New York route."

#### And again :--

"Neither the canals nor railways, separately or combined, can hold this vast trade and its probable large increase as they now are, as against the St. Lawrence improved route of enlarged canals for ships of 1,000 to 1,200 tons."

Now, gentlemen, there is one point in reference to these canals seldom fairly considered, and it is this,—these canals, at the present time, are like a manufactory with too little power and too little capital. They are not large enough to be profitable—the Welland only producing two per cent., and the St. Lawrence nothing. When you consider the enormous revenue that the State of New York derives from the Erie canal, you will agree with me, that when sufficient money is spent on the St. Lawrence canals to make them large enough to take vessels of 1,200 tons to tide-water,—large enough to do the business waiting for them,—the coun-

try will derive a large profit from the expenditure. Our fault is in having them so small that their capacity is not equal to the work there is to do. But if they are enlarged, I think we will find in the future of Canada as a carrying country, something far more than we have estimated from any other source of wealth. When we think of the immense wealth that the possession of vessels for this enormous trade, and the supplies and labor they will require, will leave in the country, we cannot but feel-even supposing the investment in the canals never paid one sixpence-that it would be madness not to go on with them as rapidly as possible. We are entitled to this enlargement of the canals under Confederation. The agreement was, that the work should be done as soon as the finances of the country would admit of it—not the Welland canal first, and then the St. Lawrence; but they were to be enlarged together. I tell you, gentlemen, we are not true to Confederation if we do not have these canals enlarged, because the facilities for trade, thus created, would form a stronger tie between the Provinces than any political one. If we could pass up our canals vessels large enough to bring coal and iron and other products from the Maritime Provinces, which they would give in exchange for our products instead of sending up money for all their purchases, we would do more to make them all thorough Canadians and united with us, than could be done by any other way (hear, hear). I am very much pleased to notice that we have representatives here from our new Province of Prince Edward Island. I am certain, from what I have seen of the people of that island, that it will make a very good figure in the Confederation. I have also to express my regret that we have no representative here from British Columbia. I feel confident that though the people of that north-western Province, may do all they constitutionally can to demand what they consider their rights, yet at the same time, they joined the Confederation fairly and honestly, and whatever course they may pursue, will be merely in support of their constitutional rights, and not with a view to breaking up the Confederation they have joined. (Cheers).

#### REMARKS OF THE VICE-PRESIDENT.

Mr. C. H. FAIRWEATHER, the Vice-President elect, said : I desire to return you my thanks for placing me in the position of Vice-President of this body. I feel that in doing so you have carried out the principle which has been recognized at this Board from its commencement—the principle of giving the fullest recognition and consideration to all questions which may come before the Board, from all parts of the Dominion, not neglecting any because they may happen to come from outlying portions, but giving them all their due weight and attention. I can only say, I trust that what has been shadowed forth in the very excellent and able report of the Executive Council, in respect to a Summer visit to St. John, will be carried out. I feel certain we shall extend to you a hearty welcome, and the right hand of cordial fellowship. If it were possible to make arrangements with the clerk of the weather, we should endeavor to have our fogs dispersed

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at that time, (laughter); but if we do have them, you may, perhaps, find the cool weather an agreeable change. I heartily trust the arrangement will be carried out. I thank you, gentlemen, for the honor you have conferred upon me.

The PRESIDENT then read a letter from the manager of the Dominion Telegraph Company, offering to frank any telegrams the members of the Board might wish to send, of a social or domestic character.

#### ORDER OF BUSINESS.

Mr. T. WHITE, Jr., (Montreal), presented the following report from the Committee on Order of Business :--

#### The Committee on the Order of Business beg leave to Report :

That they have carefully gone over the Official Programme, and submit the following as the order in which questions should come before the Board. In making this recommendation, the Committee have been influenced by the desire to remove from the programme at the earliest possible moment, some subjects to which importance is attached, but which are not likely to excite much discussion. This being done, the Committee have arranged the other subjects in the order of their importance, as questions affecting the commerce of the Dominion :

1. The proposed amendments to the Constitution (numbered 1 on the official programme.)

2. Navigation and Internal Improvements, (numbered from 9 to 13 inclusive on the official programme.)

3. Classification and inspection of vessels, &c., (numbered 17 to 23 inclusive on the official programme.) The four last propositions (numbered 20 to 23 inclusive) all relating to the same question, it is recommended that they be taken up as one question.

4. Tariff, Customs, Excise, Inspection, &c., (numbered on the official programme from 29 to 37 inclusive.) Numbers 29 and 30, and numbers 34 and 35, relating to the same subject respectively, it is recommended that they be disposed of as one proposition each.

5. Reciprocal Trade Relations, (numbered on the official programme from 2 to 5 inclusive.)

6. Transportation by water and railway, (numbered from 14 to 16 inclusive.)

7. Insolvency Legislation, (numbered on the official programme from 24 to 28 inclusive.) Numbers 24, 25, 27 and 28 being on the same subject, it is recommended that they be taken up as one subject.

8. Stamp duty, Insurance, &c., (numbered from 38 to 43 inclusive, on the official programme.) Numbers 39 and 42, being on the same subject, it is recommended that they be taken up as one proposition.

9. The Canada Pacific Railway, (numbered on the official programme from 6 to 8 inclusive.) And it is recommended that the three proposals on the programme be taken up as one subject.

10. Unclassed notices of subjects, (numbered in the official programme from 44 to 49 inclusive,) to be taken up in their order.

In reference to the proposal that certain subjects be taken up as one question, although suggested by different constituent bodies, your Committee remark that this grou as an and o

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grouping need not interfere with any special feature of any proposal being introduced as an amendment to the substantive proposition; while by taking the whole subject up, and dealing with it in one discussion, the time of the Board will be greatly economised.

All of which is respectfully submitted.

(Signed,)

#### THOS. WHITE, JR. Chairman.

#### AMENDMENTS TO THE CONSTITUTION.

Mr. H. McLENNAN (Montreal), moved, seconded by Mr. A. ROBERT-SON (Montreal), the following amendments to the Constitution :---

That hereafter the sessions of the Annual General Meeting of the Dominion Board of Trade shall commence on the third *Tuesday* of January, in each year.

That the election of Office-Bearers shall hereafter be the last business transacted at any Annual Meeting.

That hereafter the list of Office-Bearers shall include four (or more) Vice-Presidents, —that is to say, one from each of the Provinces represented at any Annual Meeting.

That in accordance with the Act of Incorporation, Sec. 3, of Art. IV. of the Constitution be amended so as to read as follows :—" The Offices of the Secretary and Treasurer shall be located at the City of Montreal."

He remarkad, in proposing these amendments, that it was considered advisable to have the election of Officers at the close of the meetings, because the Board would then have become better acquainted with the members for the different sections, many of whom were new men. Those who took an active interest in the subjects discussed, could be placed on the Executive, and thus the Board would reap the advantage of their knowledge and experience.

Mr. WM. HARTY (Kingston), said he thought it was a mistake to fix the day of meeting. It was understood the intention was to meet before the assembling of Parliament, but Parliament might meet earlier than the third Tuesday of January.

Mr. McLENNAN replied that the change proposed was merely from Wednesday to Tuesday, in order to give one day more of meeting, it being found that it was impossible to deal with all the questions brought up in three days. The proposal was to change the day of the week rather than the time of the year.

Mr. HARTY moved in amendment, "that the calling of the Annual Meeting be left to the Executive Council," so that they might avoid the danger of meeting during the session of Parliament.

Mr. McLENNAN said he was willing to accept this amendment, giving the Executive power to appoint another day, if that named in his resolution was not suitable.

The words "or such other day as the President and Council may determine," were added to the first clause, which, as thus amended, was adopted. The second and third clauses were adopted *nem. con.* On the fourth clause,

Hon. JAMES SKEAD (Ottawa) said he did not rise to find fault with the proposed amendment, more particularly as their worthy Secretary and Treasurer happened to live in Montreal at the present time; but the time might come, though he hoped it would be far distant, when they might wish to select these Officers from Toronto or St John, or elsewhere. He did not want to be understood that he had any dissatisfaction with the present Officers, but he wished to leave it open to the Board to select them from any part of the Dominion.

Mr. McLENNAN explained that when the Bill to incorporate the Board was brought before Parliament, it was found necessary to fix some domicile for the Board, and Montreal was inserted in the Act. This resolution was merely in accordance with the Act.

Hon. Mr. SKEAD asked if they would always be obliged to take the Secretary and Treasurer from Montreal?

The PRESIDENT said the Act provided that "the legal domicile of said incorporation shall be in Montreal." This clause was inserted by the Parliamentary Committee to whom the bill was referred, because Parliament required that some domicile should be given, and no provision had previously been made. Of course, if they were to lose their Secretary, which he hoped would not be the case for a great many years to come, they would always be in a position to get the Act changed. This clause merely recited the words of the Act.

The clause was then adopted.

#### ENLARGEMENT OF THE CANALS.

The PRESIDENT, in announcing that this subject was next in order, said that had he not been in the chair, it would have devolved upon him to introduce the subject, as it had been placed on the official programme by the Toronto Corn Exchange. He hoped, therefore, the Board would enter upon the discussion without any formal introduction of the subject.

Mr. WM. THOMSON (Toronto): I did not expect to introduce this subject, but I may say that I feel very strongly the importance of utilizing to the utmost the inland waters of our country. Nature having placed us in so favorable a position, it is our first and bounden duty to bring all the trade we possibly can down our Lakes and the St. Lawrence. I cannot see why Canada should not control the carrying trade of the Great West, enormous as it is; but we can only do so by enlarging our St. Lawrence canals to admit vessels of large tonnage to pass through them, and to facilitate transportation in ocean ships. It is a question of vital importance; and the sooner Canadians carry out this great enterprise, so as to secure the carrying trade in advance of our neighbors, the better for the interests of the country. It is, of course, a serious question with the Government, how far they can increase the public expenditure for this purpose. We know they are at the present moment enlarging the Welland canal, and that they are about undertaking the construction of the Pacific Railway, which will add immensely to the debt of the country. I would not like to propose a resolution, which, if adopted by this Board, might perhaps tend to embarrass the Government, who have so much upon their hands, and as they must

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necessarily have for some time to come; at the same time, I think we can, with all safety and justice to our country, ask them to favorably consider the early enlargement of these Canals. I therefore move:

"That it be a recommendation to the Government from this Board, to consider at an early day the importance and necessity of the enlargement of the St. Lawrence canals."

#### Mr. W. B. HAMILTON (Toronto), seconded the motion.

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Mr. H. McLENNAN (Montreal): I desire to propose an amendment, which will be in the nature of a congratulation upon the progress that is being made in connection with the work, and a hope that it will be carried forward vigorously to completion. One of the earliest subjects taken up by this Board at its first meeting in 1871, was the enlargement of the Welland and St. Lawrence canals. At that time the attention of the Government and the country was directed to the great work of building the Intercolonial Railway. We saw the trade of the West slipping from our hands, and we put on record a resolution, pointing the Government to the subject of the enlargement of the canals, which we considered of such vital importance to the trade of the country. Subsequently, we were glad to find the Government considering the subject; and now we see that progress is being made. Work is now in operation on the St. Lawrence canals at Montreal, and as a matter of fact, engineers have been occupied for a length of time in preparing plans for the entire enlargement of these canals. These plans will soon be placed in the hands of the Government, and it is hoped the present administration will vigorously carry forward the work begun by their predecessors. Contracts on the Welland canal have been given out and the work commenced. Therefore, in my opinion, we should combine a congratulation that so much progress has been made, with the hope that the work may be earnestly prosecuted to its completion, thus enabling us to use a larger size of vessel in the upper Lakes, and by a generous rivalry to stimulate our neighbors in turn to enlarge their canals. I do not think it is a question who shall have the trade of the West. The West will increase as rapidly as all the avenues of trade will increase; not only that, but there are so many elements entering into the trade, that it cannot in one or two years be absorbed by one avenue. I move in amendment :-

"That this Board desires to express its gratification at the progress which is being made in the work of enlarging and deepening the Welland and St. Lawrence canals; and while reiterating its formerly expressed opinion as to the urgent necessity of these great works of internal communication, would urge upon the Government the importance of the work of enlargement upon the entire line of canals being prosecuted with the utmost vigor."

Hon. ROBERT READ (Belleville), seconded the amendment.

Mr. SYLVESTER NEELON, (St. Catherines):—It has given me much pleasure to hear the remarks of our worthy President upon this subject in his opening address, and I think the matter should receive the attention of our Government. We, in the neighborhood of the Welland canal, have been suffering for a great many years for the want of water; and yet it

would only require the expenditure of a small amount of money, to give a sufficient quantity to supply the canal. I can say, from my own knowledge, that in many instances vessels have been aground, and remained aground for many hours in the middle of the channel. This matter should have the first attention of our Government. Port Colborne harbor is also in a very bad state. Frequently it has not water enough to admit vessels with a draft of ten feet, to the great detriment of the shipping. The bottom is rocky, and it would undoubtedly take considerable time to remove obstructions. The work now going on will give us a canal with about twelve feet of water; but there is not water sufficient to admit vessels of that draught. This matter should also be taken into consideration by the Government immediately. As has been already remarked at this Board, the commerce of the country has suffered very much, by reason of the Welland and St. Lawrence canals not being deepened.

Most vessels passing through the Welland Canal drawing ten feet of water, have to stop at Kingston, and lighten to the extent of one-fourth to one-third of their cargo—say from 5,000 to 7,000 bushels. In many instances this occasions much delay to vessels, while it is also attended with expense. If there were the same depth in the St. Lawrence as in the Welland Canal, vessels could proceed direct to Montreal, and in many instances, do a more profitable business than at present.

The manner in which the business of lightering cargoes is attended to in Kingston should be noted. Of course, it has to be done by barges, and in many cases, vessels have had to wait there eight or nine days for barges; whereas, were the canals large enough, these vessels could proceed to Montreal, discharge their cargo, and get back to Kingston, in less time than their cargoes can be lightered under the present system. These long delays are of frequent occurrence. I will not say it was so last fall; but such would have been the case, but for the panic, which largely lessened the movement of cereals eastward. Our commerce suffers greatly in this respect. Vessels passing through the Welland Canal with 18,000 or 20,000 bushels of grain, cannot go to Montreal carrying more than 13,000. It will thus be seen that the enlargement of the St. Lawrence Canals, is absolutely necessary to enable us to profit by the enlargement of the Welland, or even to reap the full benefit of the latter as it now is. I sincerely hope the . Government will prosecute the work vigorously, not neglecting the improvement of Port Colborne harbor, which is so much required.

Mr. WM. PENNOCK (Ottawa): The Board having already put on record its views, with regard to the importance of this work, I think the amendment is more in accordance with the facts, and will therefore support it. I am satisfied the Government are quite aware of the necessity of the work, and are pushing it forward as fast as possible. We know large sums have been placed in the estimates to enlarge the Welland Canal, and I think we may well congratulate the Government upon the steps that have been taken.

Mr. THOMSON :---I think both of the motions are directed in the same channel; except that one is an acknowledgment of what the Government are all do not be enl enlarg covers

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are already doing. I do not see any necessity for that, as the Government do not propose to repudiate any contract. That the Welland Canal is to be enlarged is an undoubted fact. What we have to deal with is the enlargement of the St. Lawrence Canals, and I think my resolution fully covers that.

Mr. WM. OSBORNE (Galt): I think that, as an investment, our canals have not been so profitable as to make their enlargement so desirable as is generally supposed. While the Erie Canal, small compared with the Welland, has been able to carry a vast amount of traffic, and to return some profit upon its investment, the Welland Canal, which is much larger and cost much more, has not been employed to half its capacity, and returned no Therefore, the propriety of expending another large sum upon it, profit. as proposed, appears to me a little doubtful. Had it been insufficient to do the work, I could see the propriety of enlarging it; but as a matter of fact, it is large enough already to do twice the work that is being done. The probability is, that as the trade above Lake Superior increases, it will find an outlet, not away to the South by this canal, but down by rail or canal to the Ottawa valley. And who is going to be benefited by the enlargement of the Welland Canal? The American produce-raiser. The produce of Canada carried down that canal is a mere bagatelle. It is true it might improve our shipping; but why should the whole inland country be taxed merely to improve the shipping? If shipping is so profitable, why should it not bear its own expenses? If the amount of money expended on the canals, had been spent in opening up the inland country, it might have been better for our country's prosperity. The Welland Canal only returns two per cent. on the outlay; and seeing that it has never been fully occupied, I cannot understand why a larger expenditure should now be made upon it.

Mr. W. J. KEAYS (Sarnia): I think the amendment is rather a rider to the main motion than an amendment of it. The Government, in my opinion, has not given that attention to the St. Lawrence Canals, which their importance deserves. If you will bear with me, I will read an extract from the Albany *Evening Times*, to show you what our neighbors think about our St. Lawrence route. It says:—

"Ill-informed persons, ignorant that the divided British Provinces of the past and the Dominion of Canada of to-day, are very different affairs, are apt to under-estimate the importance of the progress of events north of the St. Lawrence, in their bearing on the United States, and more especially on the northern and north-western portion of this country. The Act of Confederation has been successful in the object for which it was intended. The prospects of the annexation of Canada to the Union are far less than they were five, or even three years ago. A new nation has been brought into existence, and a national spirit fostered, which is growing stronger year by year. Its effects are already apparent in the growth of commerce; in the construction and enlargement of canals; in the increase of ocean transportation; and in the projected Canada Pacific Railroad. In support of our assertions as to the growth of commerce in Canada, we will cite the city of Montreal as an illustration. The wonderful growth of that old French city, and the great improvements made there, force themselves on the attention of all persons who have recently paid it a visit, and know what it was a few years ago. Montreal has

increased its population since 1850, and mostly within the era of the Dominion, from 57,000 to 150,000 inhabitants. The city is admirably situated for commercial purposes, on the St. Lawrence, and when the canals are completed, will be able to receive the largest vessels from our lake cities, and thus in great measure, divert the grain trade from New York. There are now numerous steamers plying between Montreal and Great Britain, and as the railroad system of Canada is directly connected with that of Chicago, Montreal is as near the Pacific as the metropolis of the Hudson, and twenty-four hours nearer Glasgow and Liverpool than New York. Already four miles of stone docks have been built at Montreal, and ten miles additional are in course of construction ; a large hydraulic dock is projected, and the river to Montreal has been dredged, so that vessels of twenty-four feet draught can approach the safe, handsome and convenient wharves of that city. New York cannot compare with Montreal in some important respects; and in the next decade, the Canadian emporium will inevitably divert much of our Western trade, unless vigorous means are speedily taken to prevent it.

"The opening of Lake Erie to the largest class of lake steamers will immediately draw a large amount of the grain trade from the Erie Canal and from the American railways, if things are allowed to remain as at present. We have the advantage in climate —perhaps four or five weeks in the year—shall we not use it? The Chicago *Tribune* says :—

""During the last week it has been demonstrated that Chicago could receive 2,100 cars of grain, and send back the empty cars to be re-filled, in a single day. It is also well understood, that a daily arrival of 500 cars of grain exceeds the present handling facilities of New York, and grain has to wait in that city, until such time as the slow and roundabout mode of doing business there, will admit of its being transferred. Philadelphia and Baltimore are, in this particular, in advance of New York; they have provided elevators and warehouses, into which grain can be received as fast as it arrives. In New York it has to wait. At Montreal, the arrangements of docks and warehouses are so complete that, whether the grain arrive there by rail, steamer, sail vessel, or canal, it can be handled instantly.

"'Montreal, with the lakes, canal, and river, has superior facilities for water transportation (which we have previously demonstrated to be more expeditious and economical than land carriage). A lake propeller can hold as much grain as 200 cars, and for exportation purposes, the cheapest 'route is certain to be favored by the producers of the North-west. Europe seems to be depending more and more on the western continent for her bread-stuffs, and if they are to pass through Canadian instead of American hands, it will furnish a very sensible item of loss. It seems to us a very bad time to sneer at Canada and the Canadians; it would be better to be up and doing all that is possible, to prevent them from gaining any commercial advantage over us."

I hope this matter will not be lightly dealt with by this Board. In so far as the carrying trade is concerned, our railways can never compete with our water communication. It is, therefore, of the greatest importance to have the latter so improved, that we can command our rightful share of that trade. The question was discussed last year, and I am quite satisfied this is the feeling of the Board.

Mr. WM. HARTY (Kingston): Referring to the delay at Kingston of vessels transporting grain to Montreal, as mentioned by Captain Neelon, I must state that the fault does not rest with our harbor, so much as with the owners of the grain when it reaches Montreal in barges, who sometimes delay craft fully two weeks. I am satisfied that just so soon as the trade has fairly settled down to the St. Lawrence route, Kingston will do its share in the way of building elevators, and I doubt not that Montreal. gentlemen who are interested will lend a helping hand.

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Mr. A. WOODS (Quebec): I was somewhat surprised at the remarks of Mr. Osborne, who seemed to think that the inland producer had apparently little interest in the improvement of our water communications. To my mind, no party is so largely interested in this question of enlarging the canals, as the farmers of the West, for everything that will enable them to ship their produce to the sea-board at a cheaper rate, must be a direct benefit to them. We are all familiar with the history of this subject. In 1838, I think, the exports of grain from Chicago were less than 100 bushels. We know how many millions of bushels they now amount to. Even with the enlargement of our canals, and also of the Erie, with everything that may be done in that direction, it will be almost impossible to keep up with the necessities of the country. We must bear in mind that our canals are very often, in some seasons of the year, more largely drawn upon than the Erie Canal. As to the idea of waiting until a direct profit is derived from these canals, I do not think that consideration should have much weight. If the same rule were applied to railway communication, we would have very few lines in Canada. As a delegate from the East, I think I represent the opinions of my constituents in saying, we are strongly in favor of the amendment to the resolution proposed this afternoon. It acknowledges what the Government have already done in the matter, and shows the anxiety with which we wait the completion of the work.

Mr. W. W. OGILVIE (Montreal): I was glad to hear mention made of Port Colborne harbor. If it were deepened four or five feet, we would be able to utilize the class of vessels that run to Buffalo. Many of you know how the Welland Canal is crowded in summer, and the length of time it often takes vessels to get through ; but we have some relief for that in the Welland Railway. If Port Colborne harbor were deepened first of all, it would be of great service to transportation interests. I was also glad to hear Mr. Neelon speak of the port of Kingston. I think those interested in the forwarding business have been quite alive to the requirements of the country; but the country's growth has been so great, that despite all our energies, the West will increase faster than we can accommodate the trade. That branch of business has not been lost sight of in Montreal; it is one we are all deeply interested in. The question under consideration has been so often and strongly brought before the Government, that I agree with the proposer of the amendment, that we should express our satisfaction at what has been done, and what it is proposed to do; for the pressure has been so great upon them, that I think the work will be carried through with the utmost vigor and energy.

Dr. OILLE (St. Catherines): I believe the public mind of Canada is settled with regard to the enlargement of the canals, and do not think there is any possible ground for reopening the debate. The fiat has gone forth from Canada that the canals must be enlarged. It is the wish of the people, that their great water-ways may be sufficient to accommodate all the trade of the great West, that may seek the Atlantic sea-board. With regard to the remarks as to the small rate of interest that accrues to the country from the money invested in the Welland—after all,

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this is the only great canal in the Dominion that produces any profit at all. The St. Lawrence Canals, I believe, yield no revenue over their expense, while the Rideau is run at a very great loss; and I think the same may be said of the Ottawa Canals. The Welland stands out prominently as a real financial success. I regard the proposed improvement, so as to enable a larger class of vessels to go through to Kingston, and possibly to Montreal, as of very great importance. The Americans are continually increasing the capacity of their vessels. Not unfrequently we see drawn by the propelling power of one engine in a steam barge, cargoes of one hundred and odd thousand bushels to Buffalo; while we, with our size of vessels, can only take from Chicago eastward, in sailing vessels, 20,000 bushels, or in propellers, 10,000 bushels. So long as this state of things exists, we cannot think of competing on an equality with our southern neighbors. In order to hold our own, we must go on with the work of enlarging our canals so that we can use larger vessels. One matter, however, in connection with the enlargement of the St. Lawrence Canals, has apparently escaped attention, and it is with reference to the Beauharnois Canal. It is constructed on the south side of the St. Lawrence, where we are lacking in strength. Of course we are living in the piping times of peace, and do not anticipate even the remote possibility of trouble between Canada and the United States ; but when we propose to expend a large sum of money on a work which is to last for all time, we should locate it in the place of greatest safety. We must all acknowledge that the Beauharnois Canal is on the defenceless side of the river. If it were on the north side, then every link of our chain of internal defence would be complete. And this makes me think the Government, instead of enlarging the Beauharnois Canal, should construct an entirely new canal, on the north side of the river. If they did so, then we would be placed in a much better position of defence in case of war, which, I hope, however, may never Therefore, I think it would be well for this Board to give some occur. expression of its views in favor of a new canal on the north side, instead of enlarging the Beauharnois Canal on the south.

Mr. WM. McGREGOR (Windsor): With the present size of our canals, it is almost impossible for Canadian shipping interests to compete in Canadian bottoms with the Americans, owing to the shipping laws of the United States. Until a very few years ago, we owned but a small portion of the fresh water tonnage. But were our canals enlarged, we could then compete very favorably with the Americans in this branch. For instance, at present we are deprived of the trade that American boats have from Chicago to Buffalo; but if we could take our crafts from Chicago to Montreal, we would be placed at a greater advantage.

Mr. JAMES KING (Sarnia): I fail to see much difference between the motion and the amendment. Would it not be better to combine them, and let us have a unanimous vote? I think there is no one here, who does not favor the enlarging of the Canals. There can be no doubt that at present we are placed at a great disadvantage as compared with the Americans. Shippers have no hesitation in saying, that they cross to the other side, buy a vessel there, our rou Wellar to mee place c M import:

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there, and make double as much as they could with a Canadian vessel on our route. Twelve feet has been stated as the proposed depth of the Welland; but I consider that insufficient. Fourteen feet will be needed to meet the requirements of the trade, and it would probably be well to place on record a resolution to that effect.

Mr. JAMES MACPHERSON (St. John's, Q.), called attention to the importance of the Caughnawaga Canal, and hoped it would not be overlooked.

Mr. JAMES DOUGALL (Windsor): When this question was up before, I contended that the depth of our canals should be at least fifteen feet, to enable us to take the tonnage of the upper Lakes that went to Buffalo. My proposition, however, did not carry, and we recommended the Government to make them 12½ feet. I think there is danger that the Government will make them too small. The trade is growing so fast, that what will suffice now, will not suffice five years hence. The American Government propose to send out a Commission, to examine as to the feasibility of deepening the river navigation between Chicago and Buffalo to 15 feet. If that were done, our canals would be altogether too small, and we would still be at a disadvantage as compared with the Americans.

Hon, JAMES SKEAD (Ottawa): It is admitted on all hands that the Welland Canal should be enlarged, and I trust our Government will push the work forward to completion at the earliest possible moment, and will make it large enough to meet the requirements of our fast-growing trade. The best guarantee of peace with the United States that we can have, is 12 feet of water in the Welland Canal. I believe it is worth all the needle guns ever made. Give us 12 feet of water, and they will soon be begging us to let them through. But there is another route to the ocean, which we should look forward to using at no very distant day. I refer to the route from the Georgian Bay to and down the Ottawa Valley. I do not say this work should be undertaken first. Complete your St. Lawrence and Welland Canals; but in five years you will require to build a canal from Georgian Bay to this city, which will shorten the distance from Chicago to the Ocean some 400 miles. Whoever lives twenty years longer, will find a volume of trade pouring down to the sea-board, large enough to fill both these canals; and by our possession of them, we will have the carrying trade of this continent. When the Washington Treaty was negotiated, provision should have been made for making this canal a joint work of the two countries; and perhaps at an early day, negotiations may be set on foot between the two Governments for this object. However, I admit the St. Lawrence and Welland Canals must be attended to first; but you must not forget that our Ottawa section is a part of the Dominion, and that very soon we shall claim the expenditure of some millions on this river of ours.

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Mr. WM. THOMSON announced his willingness to withdraw the motion, his seconder having consented to it, in favor of the amendment. This was accordingly done, and the amendment, which then became the main motion, was carried unanimously.

The question of the Sault Ste Marie Canal was the next in order, but it was postponed until the arrival of the Hamilton delegates, who had it in charge.

# KINGSTON HARBOR.

Mr. WM. HARTY (Kingston), said the Kingston Board of Trade desired to bring before the Board the proposition numbered 11 on the Official Programme; but yesterday, Mr. Carruthers and himself had called upon the Minister of Public Works, and were informed that an engineer had been sent last summer to report upon Kingston harbor. This engineer had returned only a few days ago, and his report had not yet been submitted. As the object of the Kingston Board had thus been mainly accomplished, he would beg leave to withdraw the subject from the consideration of the Board for the present.

Agreed to.

# SARNIA HARBOR.

Mr. JAMES KING (Sarnia), said that since the notice respecting Sarnia harbor had been placed on the Official Programme, the Government had had the Bay of Sarnia sounded and mapped out, and the obstruction was likely to be removed shortly. He would therefore ask leave to withdraw the subject.

Agreed to.

## GRAVING DOCK AT QUEBEC.

Mr. I. N. BELLEAU (Levis): Iam sorry a number of Quebec delegates are not here to-day, as they are deeply interested in this matter. But I am convinced that every member of the Board will understand the necessity of building this graving dock at Quebec. As soon as our Harbor Commission was organized last fall, it took the matter into consideration. The Imperial Government being disposed to grant a subsidy towards the work, Mr. Grant, the Secretary of the Quebec Board of Trade, proceeded to England to press upon them the importance of the work. The news we have received from him is to the effect that he will be successful. The Quebec Harbor Commissioners propose to ask the Dominion Government for a similar sum-about  $\pounds 20,000$  sterling—and the Commissioners are willing to pay the balance of the expense. The necessity for such a dock as is proposed has long been apparent, and especially of late. Every season, for the last three or four years, two or three steamers have met with accidents in the St. Lawrence. It has been ascertained that it is possible for steamers to leave Quebec even during the winter season. On the Levis side, there are places in the river where ice very seldom forms; so that steamers needing repair before leaving Quebec, could put in there, and leave even in the Winter,-or at any rate very early in the Spring. The work is evidently a Dominion work, and I trust it will receive the favorable consideration of this Board. I move the following resolution :---

"That in the opinion of this Board, the Dominion is deeply interested in the contemplated construction of a Graving Dock at the Port of Quebec, which would greatly promote the shipping interests of the country; that therefore this Board strongly urges upon the Dominion Government the necessity of taking a favorable view of the matter." from ] he ren size of that in tonnag alread that st thus f Domin this re

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Mr. A. WOODS (Quebec): I am pleased to hear the representative from Levis advocating the construction of a graving dock at Quebec. As he remarks, it is a work of material importance. We all know that the size of the vessels frequenting the St. Lawrence is yearly increasing, and that in some cases, accidents have happened to steamers of very large tonnage. The consequence has been a great loss to the owners. As has already been explained, it is to obviate the possibility of such occurrences that steps are being taken to build a graving dock at Quebec. The news thus far from our delegate in England is very encouraging, while the Dominion Government are favorable to the view of the matter stated in this resolution. Therefore, I second the motion.

Mr. C. H. FAIRWEATHER (St. John, N.B.): 1 regret that Mr. Cathcart Thomson, the delegate appointed for Halifax, is not here. I have heard for some time past, that the British Government have contemplated establishing two graving docks in the Dominion, one at Quebec, and the other at St. John or Halifax. I scarcely think, therefore, we should deal with this question, as if Quebec alone were concerned; and I therefore beg to move in amendment to the resolution:

That the words "Graving Dock at Quebec" be omitted, and the following words be inserted in their stead: "Graving Docks at leading ports of the Dominion."

I am far from speaking in opposition to the establishment of a graving dock at Quebec. On the contrary, I recognize its importance to the trade of the St. Lawrence. At the same time, I should be disinclined to leave out of view, an expression of opinion with reference to the other ports, especially in the absence of the Halifax delegate, and consequently hope the resolution will be amended in the way I have proposed. I need not say a word with respect to the capacity of the harbor of Halifax; I should desire to leave that to the delegate from that city if he were here. But I may say, that St. John will present its claims to be one of the places at which a graving dock should be established, if two are to be placed in the Dominion, which is, I believe, the intention. The fact that a port is accessible at all times of the year, must be a matter which the Imperial Government will consider, in making grants for graving docks in the Dominion. St. John enjoys this advantage, as it has never, in the memory of man, been in the slightest degree inaccessible in winter; and of all the ports this side New Orleans, St. John is, I believe, the only port of which this can be said. The large shipping interest of St. John brings there a large number of workmen, and every facility for repairing vessels expeditiously and cheaply. I present this view of the subject to the Board, at the same time wishing to be understood as offering no opposition to the establishment of a graving dock at Quebec.

Hon. T. R. JONES (St. John, N.B.): I second the amendment. I also have no wish to oppose the resolution. But I must say, that as it is worded, it looks rather sectional. If the gentleman from Levis would allow his motion to be withdrawn, it would in no way militate against the object he has in view. Some ten years ago the British Government made an offer, 42

I think, to any of the leading ports of the Dominion, to grant £20.000 towards building a graving dock, provided such port would pay the balance. and build a dock that would answer the purposes of the British Navy on the coast of America. This offer has never been taken advantage of by any of the Dominion ports, and I am very glad to see Quebec moving in the matter. I really do not know what a graving dock would cost, but it seems to me that £20,000 from the British Government, and a like sum from the Dominion Government, would cover the whole expense, and Quebec would be at no outlay whatever. I have no objection to that, provided the same opportunity is allowed to the harbors in the Lower Provinces. It is a well known fact, as the mover of the amendment has stated, that St. John is at all seasons an open port, in which the largest ships of the British Navy can float at all times of tide and weather. I will not even place it second to Halifax, which is probably as good a port for a graving dock as any in the world. I think, therefore, the resolution had better be withdrawn; if not, I shall feel obliged, taking the view, as I do, that this Board should not be sectional, to vote against it.

Mr. WM. ROBINSON (Galt), thought the influence of this Board with the Government had been considerable, but that it might be weakened by going too far, and asking Government aid in matters within the power and resources of individuals or companies. Their opinions would continue to receive greater consideration by preserving moderation in their requests, rather than by recommending so many things that the Government would probably feel unable to take up.

Mr. A. Woods: The last remark can hardly apply to this matter, for there can be no question that the Government approve of the scheme. I quite appreciate the remarks of the last speaker, with reference to the influence of this Board, but I think that influence can best be preserved, by not passing resolutions so general in their nature that they have no application, but by directing them towards some specific object. I have nothing whatever to say against the ports of Halifax and St. John. But I think we should weaken the force of our recommendation to the Government, if we adopted the amendment, which simply advocates the building of graving docks at the leading ports, and would merely be asserting a general statement, having no application to the case before us. This matter has been so far matured, that the parties interested-the city of Quebec, the Dominion Government and the Imperial Government, have each guaranteed one-third of the expense. We have made an estimate of the cost of a graving dock 500 feet long, capable of taking in the largest class of steam vessels, and it amounts to about  $\pounds 60,000$  sterling. The object of the motion is simply to induce the Board to endorse what has been done. I therefore feel indisposed to consent to the amendment, but would much rather withdraw the resolution altogether than have it diluted as proposed.

Mr. T. WHITE, jr. (Montreal): I am decidedly in favor of the proposal in this resolution; but it seems to me that the gentlemen who have introduced it are not likely to promote the interests of their work by pressing the

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motion. It is evident that the delegates from the Maritime Provinces, very properly, feel that if a work of this kind is to be constructed at all, there should be a corresponding one in their Provinces. It is understood that there will be two graving docks built-one at Halifax or St. John, and the other at Quebec-and if we pass the motion with the amendment, it will look as if it was merely added for the purpose of carrying the resolution. On the other hand, if we reject the amendment, we must look for the opposition of those in favor of it, and that might have the effect of defeating the original resolution. I understand from our Quebec friends, that they have the assurance of the present Government, -as I know they had of the late one-that if the Imperial Government carried out the proposal made some years ago, to grant  $\pounds 20,000$  sterling towards the construction of a graving dock, they would grant a similar amount. If that is the fact, it seems to me it would not be wise to weaken the hands of the Government. Believing, as I do, in the importance of a graving dock at Quebec, and recognizing fully the value of such a work in the interests of the Dominion at large, yet I would urge very strongly the withdrawal of the motion, rather than the pressing of it, with the risk of its being defeated, especially as the Government already are willing to aid the work. If this course is taken, I think the Quebec Delegates will find it to the advantage of the scheme they have on hand, the importance of which no one can, for a moment, over-estimate.

Mr. BELLEAU: I have no objection to withdraw the motion; but I am still of opinion that this is not a sectional matter. It is a question of general interest to the whole Dominion, which is shown by the fact that both the Imperial and the Dominion Governments are disposed to favor it. It is well known that the latter Government are willing to subsidize the construction of a dock in one of the ports of the Lower Provinces; and if the Board of Trade from those ports wished us to co-operate with them in getting this subsidy, we would be the first to do so. We understand that if it is necessary to have a graving dock at Quebec, it is equally necessary to have one in the Maritime Provinces. However, I beg to withdraw the motion.

Motion withdrawn.

After some conversation on the subject of holding an evening session, Mr. ELLIOTT moved, seconded by Dr. OILLE:

That the Board hold a meeting this evening from 7 to 9 o'clock.

Mr. HARTY moved in amendment, seconded by Mr. O'NEILL:

That owing to the absence of several delegates, this Board do now adjourn and stand adjourned until 10 o'clock to-morrow morning.

The amendment was carried, and the Board adjourned accordingly.

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# SECOND DAY'S PROCEEDINGS.

### MORNING SESSION.

## WEDNESDAY, 25th February, 1874.

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

### RECEPTION OF UNITED STATES DELEGATES.

Mr. H. McLENNAN (Montreal): The delegates from the United States National Board of Trade now being present, I move "that they be received and accorded all the privileges of this Board." As one of the delegates from the Dominion Board of Trade who visited Chicago, I must acknowledge the courtesy that was extended to us, the friendly hearing we received, and the favorable expression of the National Board in reference to the question of reciprocal commercial relations between the two countries.

The motion having been seconded by Mr. A. JOSEPH (Quebec), was carried unanimously, and the President introduced, amidst cheers, the following American delegates:

WM. P. McLAREN, Esq., (Milwaukee), chairman of the delegation; HON. R. HAWLEY, (Detroit);

GEO. L. BUZBY, Esq., (Philadelphia);

Captain E. P. DORR, and FRANK DORR, Esq., (Buffalo).

Mr. WM. P. McLAREN (Milwaukee), said:—Mr. President, and Gentlemen of the Dominion Board of Trade:—On behalf of the National Board of Trade of the United States, and on behalf of the delegation here representing that Board, I have to return you our most hearty thanks for the very cordial welcome you have given us. One of the most pleasing and profitable results of the organization of these two Boards, has been this bringing together of the business men of the two countries, that they may become better acquainted with each other, and unite their efforts in bringing about measures for the benefit of the trade of the two countries, such as may seem to them desirable. The previous meetings of the two Boards have been very pleasant and profitable ; and it is in the hope that a similar result may follow this meeting that we are here to-day, and are honored with the welcome you have just given us. Among the subjects that the two Boards have generally considered, the question of reciprocal trade has been one of the most important,—not, however, because any of us think that reciprocity

is a necessity to either country. We in the United States feel we can get along without it; and if any one were disposed to doubt whether Canada requires reciprocity as a necessity, he has only to look at the commercial history of the country during the past nine years, to have his doubts entirely set at rest. You can exist without reciprocity just as well as we can. But experience has taught us that countries having close commercial relations interwoven with each other, are immensely benefited by having these relations placed upon the freest possible basis. And that is just what we mean by reciprocity. We deem it desirable, that without interfering with the necessary demands of the revenue regulations of either country, our commercial relations should be placed upon as free a basis as possible. That is all we are laboring to bring about. The question is often asked : whether our meetings have any practical result? I think we have effected some practical result on our side of the lines, and that we are tending towards something that will bring our Government very soon to practical action in the matter. The action taken at our last meeting at Chicago, tended most decidedly to a decisive result. But aside from that, we have done a great deal towards forming and moulding public opinion, which underlies all legislation in every enlightened country. At the last two meetings of our Board of Trade, the two most important questions were those of finance and transportation. In regard to the former question, much of our discussion would not be of practical importance to you in this country. But it is of importance to you, business-men of Canada, that we should come, as a basis in our commercial transactions, to that currency which is the basis of the world's commerce. And I am glad to say that our Board of Trade has, as it always did, expressed the opinion, that it is desirable we should at the earliest practicable moment come to specie payments. So far as the question of transportation is concerned, it is one in which you are equally interested with us. The producers and shippers of the grain crop of the West, are looking for the solution of the great problem of the age-cheap and rapid transportation; and the St. Lawrence is one of the great channels through which the commerce of this continent must Of course, in considering this question, we find the inevitably flow. feeling of competition in some sections very strong. I do not despair on that account; competition is all right; it is just what we want. I sympathize very much with the remark made here yesterday, that there should be no sectional feeling on this question, or disparagement of any one route of transportation. We are justified, I think, from the experience of the past, in believing that every route that can be utilized will be needed. We have hitherto found, that great as has been our progress in developing the different routes of transportation, they have not at any time come up to the requirements of trade. We are, therefore, justified in assuming, that we may go on and improve all the routes from the West to the Ocean: enlarging our Erie Canal to its utmost capacity,-building our doubletrack freight railways,-enlarging the St. Lawrence Canals,-opening out a route down this Ottawa Valley-and yet, with them all finished, find the trade of the country will keep them fully occupied. Mr. President, I have no intention of occupying the time of this Convention with any lengthy

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remarks. I will therefore close by congratulating this Dominion Board of Trade upon the great success which has attended their meetings, the increasing interest taken in them, and the apparent increase in the influence which it is exerting in regard to the commercial opinion of this country. Again thanking you for your great kindness in receiving us, and tendering us the privileges of this Board, I beg to bring my remarks to a close. (Applause.)

### ORDER OF BUSINESS.

Mr. T. WHITE, Jr. (Montreal), moved: "that only those questions which were unopposed be first taken up." In this way a great deal of important business about which they were all agreed, could be wiped off the programme, and subjects that would give rise to long discussions, could be taken up afterwards.

The motion being seconded by Mr. WM. PENNOCK (Ottawa), and put to the Board, it was carried.

### RAILWAY TARIFFS.

Mr. JAMES MACPHERSON (St. Johns, Q.), moved the following resolution :--

"That the attention of the Government should be called to the infringement by several Railway corporations of clauses 27, 28 and 29 of the Act concerning railways, Chap. 66 of the Consolidated Statutes of Canada."

In proposing this resolution, he said he regretted to have to state that some of the leading railway companies had been acting contrary to the Railway Act, inasmuch as they had never submitted their tariff to the Governor-General in Council as required by law. The result was that they frequently had three or four different tariffs during the course of the year. This was especially the case on that portion of railway that leads from St. John's to the border, where, in some instances, the rates for freight were so high, that many parties had adopted the old-fashioned plan of teaming, finding it as cheap to team 30 or 40 miles, as to ship by rail at the rates sometimes charged. The object of his Board in desiring him to bring the subject before the Dominion Board, was that they might call the attention of the Government to it, in order that the law might be enforced. The people of the Eastern Townships had done a great deal to aid in building railways and it was specially grievous in their case to be compelled to pay excessive freight charges.

Mr. WM. DARLING (Montreal), seconded the resolution, which on being put to the meeting, was carried.

### CANADIAN TONNAGE AND MR. PLIMSOLL'S BILL.

MR. ROBERT MARSHALL (King's Co., N.B.), read the following paper on the above subject :---

The Shipping interests of Canada are so extensive and important, that I feel it unnecessary to apologize for the introduction of a paper on the subject. I shall begin with acqua what

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with a reference to ship-building in the Maritime Provinces, because I am best acquainted with its history and present condition there; but, I presume, most of what I am about to say will equally apply to it in the Province of Quebec.

You are all aware that in New Brunswick and Nova Scotia, and I may add Prince Edward Island, ship-building has for a long time been one of the principal and most prominent branches of business. Formerly, most of the vessels were built either under contract for parties in England or for sale there, and when they once passed out of the builders' hands, our interest in them ceased. The only object then was to satisfy the English purchaser and to get a remunerative price. The profitable earnings of these vessels were lost to the country, and the benefits reaped by persons who seldom re-invested in our Provinces. But as our ship-building places grew in wealth and population, this practice has been gradually abandoned. The ship-builders have been joined by local capitalists and others seeking an investment yielding a large percentage of profit, and the business of ship-owning in shares is now one of the chief elements of our country's wealth. This "new departure" not only pertains to our sailing vessels engaged in the carrying trade to and from all ports of the commercial world, but also to the general passenger and freight business in which many valuable iron and wooden steamers and sailing vessels are employed on inland, coastwise and transatlantic voyages.

The Confederation of the Provinces in 1867 gave a new impetus to trade, a consequent increased circulation of money, and a greater activity to our industries. The plan by which we built our ships without aid from abroad, retained them in our own hands, and sailed them so successfully, was followed to a greater extent than ever; and to-day, our vessels are built almost exclusively for native owners, who send them abroad as common carriers. Our tonnage is increasing more rapidly than that of old and wealthy nations. The large additions which, since the union, have been made to the fleets of the several Provinces, place Canada in a most distinguished position as a ship-owning country. She now certainly holds the fourth, if not the third place, in gross amount of tonnage, and, if there come no check to its present rapid rate of increase, the time is not far distant when she will be second. She already owns more tonnage in proportion to her population than any other country in the world. The people of Canada, therefore, have a greater interest in the prosperity of their shipping, than have the people of the United Kingdom, France, Germany, or the United States in theirs.

It is not my present purpose to speak of the several great lines of ocean steamers, such as the Allan line, the Dominion, the Temperley and others, now so closely connected with the interests of this country; nor of the excellent iron sailing ships of the Canada Shipping Company. They merit a paper to themselves. I confine my remarks to native-built wooden sailing vessels which are owned and registered in Canada, and are employed as common carriers in the Atlantic trade, and in distant voyages. The value of these vessels is something enormous, and any improper restrictions or difficulties put in the way of their successful running, cannot fail to be felt as an injury and a loss to the whole country.

At the present time, questions concerning the character, condition, and loading of ships, with a view to prevent, as far as possible, loss of life at sea, are occupying the minds of people in all maritime countries, and notably in the United Kingdom, where they were first made to attract attention. It is needless to say these questions have a deep interest for Canadians, who are behind no people in their regard for human life, and in their readiness to take measures for its protection and preservation. The agita-

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tion commenced for this purpose in England seems, however, to have been made use of by certain parties there to promote their own interests.

A great effort has been made to get the approval of the British Parliament to a Bill, whose provisions would have a very prejudicial effect on our shipping. I allude to the famous Plimsoll Bill. Its immediate result would be to render valueless the character assigned to our ships by the Bureau Veritas, (where most of them are classed,) to expose them to the hostile influences of the British ship-builder, and to subject them to annoying, and probably unfair restrictions, with regard to loading.

When this Bill was first spoken of, it created a feeling of alarm and uneasiness among ship-builders, owners, and others throughout the Maritime Provinces. At that time, I wrote a brief paper on the subject, under date 30th April, 1873, which was very generally circulated. I sent a copy of it to Mr. Plimsoll, in the hope that it would at least make known to him how great an interest Canadians had in the matters treated of in his Bill, and how great an injury they should suffer if it passed in its original form. He courteously acknowledged the receipt of that paper, which, with your permission, I will now read.

#### MR. PLIMSOLL'S BILL FROM A CANADIAN STANDPOINT.

"The writer, availing himself of the chief arguments which have lately been adduced as to Mr. Plimsoll's Bill, would respectfully suggest certain alterations in regard to CLASSIFICATION AND LOAD LINE which, while not interfering with the general scope or humane objects of the Bill, would yet save Canadian shipping from the great and needless injury that is sure to follow if the Bill, in its present shape, becomes law.

"The shipping of New Brunswick in the aggregate amounts to 1,209 vessels registering upwards of 278,000 tons, and is now mainly composed of vessels of large tonnage engaged in long voyages. The shipping of the adjoining Province of Nova Scotia consists of about 4,000 vessels measuring over 440,000 tons; and at a moderate estimate the combined tonnage of these two Provinces alone is worth upwards of Thirty Millions of Dollars, which is constantly and rapidly increasing: for example, the tonnage in course of construction or about to be built during the present year in New Brunswick will exceed 40,000 tons; and that in Nova Scotia will probably reach 60,000 tons; while the whole Merchant shipping of Canada is more extensive and valuable than that of any foreign nation except the United States of America.

" Of late years the bulk of Canadian sea-going vessels have been built under the survey of Bureau Veritas, and about eight-tenths of the vessels owned in New Brunswick are now rated in that classification, while the per centage of vessels belonging to Nova Scotia and classed in such Registry, is equally large.

"The vessels classed as above stated have been placed with British, Canadian and other Marine Underwriters, on as favorable terms as if rated in Lloyd's Register of British and Foreign Shipping, and both these classifications have hitherto been looked upon and recognized in the United Kingdom and the Colonies as equally and relatively reliable, and also considered faithful arbiters between Underwriters, Freighters and Owners.

"As to the character of Canadian tonnage. The vessels are built under contract with special regard to strength and durability, the owners, as a rule, paying particular attention to the quantity and quality of the materials used in their construction. A great change has, therefore, taken place in the rules of classification within the past few years, which, with the requirements of the carrying trade, has enabled and justified the builders to construct vessels of the highest grade for owners in Canada or elswhere. The consequence is that fully three-fourths of all Canadian tonnage is built for A 1 rating in the first degree of English Lloyds, or its equivalent in French Veritas, and is, in every respect, fit to carry dry and perishable cargoes to and from all parts of the world, delivering the same in the best of order.

"Such vessels, when their original term of class expires (although they open up sound for renewed class) are generally disposed of in other markets, and thereby the high character of our tonnage is maintained.

"In view of the foregoing facts, it is clearly warrantable and necessary to modify and amend the last paragraph of the fifth clause of Mr. Plimsoll's Bill, to read as follows: by a Su Shippi Veritas be reco survey by the Act an may be of obta survey

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"'Provided always, that when any British or Canadian ship has been surveyed, either by a Surveyor of the Committee of Management of Lloyds Register of British and Foreign Shipping, or of the Liverpool Underwriters' Registry for iron vessels, or of the Bureau Veritas, or by any Register of Shipping that may hereafter be established in Canada, and be recognized or sanctioned by the Dominion Government as an institution for the proper survey and classification of Canadian ships; a declaration of survey in the form prescribed by the Board of Trade, and containing the particulars specified in the third Schedule to this Act annexed, signed by such Surveyor or by the Secretary of such Committee or Registry, may be transmitted to the Board of Trade in lieu of, and the same shall, for the purposes of obtaining a Certificate under this Act, be of the same force and effect as a declaration of survey by one of the Surveyors of the Board of Trade.'

"As to Load Line, the writer would submit that, in consideration of the superior class of wooden vessels built under special survey in Canada and constructed of the best materials, as already shewn herein; it would be only fair to make a special modification in their behalf of Mr. Plimsoll's table as to free-board. The good character which Canadian vessels have earned by the safe carriage of valuable East India and other cargoes, on the same voyage as iron ships, has enabled them to compete successfully with the best class of iron vessels, and therefore warrants a change in the fourth Schedule on page 12 of said Bill, so far as relates to Canadian built vessels, and it is respectfully suggested that columns A A A in said Schedule be altered to read as follows:

" 'Free-board.-Iron ships and wooden class-vessels of Canada.

"The A 1 Canadian wooden ships being fully as buoyant as iron ships with the same free-board; and although the evils which Mr. Plimsoll's Bill is designed to counteract and prevent, chiefly exist in iron ships, yet the Bill places first class Canadian vessels at a disadvantage, while they have always done their work with every possible degree of safety.

"The greater proportion of Canadian shipping being now classed in Bureau Veritas only, the exclusion of the Veritas mainly affects such tonnage (as no Canadian classification has as yet been organized). Its exclusion will be more seriously felt and prove more disastrous to Canadian shipping than to any other tonnage, home or foreign. Mr. Plimsoll's Bill appears to be especially and manifestly injurious and unfair to the shipping interests of Canada; and when it is considered that this Bill was sudden and unlooked for legislation, as far as Canadian tonnage is concerned; affording our shipowners no time to protect their interests; it is confidently hoped that it will be deemed exceedingly impolitic to ignore the present classification of Canadian vessels in Bureau Veritas, and that the proposed Bill will be so amended as to recognize such classification of Canadian registered ships, at least until the Royal Commission appointed by the British House of Commons has reported on the whole subject; meantime, if it were conceded that the Canadian vessels classed in Bureau Veritas prior to the passing of Mr. Plimsoll's Bill, be exempt from special survey, in the same manner as if classed in English Lloyds, it would be a great boon to this country.

"Still, if after mature consideration by the British Parliament of all the representations made in favor of Bureau Veritas, it is not thought advisable in the general interest of great Britain and Canada, to recognize, endorse or sanction, even for a limited period, the Bureau Veritas, or any other foreign classification which is beyond the control of the Home Government: then, in that case, let there be inserted in Mr. Plimsoll's Bill a recognition of any approved Canadian Lloyds Registry which may hereafter be established. In any event, however, it would be requisite to make this stipulation, as the subject of a standard classification for Canada is now being agitated through the Press of the Dominion, and its importance is being impressed on the Dominion Government, who are urged to inaugurate and promote the undertaking; for, as already stated, the Canadian shipping is now mostly classed in Bureau Veritas, and the framers of the Bill should consent to some way of escape for Canadian tonnage so situated, either by making a stipulation that such vessels already classed in "French Lloyds" at the time of the passing of Mr. Plimsoll's Bill, should be placed on the same footing as if classed in English Lloyds until the term of their present class therein expires; or that such vessels shall be transferred to the "Canada Registry" to be recognized by said Bill, which Registry could be made to protect the interests of Canadian vessels already classed in Foreign Registers, by allowing them an equivalent rating in the Home Registry, without entailing the inconvenience, delay and extra expense of transferring them to English Lloyds, or being obliged to have recourse to the still more expensive system of special survey on each and every departure from a British Port, to which the proposed Bill, in its present shape, makes them liable.

"The Government of Canada will doubtless give this subject that earnest consideration and attention which its vital importance demands, and submit their views to Parliament now assembled at Ottawa, so that the whole matter may be fully digested and such action taken as the Government may deem best on behalf of Canadian shipping.

"A rapid development of the ship-building resources of the Dominion is now being prosecuted; and if the Bureau Veritas or Home Canadian Register, when established, be excluded from the Bill, it would give to Lloyds Register of British and Foreign Shipping, and Liverpool Underwriters' Registry for Iron Vessels, a monopoly which would not only prove detrimental to Canadian shipping, but also extend its injurious effects to the commercial public at large.

"The spirit of activity and enterprise which has been thrown into the important pursuit of ship-building in Canada, has made this country a leading Maritime Power in connection with the British Empire; and if the Home Government were to appoint one or two prominent Canadian Ship-owners or Merchants on the Royal Commission of Enquiry, it would prove advantageous to the general interests of both countries. The unity and identity of Canadian Commerce is so closely allied and associated with that of the Mother Country, that there is every reason to hope the British Parliament will so amend the proposed Bill as to materially assist, accelerate, and protect this, the chief branch of the Nation's wealth.

### ROBERT MARSHALL,

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Marine Insurance Agent and Attorney for New Brunswick Lloyds Association of Marine Underwriters.

Mr. Plimsoll is, no doubt, sincere in his philanthropic efforts, but there is strong reason to believe that he has been unconsciously influenced in the preparation of his Bill by parties who seek to make it a means to promote certain selfish interests, rather than the humane end he has in view.

You are all aware that a Royal Commission was appointed to enquire into the subjects of the Bill, and to report on it. There is a wide-spread feeling in Britain that something will have to be done by Government, which alone has authority to make regulations extending to all, and power to enforce them. In an able letter on the subject, (lately published in the London *Times*), David McIver, Esq., of Liverpool, a distinguished member of the Cunard Company, says :--

"There is, I believe, no remedy other than Government supervision; but I think it is quite likely that, now merchant shipping affairs have become so important, it might be right to constitute the Marine Department of the Board of Trade as a separate and distinct establishment. Why should there not be a Merchant Shipping Board—a permanent Royal Commission, as it were—which should take over the existing machinery of the Board of Trade and control all matters in regard to shipping and emigration?"

If a Government system of classification and supervision be established in England, there can be no doubt that it will be framed, and its regulations enforced, solely with a view to British interests, and without any consideration whatever for those of Canada. Suppose such a law already existed there, and that we were required to comply with it, what would be the result? Let us look at the past. In Britain, not many years ago, iron sailing ships, and more recently, steamers, were in great favor. The iron-working interest and the iron ship-building interest are very powerful there, and they exercised a great and visible influence on Lloyds. The "Register of British and Foreign Shipping" gave these vessels the highest class for a very extended period, while our wooden ships, however well constructed, were limited to a time absurdly short; for instance, a hackmatack ship to six years in the A 1 class, and a spruce one to four. This led us to seek a more just appreciation of our vessels elsewhere, and caused most of them to be built under survey of the Bureau Veritas, which gave them a longer period, and whose classification has been recognized as reliable in all parts of the world. The strength and

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excellence of our spruce vessels became better known, and the Bureau, justified by experience, has since granted them the character A 1. 1. 3.3 for nine years. The managers of Lloyds Register were not blind to these facts. They perceived that our vessels were really good, and that, while their merits were recognized and confirmed by another Association of high standing, there was no longer any advantage to themselves in excluding them from their just due. Consequently, they gradually lengthened the time for which they gave the A 1 character to spruce vessels, making it about equal to that of the Bureau Veritas, and, for the last four years, we have received from both these registrations very satisfactory treatment. But once let it be made compulsory on our ships before they can carry a cargo from a British Port, to be classed in Lloyds, or in any other purely British registration, the same hostile influences we encountered in the past, and which are now endeavouring to effect this, would operate again unchecked, and we should find the selling value, the rates of freight and of the insurance of our vessels seriously affected.

What, then, can be done to advance the interests of our ships, and protect them from these threatened evils? The best and most efficient safeguard will be found in a home classification—a Canadian Lloyds, established by Government authority, and under Government control. This Board will have a standing and an influence such as no private organization can possess; it will command attention and respect in Britain; its voice will reach Parliament, and will do much to modify, or prevent, their legislation applying injuriously to Canadian vessels; and a general recognition of its classification will no doubt be made.

For the class-character of our vessels, we have been hitherto dependent, I may say entirely, on two great Private Associations, Lloyds Register of British and Foreign Shipping, and the Bureau Veritas; the one an English, the other a French body, but neither of them connected with this country, nor concerned in its prosperity. Their requirements, therefore, for a vessel of good class, though in general such as must be approved of and followed, were made rather with reference to ship-building in their own respective countries than in ours. We have been compelled to use such-and only such-materials as they have prescribed, although there are in our forests other kinds of wood well suited for the purpose, of which we might frequently have availed ourselves with advantage. That no system of Government classification yet exists in other countries is no reason why we should not have one here. The want of a well arranged and national system is already felt in the United States. A large meeting of the shipowners of that country was recently held in the city of New York, and at that meeting it was acknowledged that the three rival American Registers "are not placed upon a sufficiently important basis to be faithful exponents of the shipping interests of the country," and that "a purely American List, which shall is a standard work, is needed."

Some persons object altogether against Government action in this matter, but I think, not on good grounds. It is the duty of a Government not only to protect the lives and property of those over whom it is placed, but to do what it fairly can to advance their interests and promote their welfare. The late Canadian Parliament, at its first Session, very properly recognized this principle, and acted upon it, when, in view of the loss of life and property occasioned by vessels attempting to carry too great deck loads, they passed an Act limiting deck loads to a reasonable quantity; and also another, intituled "An Act relating to Shipping, and for the Registration, Inspection and Classification thereof." Under this Act, a Board will be appointed in connection with the Bureau of Marine and Fisheries, and subject to its management. The Rules and Regulations drawn up by this Board will be submitted to the Governor-General in Council, and after approval, will be published in the Royal Gazette, and go into effect. These Rules and Regulations will be based upon those of Lloyds Register and of the Bureau Veritas,

embodying all that is essential and judicious in those two systems, with such reasonable additions and modification, as Canadian ship-builders require, yet such as will, at the same time, sustain and insure the continued high character of our vessels. Competent and experienced surveyors will be appointed in all ship-building districts in the Maritime Provinces, and along the rivers and inland waters of the West, who will supervise the construction, outfit, repairing, and condition of vessels placed under their inspection; for this the fee charged to the ship-builder or owner will be quite moderate.

Many of our leading merchants desire that the Government should appoint also three boards of reference, of, say, five members each, one board for Ontario and the Great Lakes, another for Quebec, and the third for the Maritime Provinces. These boards to be composed of ship-builders, owners, and underwriters, and to have authority to arbitrate and decide on any difference that may arise between the general and local surveyor on the one part, and the ship-builder or owner on the other. These local boards would also be useful bodies to suggest to the head of the department any judicious modification or amendment to the Rules and Regulations. Their members should receive no salary, except a moderate fee in those instances in which their services are required.

It is, I understand, the intention of our Government, even when its own system of classification goes into effect, not to ignore that of Lloyds Register, or of the Bureau Veritas, two institutions from which our shipping has derived much benefit. It will likely, however, be made compulsory on all vessels to be classed in some standard registry leaving the owners to choose between Lloyds Registry, the Bureau Veritas, and Canadian Lloyds; but it is thought the greater advantages of classification in this last will, in any case, lead nearly all our vessels to be classed under it. Our Government, therefore, will have a full knowledge of the construction and quality of our ships, and having, as it were, their character in its keeping, will be in a position, at any time that detrimental measures may be attempted in England, to discuss them with the Imperial Government, and with a claim to consideration, and a prospect of success, which no private organization could possibly have.

A registry book will, it is presumed, be published annually. I would suggest that it be made to contain tabular statements of all vessels owned and registered in Canada. These statements should be so arranged as to show the number and tonnage of vessels of each different rig, such as ships, barques, brigs, schooners, and the like; and the number and tonnage of those classed under Lloyds Register, the Bureau Veritas, and Canadian Lloyds respectively. The number and tonnage of registered fishing vessels, and of steam vessels, should also be distinctively shown, and, if possible, the number and tonnage of vessels employed exclusively on our lakes and rivers, should be given separately from those making coasting and ocean voyages. A similar statement, embracing as far as possible all the above particulars, should be given of the new vessels built in Canada each year; and another, of all vessels owned and registered in this country which have been sold, and of those which are known to have been wrecked or lost. It would be interesting also, to learn what proportion was wrecked on shore, what lost at sea, and what destroyed by fire, and the loss of life through these causes. These facts generally come to the knowledge of owners, and they could be easily collected if owners were required to fill up a blank form and deposit it at the nearest custom house. A separate statement should be given under the head of each Province, and the several sums thrown into a grand total for the Dominion of Canada.

It is, I think, desirable that our home system of classification should go into effect as soon as possible; but some time must necessarily elapse before much can be done. Meanwhile, the final report of the Royal Commission will be placed before the British Parliament, and it is to be feared that if legislative action be taken, of which I have no doubt, Board regard McIve Shippi course will go vation noble our sh ventur as con attribu much with t always to go grants some ( fourth find m of all human permit favora what direct narroy them appall large attem greate and a their I make enqui the hi shown unfree the B Verit steam citing reman

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doubt, there will be much in it prejudicial to our interests. It is very probable that the Board of Trade will be empowered to act in this matter, and to make such regulations regarding construction, condition, loading, etc., as it may see fit to impose. Or, as Mr. McIver suggests in that portion of his letter which I read to you, a separate Merchant Shipping Board may be constituted, and invested with the requisite authority. Whatever course be pursued, we wish the Parliament and the people of England to know that we will go heart and hand with them in doing all that humanity demands for the preservation of life at sea, or a judicious precaution requires; but we will not consent that so noble a purpose should be perverted, and made a plea for a detrimental interference with our ships. The causes which led to this agitation are not chargeable to us. I will venture to say the percentage of loss of Canadian vessels has been exceedingly favorable as compared with that of British. But what, after all, has been the loss of life fairly attributable to overloaded or unclassible sailing vessels about which we have heard so much lately, compared with that in the great emigrant steamers which have gone down with thousands? The most ignorant sailor knows something about a ship; he has nearly always an opportunity of seeing her some time before she sails, and he cannot be compelled to go in her if, on complaint and examination, she is found unseaworthy. But emigrants, who know nothing about a vessel, are suffered to crowd into frail iron shells, some of which carry at one time the population of a small town across the ocean. Onefourth of the number usually found on board these vessels is as many as would really find means of escape if they were obliged to take to their boats at sea. The drowning of all the sailors in a large fleet of old merchantmen, would not equal the destruction of human life occasioned by the loss of one of these. Why, then, does the Government permit so great a multitude to go in one ship, when their only chance lies in having favorable weather, or at most in the ship's making the passage in perfect safety? I trust, what I say here will come to the knowledge of the people of England, and lead them to direct their efforts to remedy this also, the greater evil of the two. It is their own long, narrow, weak steamers, built of inferior iron, whose very shape and construction render them unseaworthy from the beginning, which have furnished instances of the most appalling disasters. We all remember the "London;" and only the year before last, many large steamers, almost all new, went down with their crews. The English people are attempting to deal with the less evil, why do they not also do something to obviate the greater one ? That passenger system is their own, which, under Government inspection and approval, is constantly permitted to imperil so many lives and frequently to occasion their loss.

But to resume consideration of the business part of this question : I am happy to make an announcement which cannot fail to be gratifying to this Board. The present enquiry into the seaworthiness of ships has brought to light some facts which are in the highest degree important and encouraging to Canadian ship-owners. It has been shown that sailing vessels are safer than steamers, and that good wooden ships, not unfrequently, turn out their cargoes in better condition than iron ones. I quote from the Report of the Royal Commission : "Monsieur Bal, the Director of the Bureau Veritas, said that the statistics which he had collected showed the percentage of loss in steam-vessels had been greater than in sailing vessels." The Commission, without citing any evidence to the contrary of this statement, endeavors to weaken its effect by remarking,—"There is, however, little value in such comparisons, unless all the conditions are carefully noted." But in the next following paragraph of its Report, which contains the evidence given by the surveyor who surveys vessels taken up for the conveyance of stores on account of the India Government, it is stated that "more than 200 ships are annually sent to India by the India office, and that during 22 years there

have been only two instances of disaster, one of which was occasioned by fire." Here, then, we have over 4,500 voyages of fully three months each, made through different latitudes, some of which are subject to violent storms, and with only two disasters, one from fire, and only one from marine causes ! The history of steam-navigation, even of the best and most carefully managed lines, can show nothing equal to this. Statements similar to that of Monsieur Bal, but much stronger, are found in the Report (dated October 15th, 1873) to the Committee of Underwriters of Paris. This Report was drawn up by Monsieur A. de Courcy, Director of the General Marine Insurance Company, a gentleman who has had thirty years' experience in the business, and is regarded as one of the most competent men in France in all that relates to marine insurances. He says, in the Report just mentioned, "There has been a prejudice in favor of steam navigation. \* \* \* We are now forced to recognize that experience proves it to be nothing more than a prejudice." And then, after speaking in very commendatory language of the great mail lines of ocean steamers, of which he makes a distinguished exception, he refers to causes which tend to make ordinary steamers unsafe, and remarks, "This is enough and more than enough to prove that the prejudice in favor of steam navigation is unfounded in fact." Elsewhere, he calls it an "illusion" and an "error," and proceeds to advise what he terms a "radical reform," that is, to increase the premium on insurance per steamers and make them equal to those applicable to sailing vessels. "To justify this reform," he says, "we have only to compare the results obtained during twenty years from our export trade, carried on by means of good sailing vessels, with the results of the last two years arising from the same trade on steamers. And he closes his Report with these emphatic words : "We are now warned. Lessons have not been wanting to us, neither those of experience nor those which the Administration of the Bureau Veritas has, with such laudable perseverance, never ceased to give us. That Administration raised the cry of alarm before we were prepared to hear it, and predicted that the insurance of steam navigation contracted without discernment, without extreme circumspection, would ruin our business. We are now enlightened, unfortunately at our expense, and we, in our turn, repeat the cry of alarm."

Declarations of this kind from so high an authority, backed up by the action of the important Associations which they represent (I refer to the increase of premiums on steam navigation,) cannot fail to have a most beneficial effect on the business, freighting, and value of sailing-vessels. Thus this agitation, which has been threatening us with injury, seems, now that the facts are known, certain to do us good. The chief, I may say the only danger to be apprehended, is that in Britain, where so much of our business is obtained, some prejudicial legislation, or at least some regulations obnoxious to our shipping interests, may be enforced. If through the efforts of this Board and the influence of our Government, this can be obviated, all will go well. Our ability to build vessels and to sail them will do the rest; and in this important branch of business we may rest assured of continued success.

The Union has given to Canadians a country and a merchant-fleet of which any people in the world might be proud. It has done more. It has infused into us a feeling of self-reliance, a greater desire to develop our resources, and a greater determination to stand up for our rights. We cannot expect others to have much consideration for them, if we are negligent and do nothing to protect them ourselves. I would, therefore, respectfully impress on this Dominion Board the importance of watching closely what is doing in Great Britain, and of being prepared, at the proper moment, to take such action as in its judgment will best serve to prevent serious injury being done to a business which contributes so largely to our importance and our wealth.

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Mr. MARSHALL continued :---Mr. President, In order to bring the main feature of my paper to a practical issue, I beg to offer the following resolution :----

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That the Executive Council and the mover be a Committee to draft a memorial to be forwarded by this Board to His Excellency the Governor General in Council, urging upon our Government the importance of adopting such measures as to it may seem necessary, to prevent any Legislation that may be proposed in Great Britain, in consequence of the Report of the Royal Commission recently held in London, prejudicially affecting the Tonnage of the Dominion of Canada.

Mr. C. H. FAIRWEATHER (St. John, N.B.), seconded the motion.

The President announced that Captain Dorr of Buffalo, one of the American delegates, having had great experience in inland tonnage, desired to say a few words upon this subject.

Captain DORR, on being introduced, thought that although he had some practical knowledge of this question, he would much rather hear some of the Canadian gentlemen speak first, as it might seem rather obtrusive for him to offer the first remarks. But as the meeting seemed ready to hear him, he would venture to present his views. He then said:—In one sense the question is of a local character; in another sense it is world-wide. In the latter sense I would like to say a few words. The paper just read, although a rather long one, is not too long for the subject. The subject dates back to the construction of the first vessel; and I must say that the vessels and steamers of the present day, have not undergone that improvement we have a right to expect from the length of time we have used them. The navigation of the world was safer a good many years ago than it is to-day. The causes which have produced this result are various. One is the great race for supremacy in national commerce. Another is the irresponsible vessel-building that has been going on all over the countrybuilding cheap vessels and carrying large cargoes, the object being to make as much money out of the incipient stage of the trade as possible. And yet after all, it holds good that there is no business worth doing at all that is not worth doing well. It always pays to go back to fundamental principles. Build your vessels of the best material, fasten them in the best manner possible, and then put them forth upon the waves, trusting to the Great Ruler of all things, and you will find such a course will pay best in the long run. That, however, we have not done. The paper just read has referred to wooden ships. I am one of those who believe that the timber spreading all over this country is a sufficiently good material to build vessels that may be trusted to the waves with safety. I do not wish to say anything detrimental to any particular interest; but I do not hesitate to say, that in my opinion, iron does not afford proper protection to human life or to property. Mr. Marshall says they have succeeded, in the Maritime Provinces, in building wooden vessels which will compete favorably with iron ships. I say the comparison should be the other way. When a man tells you he can build an iron ship to compete favorably with a wooden one, he tells you what I think can never be done. I went last summer to the scene of the wreck of the "Atlantic," and saw where that great ship ran

against the rock. She was built of iron. The destruction of the ship was so complete that the man who built her would not believe it, and came out to see for himself. He is one of the most eminent builders of iron ships He went home fully satisfied, I am told, that the reports had in Europe. not been exaggerated. If that vessel had been built of wood, I do not believe one human life on board would have been lost. The fibre of the timber would have held, in her position, until the passengers were saved. About thirty years ago, I had the honor of making the first alphabetical list of vessels sailing upon our great lakes; and from that day to this, I have been in some way or other connected with the registration and classification of vessels. In our early days upon the lakes, before this great grain movement in which you gentlemen of Canada so largely participate, had set in, we had small vessels of about 120 tons, and the trade was all westward. As the trade increased, and it increased very rapidly, vessels were built larger, wider and deeper; but they were put together very hurriedly, and in a little while it was found they were not properly fastened, and not strong enough to carry the increased freight, so there was constituted on our side the lakes, a Board of Underwriters, which was favourably received in New York City, and joined by some Canadian Companies. After one or two years we got better vessels built, ship-builders seeing the necessity, in order to get their vessels classed, of building them stronger. Afterwards we went still farther : we got all the ship-builders from Canada and the United States together, and by consultation with them, we arrived at what were considered the dimensions of a properly built vessel for the lakes. By this means we established what is now termed our Building-Book. If a man wants to build a vessel of a particular class, we give him the dimensions for that class; and if he follows our directions in the main, we classify his vessel. Then immediately afterwards we established a classification for masters, which did quite as much good as a classification of vessels, because upon our inland lakes, the rules of navigation as used at sea are not necessary. The idea originated with a Mr. White, a lawyer of Ogdensburg. He said that over the whole maritime world they had a black list—a secret inquisition upon ship-masters. If a man is so unfortunate as to lose one or two vessels, he is in this Star Chamber placed on the black list. He walks about the streets without any visible means of support, and does not know why he cannot get a ship. The reason is he has been placed upon the black list. Now, Mr. White proposed that we have a white list; that we pass by those we could not approve of, and give a certificate to those we could feel satisfied with. The proposition was carried out. We had ten inspectors, under the direction of a head inspector at Buffalo. The Government had nothing to do with it. If a man wanted to get a certificate from this Board of Underwriters, he went to the Inspector of the District where he lived, and made appilcation. He was handed a blank form to fill up, giving his name, place of birth, when he commenced sailing, in what capacities he sailed, the different vessels he had commanded, if any had been lost, the cause of the loss, and then he signed the paper and swore to its correctness before a magistrate. This system of inspectors embraced the whole chain of lakes; so that it was within the reach of every man to have a certificate if he deserved it. Once a year

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in the early spring, before navigation opened, these inspectors would meet together and bring with them these papers and devote a portion of their time exclusively to passing upon these certificates, getting the opinion of each one who knew anything about the applicant. If he were all right, the certificate was issued; if otherwise, it was refused. Then we published a book, containing the names of the successful applicants, with a few particulars about them, and the book was issued to our Company. If an applicant was unsuccessful his name was simply omitted; no one knew the reason but the Board and the man himself. We found this plan worked well. Old captains of ships, who at first sneered at it, were very happy to come to us and get their certificates of good character, and then frame them to hang up in the most conspicuous place in their boats. It elevated that class of men; and in elevating the man you elevate the business. We had associated with us on our Committee one of the prominent men of New York. Being in that city on one occasion, I asked him why he did not introduce this plan into his port. He said their ship-masters would not think of submitting to such an examination. A year or two afterwards, however, I was in his office again, and found he had the system in full operation. This plan received no Government aid; but, if you can by the authority of your Government, make it imperative to have this classification of vessels and of masters, you will have a great improvement upon our plan. Our Government is so situated that they cannot do that.

Mr. MARSHALL: Allow me to say that our Government have adopted such a system.

Captain DORR: I am glad to hear it. Such a plan will remove the temptation to improperly and insufficiently man and build vessels, and will be a great protection to lives and property. [Captain Dorr, by request, here related an incident illustrative of the beneficial operation of the classification system, after its application to the Lake-trade.] Gentlemen (he continued) in my opinion there is not so important a subject on your programme, as this presented by Mr. Marshall. If it should even take you five years to bring about the consummation of your desires, you would be well paid. Anything you can do that will tend to elevate human character, and preserve human life,—for one life is worth all the property that has been lost during the last ten years—anything you can do in that way, you do it for the common brotherhood of man. It is one of the greatest achievements of our mind, to preserve and protect life, --- no matter whose pockets or whose private interests are touched. If you find that iron ships are not as safe as wooden ones, then it is your duty to say so, and discourage, by every means in your power, the building of such vessels, no matter whether it is national or individual interest that is trenched upon ;-because, after all, these things will regulate themselves; and if you do not take the initiatory steps, time and the knowledge of the world will fix it for you. You are only a step in advance of what is sure to come. But I have already detained you too long; I could not forbear giving you a word of commendation, for what you

have done in connection with this subject, and thank you for your kind and patient hearing.

Mr. Marshall's resolution was then submitted to the Board and carried.

# DIRECT ROUTE TO THE MARITIME PROVINCES.

# Hon. T. R. JONES (St. John, N.B.), submitted the following resolution: Whereas, it is of great importance that all the lines of Railroad leading from one part

of the Dominon to another should be made by the most direct lines, and

Whereas, all the lines leading through our own or our neighbor's, the American country, are to a large extent circuitous,—

Therefore, Resolved: That the Dominion Board of Trade look favorably to the early construction and completion of the Lake Megantic Railroad, which will make as much as possible a direct line from Montreal to the Sea-boards in New Brunswick, Nova Scotia, and Prince Edward Island.

I may state that, ever since trade has sprung up between the Upper and Lower Provinces—at all events since Confederation—we have found a great difficulty in getting through-freight to the Maritime Provinces. During this present year, I have had goods delayed on the road from Montreal to St. John for over six weeks. First, goods have to be sent to Portland, there break bulk, and then be shipped by steamer or sailing vessel to New Brunswick or Nova Scotia. Prince Edward Island is rather better off than we are, because they get their goods by steamer by way of the Gulf of St. Lawrence. The railway line of which I speak is a direct one-almost an air line in fact-from Montreal to St. John ; and from that point there is steamboat communication with all the ports of Nova Scotia, New Brunswick and Prince Edward Island. The distance between Montreal and St. John by this route, is from 100 to 150 miles shorter than by any other. My reason for bringing forward this resolution, is not with a view to seeking any aid from the Government, because I believe the 65 miles that remain to be built will be built by a private company; but it is to give information to the people that we cannot have a direct route to the Maritime Provinces except by this line. It would be open for winter traffic, while at St. John we have an open port all the year round; and although we are not jealous of Portland or Boston, we see they are making great efforts with the merchants of Montreal to be always recognized as the winter ports of the latter city. In fact, Portland at the present time, I believe, cannot get tonnage enough to ship the produce of Canada in the winter. Therefore, I hope the Board will pass this resolution.

Sheriff HARDING (St. John, N.B.), seconded the resolution, which, on being submitted to the Board, was carried.

### ORDER OF BUSINESS.

Mr. T. WHITE, Jr. (Montreal), Chairman, submitted the Second Report of the Committee on order of business, as follows :---

The Committee on the order of business, beg leave to present their Second Report :----

They have had submitted to them a number of questions, by members of the Board, and constituent bodies, which were not presented to the Secretary in time to be included

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in the official programme, and in reference to which your Committee make the following recommendations :—

1. The Hox. Mr. HOWLAN, from Charlottetown Board of Trade, on the subject of the proposed Fishery Commission under the Washington Treaty, and the protection of the Fisheries of the Dominion.

It is recommended that this subject be taken up immediately after that on "Reciprocal Trade Relations."

2. ST. CATHERINE'S BOARD OF TRADE, on the subject of bridging, for railroad or other purposes, the Detroit and St. Clair rivers.

3. ST. CATHERINE'S BOARD OF TRADE, on subject of iron interests of the Dominion.

4. TORONTO BOARD OF TRADE, on subject of mode of levying harbor dues at the port of Montreal.

5. CHARLOTTETOWN BOARD OF TRADE, on subject of Telegraphic communication.

6. PORT HOPE BOARD OF TRADE, on the subject of the scarcity of silver change in the Dominion.

The Committee recommend that these subjects be taken up under the head of unclassified subjects.

Your Committee have had communication of a letter from the Secretary of the National Board of Trade of the United States, on the subject of the condition of waters of the Dominion, used more or less by Canadian and United States vessels, and they respectfully ask permission to submit forthwith a resolution on the subject.

All of which is submitted.

### THOS. WHITE, Jr., Chairman.

### OBSTRUCTIONS TO NAVIGATION.

Mr. T. WHITE, Jr. (Montreal), read the following letter on this subject, from the Secretary of the National Board of Trade of the United States :

Chicago, Dec. 15th, 1873

WM. J. PATTERSON, Esq.,

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Secretary Dominion Board of Trade, &c.

DEAR SIR—I am instructed in behalf of the National Board of Trade, and by resolution of that body, to respectfully call the attention of the Dominion Board of Trade to the subject of obstructions to navigation. in the waters of the Dominion Government, but used more or less by both Canadian and United States vessels, and to suggest in view of the larger class of vessels now navigating the Lakes, as compared with former years,—and the probability of a still further increase in the number of such, by both countries, on the completion of the improvements in the Welland Canal now in progress,—that a more thorough supervision of these, in some sense, common waters is desirable on the part of the Dominion Government than has hitherto been deemed necessary; to the end that any obstructions that may exist in the usual path of vessels, endangering life and property may if possible be removed.

The National Board of Trade would respectfully request that, in case the subject commends itself to the good judgment of the Dominion Board of Trade, as being a proper one for such action on its part; that it would cause the attention of the Dominion Government to be drawn to this question, and that the Dominion Board may exert its good offices in impressing upon the Government the necessity of favorable and prompt action in the premises.

May I ask that you will be so kind as to present this request to the Dominion Board at such time, and in such a way, as you may deem most fitting.

In behalf of the National Board of Trade, I have the honor to be, &c.

(Signed),

CHAS. RANDOLPH, Secretary.

Mr. WHITE, in submitting a motion on the subject, remarked that it had engaged the attention of the Windsor Board of Trade, and he therefore proposed to include the name of Mr. McGregor, of Windsor, with the Executive Council, as he believed he would be able to afford the Council some information on the subject. He then offered the following resolution :--

That this Board, having had communication of a letter from the Secretary of the National Board of Trade, referring to a resolution passed by that body, calling the attention of the Dominion Board to the subject of obstruction to navigation on the waters of the Dominion Government, but used more or less by both Canadian and United States vessels, and making certain suggestions on the subject;

It be an instruction to the Executive Council to bring the subject under the attention of the Government, with a view to meeting, if possible, the suggestions of the National Board of Trade, and that for this purpose Mr. McGregor, of Windsor, be associated with the Council.

Mr. WM. McGREGOR seconded the motion and it was carried.

# INLAND STEAMERS.

Mr. WM. HARTY (Kingston), said the subject of the management of our inland steamers, had been considered by both the Kingston and Toronto Boards of Trade, and they had both made recommendations thereon as set forth in Nos. 20 and 23 on the official programme. He therefore begged leave to move the following resolution, seconded by Mr. FRANCIS CLEMOW (Ottawa):

That Messrs. Thomson (Toronto), King (Sarnia), Marshall (St. John, N.B.), and the mover and seconder, be a Committee to consider the reports of the Kingston and Toronto Boards of Trade, on the best mode of equipping passenger steamers with a view to the better protection of passengers.

### Motion carried.

Mr. THOS. WHITE moved that the recommendations of the Hamilton and Sarnia Boards of Trade, being Nos. 21 and 22 on the official programme, be referred to the same Committee.—Carried.

## CONSULAR FEES.

Mr. JAMES MCPHERSON (St. Johns, Q.), submitted the following resolution :---

That efforts should be made to reduce the onerous charges made on entries of our produce going to the United States, and especially the heavy and useless fees demanded by Inspectors on vessels passing through Lake Champlain.

In making this motion, he said these Consular fees were very onerous and burdensome. A fee of \$2.50 was required for every Consular certificate when the papers were made out by the shipper, and \$3 when the Consul made them out. In former years blanks were provided; but for the past two years, shippers had to provide their own blanks. There seemed to him something peculiar about this system. He could readily understand the need of a Consul at the large cities, where goods were held in bond to be again shipped to the United States. These goods would require a Consul's certificate to certify where they came from. But he could not understand

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why shippers, say of hay, in small towns, was obliged to send a clerk or go themselves, and declare solemnly that it was grown in Canada. The hay pressing business had reached considerable dimensions in the eastern part of the Province of Quebec along the frontier. Last year the shipments from St. Johns reached at least 20,000 to 25,000 tons. Twenty-five cents a ton for a Consular certificate on that amount would come to a large He learned from a document received from the Audit Office at sum. Washington, that his own town of St. Johns paid in the course of a year for Consular fees and charges, nearly \$5,000. It was time the attention of the Government was called to this state of things, with the view of either having the Consulates abolished at the smaller ports, or the system of charges greatly modified. His own opinion was that a 50-cent fee instead of \$2.50 would pay very well. He would also like to draw the attention of the Board to the fact, that vessels are obliged to take an Inspector aboard at Rouse's Point, and keep him until they reach Whitehall, also paying him \$3 a day; whereas, if the vessels use the American Canals they require no inspector, although the opportunity for disposing of smuggled goods is much superior in the latter than in the former case. This system affected the people of his locality, who shipped grain largely to the iron mines on Lake Champlain. No matter how long the boat may be delayed by storms, the inspector must be taken on board and paid \$3 a In some cases he had known on a cargo of 2,000 bushels of oats, day. there had to be paid the inspector the sum of \$30 for his time on board. He had no doubt that if the matter was properly represented to the American Government, they would either abolish the system or modify it, so that it would be in accordance with the business done, and in accordance with our treatment of their vessels.

Mr. ALEX. MITCHELL (Montreal), seconded the motion.

Mr. W. T. ROBINSON (Galt,) thought a similar grievance obtained at Suspension Bridge and the Buffalo Bridge, and that the motion should be made to cover them all.

Mr. MACPHERSON said that so far as Consular fees were concerned, his motion was not confined to any particular locality; but with reference to placing an inspector on board vessels, he did not know that it was done in any other place than Lake Champlain.

Mr. ROBERT SPRATT (Montreal), objected to the resolution. He did not think it desirable to ask our Government to request the United States Government to reduce their Consular fees, for so long as they have Customs charges, it is absolutely necessary Consular fees should be levied on everything shipped from here, in order to satisfy them that the goods have been sent from Canada, and have passed into their territory.

Hon. G. W. HOWLAN (P.E.I.), said he quite agreed with the remarks of the last speaker. It was hardly proper to attempt to dictate to a foreign Government, what they should charge for protecting their revenue. The merchants of Prince Edward Island, however, complained at one time about

this matter and made representations to the American Government, which resulted in the fee being lessened to about \$2.50. No doubt if the matter were brought before the National Board of Trade of the United States, and by them referred with a recommendation to their Government, the complaint would be remedied. But he did not see how the Dominion Government could interfere in the matter. He was not clear that the system of Consular fees could be done away with altogether.

The PRESIDENT said the Secretary would read some communications from the Boston Board of Trade on the subject.

The SECRETARY thereupon read the following letters:

[COPY.]

CUSTOM HOUSE, Boston, Feb. 2nd, 1874.

HON. AVERY PLUMMER,

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Chmn. Transportation Com. B. B. of T.

DEAR SIR,—I am glad to state that the Secy. of the Treasury has granted the petition of the Committee on Transportation B. B. of Trade, and that the penalty of bonds for Transportation and Exportation to Canada will be twice the *duties*, instead of being twice the *value* of the goods with duties added.

I congratulate you on the removal of an obstacle to this increasing business of Boston.

Yours very respectfully, (Signed,) THOMAS RUSSELL, Collector.

[COPY.]

Circular to Collectors of Customs. ,

TREASURY DEPARTMENT, Washington, D.C., Jan. 10th, 1874.

You are hereby informed that, by an Executive Order dated the 3rd inst., the tariff of fees prescribed by the Consular Regulations for the sealing of cars coming into the United States from Canada, and for the certificate to the manifest, has been modified so as to hereafter require a fee of 25 cents for both of said services, instead of 25 cents for each, as formerly.

(Signed,) WM. A. RICHARDSON,

Secretary.

Mr. WM. McGREGOR (Windsor), observed that in Essex County they found the system complained of a great grievance. Their only market was the American. If a man had merely a horse to pass over, he had to pay a Consular fee of \$2.50. In connection with this, it was found to be a practical grievance that the Consul kept such short hours, not opening his office until 10 o'clock and closing early. When a man had a large amount to pass over, the fee was comparatively trifling; but when it came to making a number of small shipments it was very onerous.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.), was of opinion that in making an attempt to have the fees reduced, those charged on goods passing by steamer should also be included. In the Maritime Provinces, in making small shipments a fee of \$5 was found to be exceedingly burdensome.

Mr. T. WHITE, Jr. (Montreal), suggested that the motion be amended

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so as to include, "that it be an instruction to the Executive Council to take such steps as they may deem best" to accomplish the object desired. He quite concurred in the suggestion, that the recommendation should go through the National Board of Trade if possible. They already had a case in which the National Board approached our Board, with a view to getting something done by our Government; and if the two Boards could thus be made the medium of communication with their respective Governments, a great advantage would be gained.

Mr. MACPHERSON said he was willing to accept Mr. White's suggestion.

The PRESIDENT—The motion will then read as follows:

That it be an instruction to the Executive Council to communicate with the National Board and request that body to call the attention of their Government to the subject of Consular fees generally, with a view to reducing the onerous charges made on entries of our produce going to the United States; and especially the heavy and useless fees demanded by Inspectors on vessels passing through Lake Champlain.

The motion, as thus amended, was then carried, and the Board adjourned at 12.30 until 2 o'clock, P.M.

During this session there were present the Ministers of Marine and Fisheries, of Customs, and of Finance, who, upon invitation of the President, occupied seats near the Chair.

# AFTERNOON SESSION.

# Wednesday, 24th February, 1874.

The PRESIDENT took the chair at 2 o'clock, P.M., and announced the first subject on the programme to be the Tariff, and that the first recommendation on that subject on the official programme, was from the St. Johns, Q., Board of Trade.

## THE TARIFF.

Mr. JAS. MCPHERSON (St. Johns, Q.):-I rise to move the following resolution:

That a duty of 15 per cent. is fair and reasonable, and no disturbance of the tariff is at present desirable; but should a revision of the present tariff take place, it is resolved that the interests of our farmers be thoroughly looked after.

In submitting this motion, he said: The opinion of our Board is expressed in the first part of the resolution, "that a duty of 15 per cent. is fair and reasonable, and no disturbance of the tariff is at present desirable." There are several manufacturers in our Board, and they would prefer a continuance of the present 15 per cent. tariff, rather than to have it raised to 20 or 25 per cent., and then cut down again in a year or two. At the same time, my individual opinion is, that there are certain branches of trade that need a little more protection. I shall not dwell upon

them, because I know there are several gentlemen of this Board more able to discuss the question than I am; but I may say that I believe the farming interests of our country are not sufficiently protected. You are well aware that last year, in the Province of Quebec, oats were sold at 25 to 28 cents a bushel, and that the Ottawa district was largely supplied from Chicago, simply because our farmers had no protection. I believe in reciprocity, and I am a free trader,-that is, if you have free trade on both sides. I don't believe in one-sided free trade. The Eastern Townships farmers, in the Province of Quebec, are large producers of grain, cheese, cattle, and the like; and yet, last year, at least 100,000 bushels of western corn were imported into the Dominion, to take the place of our barley, that we could hardly give away. Had there been a duty on corn, it would have compelled the consumer to give the preference to our own coarse grains. I can remember some seventeen years ago, when the farmer in Lower Canada got 40 and 50 cents a bushel for oats, and had only to pay 30 to 40 cents a day for labor. That is all changed now. A farmer has now to pay from \$1 to \$1.50 a day, according to the season, and board his men besides ; not only that, but he has to submit very often to a hardship in not getting a day's work out of the men he pays. We all know that when labor is cheap and the market supplied, the laborer is not quite so independent; but when there is competition for his services, he becomes very independent indeed. Now our farmers to-day are not selling their produce at any higher rate than they were when labor was cheap. I contend therefore, that they should have some protection against produce coming from the United States, unless the latter give us reciprocity. In that case we would supply them with coarse grains, and they would supply us with the finer qualities. I have no objection to importing wheat and corn, manufacturing and exporting them again. I do not believe it would make the poor man's bread dearer. The United States has a large surplus to export, and so has Canada; and the price will always reach the export price. It will not be affected by so many hundreds of thousands of barrels of flour being sent to Nova Scotia, or any other part of the Dominion ; but it will be affected by the prices in England. Therefore we would not be making the poor man's bread any dearer, by protecting our farmers against the western farmer. These latter can send their grain from Chicago to Boston for something over \$100 a car, while we are charged for a much less distance \$76. so that we work at a great disadvantage as compared with them. Hence, I have added to the motion submitted by our Board, the words, " but should a revision of the present tariff take place, it is resolved that the interests of our farmers be thoroughly looked after."

Mr. ALEX. MITCHELL (Montreal), seconded the motion.

Mr. T. WHITE, Jr., (Montreal) :—I rise to a point of order : motions should be definite in their character, I submit this one is very indefinite. No one will deny that the interests of the farmer should be "looked after." But the motion should be made in such a way, that we would understand what the mover means by "looking after." There ought to be a precise As a what the qu that i traden are b suppo ] motio sent c

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statement of the way the interests of the farmer should be looked after. As a body of business men, we should not pass resolutions without knowing what they mean.

The PRESIDENT :—I must say I am pleased that Mr. White has raised the question of order, because the motion is too indefinite. It is necessary that in passing resolutions, we should know what is meant by them. A free trader might support this motion, and say that the interests of the farmer are best looked after by free trade; while a protectionist might equally support it, and say that a duty should be imposed upon American grain.

Mr. MCPHERSON said he was willing to withdraw the latter part of his motion, and leave it as it stood in the official programme,—which, by consent of the Board, was allowed to be submitted in that form.

Mr. JOHN GILLESPIE (Toronto) :—The motion declares that no further protection is necessary at the present time; and yet the mover admitted by the addition he desired to make to it, that the largest class in the Dominion,—*i. e.*, the farmers,—requires protection at the present moment. I wish to move an amendment, on behalf of the Toronto Board of Trade, as follows :

That it is in the interest of this Dominion to stimulate and foster manufacturing, in order to afford diversity of employment to our surplus population; and that it is expedient to increase the duty to 20 per cent. on all manufactured articles now bearing 15 per cent., in order to afford the necessary protection.

I must say that incidental protection would meet my own view a little better. I believe that a thorough investigation into the condition of the industries of the country, would show that a number of them would be stimulated and increased, and new ones brought into operation, if the necessary protection were afforded. I know it is a very difficult question to deal with, because a disturbance of the tariff at any time, affects very large interests all over the country; but we are only seeking to restore the tariff to which the country has been accustomed, and which it has tried and found to be beneficial. Some of the industries that sprung up under that protection, got into so prosperous a condition, that although the tariff was afterwards reduced, they were so far advanced as to defy competition from any quarter. But others that had not reached that position, were crushed, as it were in their infancy, by having to compete with the surplus goods of other countries, introduced under the reduced tariff. One or two instances that I will mention by-and-by will go to prove this. I think it must be admitted that a more important question can scarcely come before this Board,-affecting, as it does, the welfare of the whole popula-There is no class that can claim to be exempt from the benefits to tion. be derived from a large industrial population. I confess to having a large personal interest in this question, as my firm affords employment to over 500 people directly and indirectly. It has been asserted by free traders, that only a very small portion of the people of this country are directly interested in manufactures-only some eight per cent. Now, is there a farmer in this country who is not interested in the profitable employment of a population that he cannot himself employ ? Does not the increase of

population-whether it be of farm laborers or not-afford a market for a very large and important part of his productions? A local market is what the farmers need; but this they cannot have to any large extent, unless we can attract immigration by supplying profitable employment. Without that, a state of things would return which existed years ago, when the products of the farm scarcely realized enough to pay for bringing them to market. I am sure no farmer desires such a return. Again, there is a strong prejudice against protection on the part of importers; whereas importers are very largely interested in this question. If they would divest themselves of prejudice, they would find that encouraging manufactures will benefit themselves. A protective tariff would prevent foreign firms from coming past their doors, and dealing with the small traders direct. At present the duty imposed is so small, that English, Scotch and German houses can send out goods to the retail trade direct, on the same terms as the importers can sell; and any importer here will agree with me, that this kind of trading is increasing vastly. Some of those English houses are giving credit where the Canadian merchant would not think of crediting. This state of things will continue and grow worse, if protection is not afforded to the importer. It may be said that we are seeking to protect individuals, and that the manifest result of it would be to increase the cost to the consumer. Now, what is the result of those manufactures that have grown up under a protective tariff, and have become prosperous? They supply cheaper goods than can be obtained from any other country. Competition will always keep down the price. If we stimulate manufactures, they will spring up and compete with each other in such a manner as will always protect the consumer. I apprehend that by-andby this country will entirely depend for employment of its surplus population upon other than farming industries. That part of the Dominion, which is not capable of extensive farming, will soon be brought into competition with the great North-West, and it cannot compete in farming with such a country as that. Moreover, if we go on encouraging immigrants to this country, and do not provide them with employment, we will soon find them accusing us of having brought them into the wilderness to perish ;--indeed, I know of some who are already bringing this accusation against us. The result is that some go to the United States, and some return to their own country. Now unless we, as a country, are prepared to provide profitable employment for this class of people, we are very much to blame for encouraging them to come here, and going to any expense in the matter. There are also other questions involved in this one of protection. At the present time our industries are in their infancy, while some branches have not even been introduced. By a fair and reasonable protection, these infant manufactures would become strong, and new ones would spring into existence. How can a country become great unless it is by its population ?---and nothing can afford such ready and profitable employment as manufactures. Farmers can only provide employment during a very small portion of the year; and unless we can stimulate manufactures, we shall not be able to retain our population. I therefore move the amendment which I have already read.

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Mr. W. F. COWAN (Oshawa) : In rising to second the amendment upon so important a subject as the tariff, I must say that Canada is to blame in not having given sufficient encouragement to manufacturing industries. If we look to the example set us by England-how her great manufacturing industries, which are her boast, have been established,-we must admit that we are culpable in not following her example. We appear still more blameworthy when we consider the example of the United States. We have witnessed the extraordinary rise of manufactures in that country, and have stood by doing nothing. A great deal is said about the United States having erected a Chinese wall to keep out the commerce of the world; but it is apparent that that wall has not kept out prosperity, and wealth, and population. When we consider that during the last ten years, that country passed through a great civil war, subjecting her to immense loss of life and property, we must certainly compliment her upon the increase of her population. I find by the last census, that the increase in the population of the American cities during ten years, is equal to 40 per cent.; whereas in Canada, the increase in our cities-and most of them are in a prosperous condition-was only about 22 per cent. Now, it seems to me, that if we consider the result of the protection of manufacturing industries in that country, we must come to the conclusion, that she is not very far wrong in the policy she has pursued. I am glad to hear from the gentleman from the Maritime Provinces, that our shipping interests are in such a prosperous condition. A large commercial marine is something to be proud of, but it alone is not an indication of the prosperity of a country. The most important question to consider is how that commercial marine is employed. Leaving this point, however, I will advert to some of the questions which more immediately affect the manufacturing industries. The manufactures of Canada are placed in a very peculiar position. In the first place, capital is limited, and in proportion to the amount of business done, the manufacturer is placed at a great disadvantage' as compared with the importer. He cannot get suitable buildings to rent, and must erect them himself. Then the raw material in which he deals must be purchased with cash, and labor must also be paid for in cash ; while the importer buys on long credit. With these disadvantages, it requires some inducement to make a gentleman possessed of capital, risk it in manufactures. Then it must be borne in mind, that the increase of manufactures will extend the market, not only for the farmers' produce, but also for the goods of the importer. For instance, in the town in which I live, the product of manufactures is about \$1,000,000, and employment is given to probably 1,000 hands, who, with their families and others connected with them, will number in the neighborhood of 5,000 persons. Compare this result with an equal amount of capital invested in the importing business, which would not give employment to more than 25 persons. It is argued by free traders, that if manufacturers are protected, a monopoly will be created at the expense of the consumer. From that argument I entirely differ. I think the history of manufactures proves that they have always improved the condition of the consumer. Look at the United States, and take, for instance, the manufacture of one of the great staples, cotton, and you

will find that their consumers are better supplied than those of England; and I hold that Canada has derived some profit from the manufacture of the same class of goods. The manufacture of cloths has also supplied our consumers with a better article, for the price, than is imported from abroad. I am aware that that assertion may be disputed; but I think it will be found on examination to be correct. There is another point. A paper has been laid before us, with regard to the development of our iron industries. I sympathize very much with the sentiments therein expressed. You are aware that the iron interest in the United States, struggled into existence in the face of very violent opposition from the free traders. We all know the argument that was used-that if iron could be got cheaper from abroad than it could be had in the United States, so much the better for the people. Horace Greeley, who perhaps did more for the prosperity of his country than any other man, met that argument in this way. If the United States were dependent for her immense supplies of iron upon England, the great demand would have advanced the English market to a point higher than that produced by native industry. That argument was laughed at; but it was subsequently found to be correct. When iron rose very rapidly in England, the consumers in the United State's were being supplied from their own furnaces, at a cheaper rate than the article could be had for abroad. They then saw the wisdom of building up that great industry. Canada having plenty of iron within her own borders, would have been wise if she had followed a similar policy. There is no doubt our iron industry has not been developed as it ought. The demand which the manufacturers are now making, is, I think, very reasonable. When the 20 per cent. tariff was in operation, I am not aware that there was any complaint made against it. The people were satisfied with it; and if it were restored, there would probably be little serious complaint. It would have the effect, in my opinion, of stimulating the manufactures of the country to a very great degree; it would cause some articles to be manufactured in the country which are now imported, and also increase the number of consumers, thus benefiting the importers fully as much as the manufacturers. I think the imports under a 20 per cent. tariff, would increase instead of decreasing. We do not find that while the United States made great progress in manufactures the imports decreased ; on the contrary, they have increased.

Mr. JOHN WALKER, M.P., (London) : I rise to move an amendment to the amendment. It is in the same words as the motion I moved last year, which was carried by a large majority. It is as follows :---

That this Board approves of an incidental protection to Home Manufactures of 15 per cent. *ad valorem*, and are of opinion, that in the event of any increase of revenue being required, it should be raised by increase of duties on articles that are luxuries, and not necessaries of life; and, that this Board is further of opinion, that permanence in the fiscal policy of the country is most important alike to its commerce and manufactures.

You will observe that the last clause of the motion warrants me in again bringing it forward to-day. We last year strongly approved of the idea that permanence in the fiscal policy of the country was of great import 15 pe propos extren year, siderin factur conclu quired to the much were respec the m in the they v suffer eversi it wou told th that o are no or to That so tha condi ing m our ta that manu reply trary. bear last y accou I thin ulatin stanc to asl of our is ask have, consu betwe tectio turer cause count

importance; and, coincident with the passing of a resolution, declaring that 15 per cent. was a good incidental protection, we also enunciated the proposition that permanence was highly important. Yet we find our extreme protectionist friends trying this year to undo what we did last year, and to induce this Board to stultify itself. We are bound, in considering this question, to look at it both from the consumer's and the manufacturer's point of view; and so regarding it, I think we will arrive at the conclusion, that 15 per cent., with the additional freight and charges required to bring foreign manufactures into Canada, is not a bad protection to the home manufacturer. Over-protection is an evil to be avoided, as much as under-protection. It is to be feared that if our manufacturers were over-protected, it might render them careless and indifferent with respect to securing the latest improvements in machinery, and providing the most economical modes of manufacture, which are important elements in the race for supremacy in these industries; and if they are neglected, as they would be likely to be by over-protection, the country would in the end suffer a loss. I sympathize with the manufacturers, for I have been one myself eversince I came into the country. But I have arrived at the conclusion, that it would not be wise to have over-protection for any branch. We are frequently told that our manufactures are suffering, that there is a dulness of trade, and that our manufacturers cannot find a market for their productions. But we are not singular in that respect. We have only to look to the south of us or to Europe, to find that dulness of trade exists everywhere this year. That fact should be taken into account in our discussion of this question, so that we may see whether we have not rather cause to rejoice that our condition is not so bad as that of our neighbors this year. They are suffering more than we are. We are suffering, it is true; but it is not the fault of our tariff. I think if we look at the question fairly and boldly, we will find that possibly there may have been over-production on the part of our manufacturers, which partly accounts for this dulness. I have been told in reply to this, that there has not been over-production, but that, on the contrary, our imports were largely increased. But I do not think the facts bear out that assertion. I think our imports have decreased during the last year; and therefore, if that be so, there must be some other cause to account for the slackness in the demand for our home manufactures. Now. I think that possibly for the last two years we have been to blame for stimulating our enterprises and commencing new ones, beyond what the circumstances of the country warranted; and I do not think it is sound policy to ask the Government to step in and relieve us from the consequences of our own imprudence. But at the same time, I do not believe that what is asked, if granted, would improve our position,-but the reverse. We have, as I have already stated, to look to the interests of the consumers as well as of the manufacturers. I am sure, in all fairness as between man and man, that if the consumers of this country allow us a protection of 15 per cent., in addition to freight and charges, I, as a manufacturer, would say they do well by us; and asking more from them might cause a revulsion of feeling on their part. I believe the opinion of the country is, that we ought to have a certain amount of protection ; but if we

ask too much, and it prove a burden upon the people, and at the same time becomes manifest, as I believe it would, that it is not to our advantage, then we would have a revulsion of public sentiment sufficiently strong, possibly, to put us in a much worse position than we stand to-day with our 15 per cent. tariff. At the same time, the wants of the country in the shape of a larger revenue, may require some increase in the tariff, in order to meet the increasing expenses of our great public works. In that case the increase in the tariff, being for the public good, would no doubt meet with the approval of the people. It will be better, therefore, not to attempt to force a 20 per cent. tariff, especially when we, only a year ago, declared that 15 per cent. was a good incidental protection, and that changes in the fiscal policy of the country are to be deprecated.

Hon. T. R. JONES (St. John, N.B.), seconded the amendment to the amendment.

Mr. WM. ROBINSON (Galt): I am surprised at the remarks of Major Walker, because he must know that the country is in a different position now from what it was twelve months ago. He knows, for instance, that a friend of his, a large manufacturer, saw fit to move his machinery to the United States, where he could be sufficiently protected. Now, I conceive it to be our duty, so long as we go on assisting immigrants to this country, to make a home for them here. With regard to a monopoly being created by protection, that idea is so absurd that I think it must be scouted by intelligent men. When the employee sets his foot on Canadian soil under a 20 or 25 per cent. tariff, he would find a market for his labor. If we had free trade with England, there might probably be as much manufacturing done; but the whole business would then be monopolized by one or two mammoth institutions with large capital. Then manufacturers with small capital, who create competition, would have no chance, and there would then be a monopoly indeed. Under a protective tariff of 25 per cent., many invested their whole capital in manufactures; and I know it to be a fact, that many of the factories established then, have been obliged to close within the last few years. With reference to Major Walker's remarks respecting the condition of manufactures in the United States, I hold that he is mistaken; that they are in a much more prosperous condition than ours. Then with respect to the duty of the Government, is it not their duty to protect the industries of those men who invested their whole capital in them under a 20 per cent. tariff, with the expectation that it would be permanent ? There is another point to be considered. I do not believe Mr. Walker can point to a country in the world, purely agricultural, that ever amounted to any-We have an illustration of that point. Where do our soldiers come thing. Where were the troops raised to resist the Fenian raids? Was it from ? not principally in the manufacturing towns and cities ? I believe the country would improve under a 25 per cent. tariff; and that it is the duty of this Board to recommend to the Government a duty of not less than 20 per cent. So far as the grain interest is concerned, I believe the farmers should be protected to the same extent as the American farmers are. Not that I think it would be any benefit to them ; but I do not like to see reciprocit more consu farme we ne advar the ge for his

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procity all on one side. The farming community, I believe, are in favor of more protection to manufactures, because the more manufactures the more consumers, and the larger the number of consumers the more market for the farmer. We cannot export our agricultural produce to much advantage; we need a home market. The farmer living near a city receives a greater advantage by a protective tariff, even though he has to pay a little more for the goods he wants, than he does under free trade, with no market at home for his produce.

Hon. G.W. HOWLAN (Charlottetown, P.E.I.): It must be really refreshing to our American friends, who desire like us to bring about reciprocity, to hear us contending against the very thing we are seeking. This is the first time in my life that ever I heard it was necessary to the well-being of a country, that it should have no farming population. I must confess I always believed that

> " A bold peasantry is a country's pride, Which once destroyed, can never be supplied."

I have listened with a great deal of attention to the debate on this ques-It is a subject which is agitating the whole of this Continent-a tion. question which the old countries of Europe have disposed of. France, England, Austria, Prussia, have all settled this question. England, with an experience which at all events we ought to respect, saw fit to establish free trade; and free trade has brought her to the proud commercial pre-eminence in which she stands to-day. If this country were in such a financial condition that it was necessary to tax manufactures coming into it, then it would be quite right for uts to advise the Government on the question. If it were found that the public expenditure was in excess of the receipts, then this Board, as representing the mercantile interests, might recommend some remedy. But when we find that under a 15 per cent. tariff, our manufactures are flourishing, it would certainly be unwise on our part to propose increased taxation. If it is denied that our manufactures are in a flourishing condition, I can point you to the statistics laid before Parliament last session, which conclusively prove my assertion. There is another point not to be overlooked. I am one of those who believe that, if the United States lowered its tariff upon many articles, they would have more revenue; and I am confirmed in that belief, by the experience of the past few months. You must all be aware that some of the most honorable commercial houses in the neighboring republic have had their names mixed up-I will not go further than that-with what is called in common parlance, smuggling. The history of England also leads to the same conclusion, that where you have a high tariff, you have a small revenue. And the same result, on a small scale, followed in our Island, when we raised the tariff. People do not smuggle goods under a low tariff. In the United States it is found that the smuggling is on highly taxed articles. Now, with regard to immigration; surely, where we have so much land to dispose of, we do not need to tax manufactures to encourage immigration ? If you get your immigrants from the over-populated rural districts of Great Britain, you will find them

more fit to go upon land than to engage in manufactures. You must rely principally upon the people of the large cities, who are bred to manufactures, to supply the demand for labor of that kind. You cannot expect them from the rural districts.

I understand Mr. Robinson to say, that if we encourage immigration and form large manufacturing centres, we will be able to recruit our soldiers from them in time of need. Now, the statistics are against him, because soldiers are recruited from the farming population. But passing from that point, I would say that I believe it is too much to ask for reciprocity from the neighboring republic; but to ask for a moderation in their tariff, so that there might be free intercourse in the productions of each country would be another thing. While their tariff is so excessively high in some articles as to amount almost to prohibition, they derive very little revenue from us; but if it was reduced to a moderate amount, which we could afford to pay, they would derive a revenue, and we would have a market open to us;—for after all it is impossible to dam up the streams of commerce. If you close them in one way, they will flow in another direction. This is illustrated in our own little Island. After the loss of the Reciprocity Treaty our market was closed for barley. We consequently turned to raising pork, and drove out American pork from Halifax and Newfoundland, and to a great extent from New Brunswick. Then take the statistics of the trade of Canada before the abrogation of the Reciprocity Treaty, and compare them with those since, and you will be surprised to find how trade has flowed on in ever-increasing channels, in spite of the Chinese wall that the Americans have erected. This experience should not encourage us to set up a similar barrier. I was glad to h ar a gentleman from the National Board state, that the feeling of his country was tending towards modified reciprocity. I do not believe we can get a renewal of the old Reciprocity Treaty on account of the large debt of the United States. When I was in Washington as a delegate from our Government, I prepared a bill which met the approval of the Committee of Ways and Means, and was adopted by the House of Representatives. This bill provided a tariff on certain articles, as follows : horses and mules \$7 per head; neat cattle \$5 a head; calves, sheep, goats and swine, 50 cents a head; lambs free; oats 5 cents; potatoes 5 cents; barley 5 cents. I believe if a tariff something like that were adopted, it would give us all the reciprocity we can reasonably expect.

Dr. L. S. OILLE (St. Catherine's): I agree with the gentleman who says that permanence in our fiscal policy is desirable; but I wish that permanence, after there has been an important readjustment of our customs duties. If we had these arranged in a way that is calculated to promote the welfare of this Dominion, then I wish to have it continued for a quarter of a century at least. First, with regard to the desirability of discussing this question at all at the present time : as to that point, I think, in the light of the remarks made by the Premier recently, when addressing the electors of Hamilton, we would be justified in expressing our views, with respect to the advisability of making certain changes in our tariff. Mr. Mackenzie, in the address alluded

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to, stated that the charges made against him to the effect that he favored the removal of customs duties altogether, and resorting to direct taxation, were totally false. He scouted the idea, and said it was perfectly impossible, under the circumstances of our country, that any reduction of duties could be made; and as to taking them off altogether, that could not be thought of. On the contrary, he said in effect, that in view of the vast increase in the expenditure that must necessarily be incurred for a number of years, on account of the great public works we are bound to carry on, the customs duties must necessarily remain at least as high as they are, and in all probability it would be necessary to increase them. With this authoritative statement from the Premier, we may conclude that the Government intend to make some alterations in the tariff, and therefore, it becomes us to express in plain terms our views of the matter. We are told by the mover of the amendment to the amendment, that 15 per cent. duty, in addition to the cost of transportation, is sufficient protection to Canadian manufactures. Well, with regard to some few branches, possibly this may be true; but there are other branches for which that amount of protection is not sufficient to thoroughly establish them on a good basis in this country. Hence, I rise now, not so much to speak on the general question of a 20 per cent. tariff, as to put in a plea more especially in favor of that particular industry, which of all others has made such prodigious progress in the United States, and has been a total failure in Canada. I allude to the iron and steel industries. They have not enjoyed in the past, even the incidental protection alluded to by Major Walker. What has been the duty on pig iron for the last twenty years? Nil. There has been perfect free trade in pig iron.

# Mr. HARTY :--- That is raw material.

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Dr. OILLE :- Raw material! That is an unfortunate remark. Probably of all the metals introduced into the Dominion, iron requires the largest expenditure of capital, and makes the greatest drafts upon human knowledge and experience, in order to establish its manufacture upon a firm basis. Iron manufacture is of a most complicated character, and especially calls for fostering in its infancy. It is a branch of industry that is especially calling for assistance now. With regard to bar iron, and other sorts of so-called manufactured iron, the duty has been 5 per cent., and for years was only  $2\frac{1}{2}$  per cent. This is practically free trade. With regard to hardware, it has enjoyed a protection of 15 per cent.; and there is a comparison to be drawn between the three branches of iron industry -one perfectly free, one with a paltry duty of 5 per cent., and the other with a duty of 15 per cent. So far the manufacture of pig iron in Canada is a blank. The same remark may be made with respect to bar iron; what has been done at Three Rivers is hardly worth speaking of. But that branch of the iron industry which has enjoyed a little assistance in the shape of a 15 per cent. tariff, makes a pretty fair exhibit. I am glad to say that many hardware manufacturers in Canada are fairly prosperous; and the fact that these have done tolerably well under a 15 per cent. tariff, proves conclusively the advisability of extending the same protection at least to pig

iron and bar iron. For the purpose of comparison, and in order to place this question fairly before the Board, I will quote a few figures from the Census of the United States, with regard to the development of the iron interest there. These figures are full of meaning to Canada, and indicate what course she ought to pursue. In 1870, the number of blast furnaces in the United States was 574, and their products were in value \$69,640,498. What was the value of pig iron produced in the United States ten years previous? Only \$20,870,120. That gigantic leap in pig iron was made in the space of ten years under a protective tariff. It was furthermore made in the face of an exhaustive war, to meet the expenditure for which, the Government found it necessary to impose internal burdens upon the industries of the country. Yet in the face of all this, we have that magnificent exhibit of progress in the smelting business across the lines during that period. But how is it with rolled iron? In 1870, the total value of that product was \$120,311,158; whereas in 1860 it was only \$31,888,705. What means this prodigious increase? It was done under protection, and done in the face of a heavy impost caused by the war. How about steel? \$9,609,986 worth was turned out in 1870, while in 1860 it amounted to only \$1,778,240. Cast iron amounted to \$99,843,218 in 1870, being an increase from \$36,132,033 in 1860. Forged iron in 1870, \$8,-385,669; in 1860, \$2,030,718. Blooms in 1870, \$7,647,054; in 1860, \$2,623,178. The total amount of the products of the iron industries of the United States, was in 1870, \$315,437,583; whereas the amount ten years before was only \$95,322,994. Has the population of the United States increased in anything like a similar ratio? It has not. You see that the productian of iron has trebled in amount in the United States in that short time; while the population has only increased 22 and a fraction per cent., in the face of all the exertions put forth to promote immigration. I think we can only give one explanation of this vast relative increase in iron products, in comparison with the increase of population; and it is, that under their protective policy, the United States have increased their home manufactures, so as to practically make them now independent of foreign countries. Before I go any farther, I would like in this connection to make a reference to the business of iron mining. It so happens that we have in Canada, inexhaustible stores of iron ore; but we have not used the talents committed to us. Of late, however, our United States friends are at work in this country, exporting our ore to their own territory, there to be wrought into merchantable iron, and, to the disgrace of Canada be it said, to be brought back to this country for consumption. Perhaps you will say this mining interest will grow, and that in due time, even in the hands of our southern friends, it will become a source of revenue to the country. Let us then see the contrast between the benefit conferred upon the country by simply mining operations, and the benefits conferred by iron and steel manufacture from the blast furnaces upwards. In 1870, the iron mining interest of the United States numbered 420 establishments, which employed 15,022 hands; while the number of hands employed by the iron interests in the various forms of its manufacture was 132,448. That shows the contrast between the amount of labor required in manufacturing iron, and t parat Unite of iro a brat the la invest statist —the ten, y being

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and that required simply to take it out of the mines. Then as to the comparative amounts of capital invested. In mining there was invested in the United States \$17,773,935; whereas the capital used in the manufacture of iron in all its various forms was \$193,971,994. It will be agreed that a branch of industry that will cause an investment of such a large sum as the latter, is of considerably more importance than that branch in which is invested the comparatively small sum first mentioned. Yet these are the statistics of the two branches of iron industry in the United States —the mining and the manufacturing. If you will divide all these sums by ten, you will adapt them to our position,—the demand for iron, man for man, being, I assume, about the same.

## Dr. OILLE proceeded to read the following paper on the

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# MANUFACTURE OF IRON AND STEEL IN CANADA.

The important position which the iron and steel industries are capable of assuming in this Dominion, a position indeed second to none, other than agriculture, under any circumstances ought to justify this Board of Trade in devoting to them the most earnest consideration. But the present great demand for iron and steel in Canada, the certainty that this demand will largely augment in future, coupled with the marked rise in their price in Great Britain that has taken place of late-a rise which in all probability will be permanent—are circumstances that arrest attention at this time more particularly. They indicate in plain terms that Canada must, if she wishes to be true to herself, take prompt and energetic measures to provide a home supply of those necessaries; so that by giving profitable employment to labor and capital, a population both indigencus and immigrant may be retained in the country, and the immense outflow of money required to pay for foreign iron and steel arrested. This outflow under the ruling prices of the last two years, in 1873 amounted in round numbers for free, 5 per cent., and 15 per cent. dutiable goods, to no less a sum than \$21,000,000. In that great excess of imports over exports for the fiscal years 1872-73, \$35,975,950, which lay at the root of the tightness in the Canadian money market, this vast sum was an important factor.

In view of such considerations as the foregoing, and of others that may afterwards appear, this Board would be actually derelict from its duty did it not devote a considerable portion of this meeting to the discussion of the best available means to be adopted by the country for inaugurating a successful home manufacture of iron and steel. That effectual measures have not been taken years ago to establish those industries upon a firm basis in Canada, is to be regretted. The excuse of want of the requisite materials is not available. Were such the case, of course nothing more need be said. But the case has been far different.

For many years, from geological surveys and also from private explorations, the wide dissemination of iron ores of great richness and superior quality in all the older Provinces of Canada has been generally known. So long ago as 1851, at the great exhibition in London, Canada as she was then, "under the direction of Sir William Logan, made such an exposition of her mineral stores as to receive such a tribute of praise and recognition as the following:

"Of all the British Colonies, Canada is that whose exhibition is the most interesting and complete, and one may even say that it is superior, so far as the mineral kingdom is concerned, to all countries that have forwarded their productions to the exhibition.

" \* \* \* The vast supplies of iron with which the collection gave evidence that "the Colony is enriched, appeared to arrest the attention of all. The British miner, "accustomed to follow into the bowels of the earth beds of ore of six inches to one foot, "containing between thirty and forty per cent. of this important metal, naturally regarded "with surprise huge blocks of it from beds of 100 and 200 feet in thickness, and yielding "60 to 70 per cent. of iron. The Canadian iron ores were examined with great care and "attention by the agents of Russia; it seemed to strike them with wonder that such "prodigious resources should be found in any country but their own; and the public in "general, without taking into consideration the question of its present application "to profitable uses, seemed to regard the great beds of magnetic oxide as national "magazines, in which was stored up a vast amount of material, indispensable to the "comfort and progress of mankind, while it is always satisfactory to the inhabitants of "a country to know it is within their reach and control, should circumstances arise to "render its application expedient or necessary."

. No doubt the knowledge of the possession of such mineral wealth actually has been a great source of satisfaction to the Canadian people. Apparently from that time down to the present, nearly a quarter of a century, they have been content with the mere knowledge that they own all this latent treasure, for they have done nothing worth mentioning to utilize it, during all that time; but on the contrary, the Provinces of Ontario and Quebec have, from 1851 to 1867-8 imported \$68,852,584 worth of iron, steel and hardware, and since Confederation the Dominion has imported \$60,982,742. The contrast between the apathy and sloth of the people of Canada at large and the few isolated and abortive attempts made by a few individuals to make iron in this country, on the one hand,—and the splendid results of the industry and energy of Great Britain, Belgium, France, Germany and Sweden, and last but far from least the United States, directed into this industry, on the other, are sufficiently striking. We have spent the public money freely to find out our mineral stores, but with the acquisition of the knowledge thus far we have chosen to rest content.

Most people conversant with the facts will agree, that the circumstances alluded to at the close of the previous quotation from the Official Report of the Jury on Mineral Products at the Great Exhibition of 1851, have at length arisen, and that the time has fully come to turn that mineral wealth to account. For that purpose everywhere we have plenty of limestone to use as a flux; abundance of water power to propel the necessary machinery in Nova Scotia and New Brunswick; prodigious quantities of mineral coal occur, suitable for use in the manufacture of iron and steel ; while in Ontario and Quebec charcoal from their own immense forests, and mineral coal from convenient points in the neighboring States are also available for fuel; we have unequalled means of water communication, supplemented by numerous railways actually in use, or in process of construction, to move from place to place, wherever required, the materials and traffic connected with this great industry; we have capital and people enough, or can obtain them when required, to carry it on. In a word, Canada seems to possess all the components ready at her hand : it but remains to organise them, fit them properly together, and set in successful operation the machinery of this truly national undertaking. Shall this now be done? To do it the people and Government of Canada must take simultaneous, har nonious, and concerted action.

The people, by furnishing the requisite capital, labor, skill and ingenuity; and the Government, by a generous policy of protection from too powerful and over-bearing competition from the great and wealthy iron and steel interests already established in other countries, by relieving it as far as possible from internal burdens, such as municipal or other taxation, by liberal subventions in the shape of bonuses, bounties, grants of public lands, &c., if required, to act as stimulants to the prompt formation of companies to carry on the work; and also, it may be added, by the creation of Schools of Mines in all

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the Provinces, to give special instruction in all the theory and practice of Mining and Metallurgy.

The time seems auspicious for making a determined effort to establish blast furnaces, rolling mills, and steel manufactories in Canada on a scale adequate to supply, at no remote period, all the iron and steel required for domestic use. Under the action of various causes, among the chief of which are the anticipated approaching exhaustion of the coal fields of Great Britain; the frequent derangement, and great rise in the skilled labor market there, produced by strikes and other troubles among the workmen, and the impossibility, at the best, of meeting from her iron and steel works the prodigious and always increasing demand by the whole world over for those materials, a considerable and apparently durable increase has taken place in their price.

This great augmentation in price of British iron and steel ought to be an effective agent in itself for directing capital, labor and skill to the production of those so needed substances here. Nevertheless, it is not to be expected that the producers of iron and steel in Great Britain, and it may be added of hardware in the United States, will submit with a good grace to any proposed deprivation of the Canadian market.

From the policy of inertia, adopted by Canada towards domestic mineral industry, and of practical free trade in iron and steel that has been the general rule of action, the iron and steel inferests of those countries have derived great profits from free and unrestricted access to the Canadian market. They cannot be expected to surrender their advantage without a struggle.

To prevent our proposed iron and steel works from being crushed in their infancy it is necessary that the safe-guard of sufficient protective duties should be afforded them. The magnificent result of such a policy (protection viz.,) seen in the United States, is a standing proof of its service.

As most are aware, the results of practical free trade in iron and steel that have ruled in this country from the very commencement of its existence as it were, have been an utter failure to establish home manufactures of iron and steel. The disgraceful and humiliating fact stands on record against us that with unsurpassed materials in measureless abundance, available for use at our very doors,—the first pound of Bessemer Steel yet remains to be made in this Dominion. And as to iron, our efforts so far only serve to shew in a more striking manner what we have not done. A few tons of iron are annually manufactured at the St. Maurice Works. Some failures in a few other places constitute the sum total of Canada's iron manufacturing. But in the tables of exports laid annually before Parliament, figure two items worthy of notice before going further.

FIRST. IRON ORE, of which for the fiscal year 1871 there went presumably to the United States from Ontario 26,771 tons; from Quebec *nil*, Nova Scotia, 54 tons; New Brunswick, *nil*. Ore from Ontario has actually been mined in Ontario, transported to the United States, smelted and brought back at a profit for consumption where the ore was raised.

SECOND. PIG AND SCRAP IRON. How much is pig and how much scrap, does not appear, but the suspicion may be entertained that, like Falstaff's refreshments, the pig iron bears about the same proportion to the scrap that the jolly knight's half-penny worth of bread bore to his two gallons of sack. For there are enterprising dealers, as is well known, who make a handsome competence in gathering every used up bit of scrap iron available, from a railway-axle to a horse nail, to export to the States there to be worked up afresh very likely for reconsumption in Canada. But at any rate there were exported from Ontario in the same year under this head 14,702 tons; Quebec, 891 tons; Nova Scotia, 247 tons, and New Brunswick, 554 tons. But to proceed :

In the United States on the other hand a different policy, that of protection to home industry, has been systematically enforced for a considerable term of years. Under its influence an immense and profitable iron and steel industry has grown up, and has now attained such a magnitude as soon will make that country independent of foreign nations for its supply of iron and steel. A few statistics in this connection will serve to illustrate the truth of this remark, according to the last and most reliable reports at hand, as follows :—

| Furnaces in operation. | In 1873. | No. of tons of<br>pig iron made<br>in 1872. | Do. estimated<br>to be made<br>in 1873. | Estimated<br>Caracity of<br>pleted Fur | all com- |
|------------------------|----------|---|---|--|----------|
| Charcoal               | 291      | 500,363                                     | 520,749                                 | 810,696                                | tons.    |
| Anthracite             | 225      | 1,369,812                                   | 1,249,673                               | 1,863,006                              | 66       |
| Bitumen and Coke       | 192      | 922,425                                     | 873,634                                 | 1,617,075                              | 66       |
| Anthracite and Coke    | 6        | 37,426                                      | 48,000                                  | 70,000                                 | 66       |
| Peat and Charcoal      | 2        | 224   | 1,600                                   | 2,500                                  | 46       |
| Bitumen & Charcoal     | 3        |   | 1,778                                   | 8,000                                  | 66       |
| Total                  | 719      | 2,830,070                                   | 2,695,434                               | 4.371.277                              | 46       |

No. of tons of pig iron made in 1872 in the United States, 2,830,070 tons """""iron of all kinds imported 800,655"

Total consumption of iron in the United States in 1872..... 3,630,725 "

In the Report of the American Iron and Steel Association for 1873, Mr. Brinsmade states :

"That for some time back Great Britain has been virtually crowded out of the American market in iron and steel. Through the moderate fostering care of the United States' Government the business of iron manufacture in this country has at last been put upon its feet, and is able to stand alone. There is no danger from the competition of Great Britain in our home market."

940,000 men were engaged in the iron interest in the United States, in 1873.

In England in 1854 the production of crude iron amounted to 3,500,000 tons. Value of the manufactured iron £25,000,000. Number of men employed in various ways in the manufacture of this amount of iron, 238,000.

The following figures will show the falling off in importations of British iron and steel in the United States for the last three years :

Imports of British iron and steel in the United States in 1871... 840,085 tons. 1872... 795,734 "

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|-------|------|--------|-----|---|
| 1873. | :    | 371,10 | 64  | " |
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year, were ..... 1,737,046 00

Showing that the Americans had succeeded in monopolizing 42 per cent. of the whole amount imported in 1872. All these great results have been brought about in a few years of protection in the United States. The practical results of this step-mother policy adopted in Canada toward her iron industry during the same time, may be

strikingly seen in the contrast between the destitution of the Canadian shores of the Great Lakes, as to the smelting works, rolling mills, and steel manufactories,—and the vast hives of human industry connected with the manufacture of iron and steel at Charlotte, Buffalo, Erie, Cleveland, Wyandotte, Detroit and other places along the American frontier not a whit more favorably situated for the manufacture of iron and steel than opposite points on our own border.

An objection may be made against placing customs duties upon imports of iron and steel, even for the purpose of encouraging home industry, on the plea that those substances are used as raw material in a great variety of industries, and consequently ought to be free from all restrictions, and purchasable in the cheapest market. It is doubtless true that their range of use is very wide, and in a sense they are raw material, but on the other hand they are manufactured articles, likewise; and far from being manufactures of a low grade at that, the farthest from it possible. The testimony of all who are qualified by knowledge to speak authoritatively upon the subject, is unanimous that there is no great branch of human industry which makes greater demands upon human knowledge, skill and ingenuity, or requires a greater amount of capital and human labor for its successful prosecution, than the manufacture of iron and steel. And furthermore, there is none other that has played a higher and more important part in the economic history of the great manufacturing nations of the present time, such as England, France, Germany, Belgium, and the United States. It may also be contended that other industries would not appreciably suffer, from placing moderate duties upon importations of iron and steel.

In 1872, owing to reasons already alluded to, the price of raw iron rose from 60 to 80 per cent. and manufactured iron from 40 to 60 per cent. in Great Britain. At first some amount of consternation and a suspension of orders from Canada to some extent occurred. But this state of things was soon recovered from, and in that and the following year no falling off occurred in the quantity of iron and steel imported into Canada. The great industries in which iron and steel in their various forms are required, went on uninterrupted (at least in Ontario.). Iron in fact being a necessary thing, the feeling prevailed that it must be had at any price, and it was procured accordingly. At the same time it does not appear that the Dominion at large has perceptibly suffered from this rise in the price of iron and steel *per se*, but only in so far as the additional exportation of money from the country to meet this extra cost has caused stringency in the money market,—a stringency so far as iron and steel are concerned which would not have occurred had the iron consumed here been made at home.

It is therefore reasonable to suppose that any slight temporary increase in the price of iron and steel, dependent on placing a duty of, say 10 per cent. on pig and 15 per cent. on manufactured iron and steel, and 20 per cent. on hardware, would not cripple nor injure the general industrial pursuits of the country.

A few illustrations from common and well-known branches of manufacture will make this clear.

Take 1st, Coal Stoves :--

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| Example 1, Morning Star heater No. 13—<br>Weight of cast iron 290 lbs.   |      |
|--|------|
| Cost of, as pig iron, at 13 cts per lb \$5.07  | 1873 |
| " " 1 1-10 " 3.19  |      |
| Difference of cost of material at prices of 1870 and 1873\$1.88<br>Cost of material in same stove under 10 per cent. duty on pig<br>iron at prices of 1873 |      |

| E | xample 2, Cooking Stove, Champion, No. 8-   |              |
|---|---|--------------|
|   | Weight of Stove         355 lbs.           Cost of pig iron at $1\frac{3}{4}$ cents per lb  | 1873<br>1870 |
|   | Difference of cost of material at prices of 1870 and 1873 \$2.31<br>Cost of material in same stove under 10 per cent. duty on pig |              |
|   | iron at price of 1873 6.83<br>Increase. 62  |              |
|   | Maker's selling price in 1873\$22.75  |              |

As in the case of both species of stove, no falling off occurred in the demand, although the rise in price of iron, say 70 per cent. in 1873 over 1870, caused an increase in the cost of material in the one case of \$1.88, and in the other of \$2.31.

All must admit that the paltry increase of cost of material under a 10 per cent. duty, being, as is shown, 50 and 62 cents respectively, cannot affect the market for those stoves a particle.

2. Take the case of lake vessels full canal size, No. of tons of bolts and spikes in hull 26 tons. I will leave out of the calculation the other iron used in ships, such as anchors, chains, &c., amounting in the aggregate to about 24 tons, as possibly it would not be expedient to impose duties upon them, at least for some time to come.

| Cost of 26 tons of bolts and spikes at \$70 per ton<br>Cost of same at \$45 per ton | \$1,820<br>1,170 | 1873 5 per cent. duty.<br>1870 5 per cent. duty. |
|---|------------------|--|
| Increase<br>Cost of same under 10 per cent, increase of duty                        | \$650            |  |
| 15 per cent. in all prices of 1873  | \$2,002          |  |
| Increase  | \$182            |  |

Ship-building was never more active than it was in 1872-73 on the great lakes, even under the great increase in price, not of iron only but of timbers and labor also—surely. it is unnecessary to point out that the paltry increase of \$182 upon the price of the bolts and spikes in a vessel whose selling price is any \$23,000 can have an influence on its sale one way or another.

3. Marine engines for propellers full canal size.

Total weight of engine, shaft, and wheel and boiler, about 40 tons and 7947 lbs. forging *i. e.*, shaft, crank, &c., imported from factory Buffalo, duty free.

Total weight of cast iron 37,500 lbs.

Total weight of wrought iron in engine 3,700 lbs.

| Cost of    | pig ir<br>" | on at    | \$36 p<br>23 | er tor         | i                |        |                  |     | \$675.00<br>431.25          | 1 |
|------------|-------------|----------|--------------|----------------|------------------|--------|------------------|-----|-----------------------------|---|
| Cost of    | wroug       | ght iro  | n at \$      | 3.75 I<br>2.50 | Diffe<br>per 100 | lbs    |                  |     | 243.75<br>\$138.05<br>92.50 | 1 |
| Boiler,    | 10 tor<br>" | ns or 2  | 0,000        | lbs. p         | late at          | 5 cts. |                  | \$1 | 45.55<br>,000.00<br>850.00  | 1 |
|            |             | 8        | ,000 11      | os Lo          | wmoo             |        | t 8 <u>1</u> cts |     | 150.00<br>680.00<br>680.00  | 1 |
| otal exces | s of co     | ost of I | nateria      | al in          | 1873 0           | ver 18 |                  |     | ce none                     |   |

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#### Difference in cost of material with 10 per cent. added on pig iron, and also 10 per cent. additional on manufactured iron omitting shafting and boiler tubes.....\$ 249.30

The comparative ease with which the present industries of Canada have borne the vast increase that has taken place in the price of iron and steel, —an increase far in excess of any that could arise from any import duties that are ever likely to be imposed,—surely ought to make the country ready and willing to endure a moderate temporary increase, provided the result of the temporary inconvenience should be the establishment of iron and steel manufactories in the country, and the arrest of that outflow of money that has gone on for so many years to purchase those materials abroad; especially when there is a certainty, as the example of the United States with reference to iron and many kinds of cotton and wooden goods, &c., and of Canada with reference to the Huron salt interest. proves-that once an industry has obtained a firm, fast hold in a country adapted to it like that of iron to Canada, under the fostering influence of due protection from foreign competition, the profits at first made by the few that engage in it induce others to embark in it also, and sooner or later the competition in that industry reduces prices to as low a limit as they would be at, were there no duties at all in the way of importations. In this connection I again recall the fact, that the always highly protected hardware industry of the United States was able in 1872 to wrest 42 per cent. of the foreign hardware trade of Canada from the corresponding industry of free trade England, and that Americanmade pig iron, it may be added, can actually undersell Scotch pig iron in our market. I have recently seen American iron offered for \$35 per ton in Buffalo and Charlotte, while at the same time Scotch pig iron was rated at \$35 per ton in Montreal. Under any circumstance any additional burden that might be imposed on the country at large by protective duties on iron and steel, may be counterbalanced by lessening or removing duties on articles which, like tea and coffee, are generally used, but are not and never can be produced in the Dominion.

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So far, I have spoken of the propriety and expediency of promoting the inauguration of iron and steel industries in Canada by the imposition of such moderate customs duties on foreign iron and steel, as is adequate for the purpose. Other measures to furnish substantial inducements for labor and capital to embark in these industries may also be adopted with propriety. No doubt the general principle ought to be adopted with caution, of offering rewards by grants of sums of money and tracts of land by Governments and municipalities, and by preferential legislation of any kind, to promote the inauguration of new industries in a country. Nevertheless, where special cases of great and paramount public importance occur, the exceptional good to be obtained from the introduction of those industries, may fairly justify the adoption of exceptional means like public bonuses exemption from public burdens, &c., to promote their establishment. Illustrations in point are not wanting of such action having been taken elsowhere. I will adduce several. The Government of New Zealand a short time ago offered a large reward for the first 100 tons of Bessemer Steel that should be manufactured from the Tasemake iron sands. From the granting by the County Council of Huron of a reward of \$1,000 for the first 1,000 feet of well proposed to be sunk in search for petroleum, came the discovery of salt and the ultimate establishment of the important industry of salt manufacture in Huron.

The patent system generally adopted among enlightened nations for the encouragement of human ingenuity to make discoveries and devise inventions for the use of the people, is in reality, merely a system of bonuses to genius, and few men of sound sense and judgment object to it. Years ago Napoleon Bonaparte offered a heavy reward which was finally earned, to the discoverers of a cheap mode of manufacturing carbonate

of soda. For all time to come mankind will enjoy the benefits resulting from this action on the part of the French Emperor. For the past two or three years a standing reward of \$100,000 has been offered by the Legislature of New York for the invention of a steam canal boat with certain desirable characteristics. Both in the United States and in Canada free grants from the public domain are made to actual settlers, and in Ontario bonuses are given to immigrants, all which are nothing but public subventions for the encouragement and increase of agricultural industry. State Governments have granted bonuses for planting forest trees. Canada authorised the Allans to establish a line of steamships from Canada to England. These and other examples that may be adduced show the recognition by the public of the propriety and expediency in particular cases of public aid being given for the promotion of industries and undertakings calculated to benefit the community or nation at large. The day has come when the wants of our country urgently call for special legislation to inaugurate and promote iron and steel industries among us. Let that legislation forthwith be had. The exceptionally great direct and indirect benefits certain to accrue from their introduction justify and demand such special legislation, not only. by the Parliament of the Dominion but by the local legislatures as well. With reference to the industry of ship-building one of the most important now carried on in the Dominion, it is not to be disputed, and the fact ought not to be concealed, that the rapid consumption of ship timber that has gone on bids fair at no distant day to so exhaust the supply and augment the price as to cripple and arrest the progress of ship-building, unless in the meantime some substitute for timber is produced in season to take its place. Such a material is iron, which in Great Britain has well nigh eliminated timber from ship-building already, and in the United States also is making sure and steady headway in the same direction. Prudent policy clearly indicates the propriety of taking early steps to provide this material for use, and to inaugurate and establish iron ship-building in the Dominion of Canada likewise.

The climatic characteristics of the Dominion afford a clear indication of the desirability of adopting a general policy of inaugurating, and building up and developing to the greatest possible extent all industries connected with the utilization of our mineral resources. Our long and severe winters, by locking up the resources of the soil for six or seven months of the year, must ever set a limit to the expansion of agricultural pursuits and of the agricultural population, -- narrow when compared with that of more genial climes. To retain the natural increase of our native population at home, and also the immigrants who from year to year settle in the Dominion, occupation for them all must be provided in other branches of industry. If this is not done, the exodus of Canadian people to the United States, that has gone on for too many years already. may be expected to continue. If occupation is not provided for these people at home. go abroad where it is to be found they must and will, for a maintenance for themselves and their families they must have. What matters it to them if living in Canada is cheap. much cheaper than it is in the neighboring States? If occupation is not found for them here, they can earn nothing to buy what they need, even though it is cheap; therefore they will go in numbers to the States, as they have been accustomed to do in the past, where, under a different policy, occupations of all kinds are provided, and where, with the high wages there ruling, they can purchase the necessaries of life, even though they are high. Although the population of Canada, according to the last census, that of 1871, was shown to be only 10 to the square mile, and while the natural resources of the country, if properly utilized, are fully capable of maintaining ten times the number in comfort and prosperity, nevertheless statistics show that in 1870, 493,000 natives of Canada were domiciled in the United States, while 64,000 only of their people were domiciled in Canada in 1871.

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For the seven years ending with 1872, 145,109 immigrants, it is true, were added to the population of Canada, but this was fully counterbalanced by emigration *from* Canada to the United States to an equal amount.

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Even in 1873, a year in which immense efforts were made to promote the settlement of wild lands by the system of free grants, and at least \$400,000 were spent to promote immigration, such, nevertheless, was the exodus of Canadians to the United States (it amounted to 35,630) that probably the net increase of population by all those efforts and all that great expenditure, will be found not to exceed 12,000.

The unavoidable conclusion to be arrived at in connection with these figures is, that under the policy of free trade, the policy of buying the necessities of life in the cheapest market, that has prevailed in Canada, manufacturing industry has lagged behind; while in the United States, under a different system, that, viz., of protection mechanical industry has flourished, has grown and expanded, so as to afford occupation not only for their own people, but for the millions who flock there from foreign countries,—and so far as Canada is concerned, she has practically been a huge breeding farm, to rear up people to settle the United States with. The small increase of 12 per cent. of our population in the last decade, while the United States population increased 23 per cent, shows it. Hitherto, in addition to agriculture, one of the chief occupations that have been open in Canada to give men employment has been the lumber and timber But to this trade a near and inexorable limit is set by the rapid detrade. A wise and statesmanlike policy struction going on of the Canadian forests. it is full time should be adopted with reference to those forests. Their consumption ought to be regulated within judicious limits. Their beneficial influence upon climate is undoubted. It is also well known that with the destruction that has been going on among them already, the volume of water flowing in our navigable rivers is injuriously diminished, and hundreds of streams that used to be perennial, become dry channels during the summer. Therefore, as the source whence so many benefits to agriculture and commerce flow, those forests ought to be husbanded as far as possible. This can be done with perfect freedom; for the objects are not far to seek upon which to direct whatever volume of human industry may be deprived of employment in the lumber and timber trade thereby. In every direction throughout the land mineral treasures incalculable are stored beneath, and even are found cropping out upon the surface of the ground. Their consumption can by no possibility inflict injury on elimate, agriculture, commerce, or anything else that is of value to the country; but, on the contrary, they are capable of giving employment to hundreds of thousands, and, if properly utilized, of bestowing wealth upon the individuals and upon the nation, equal to that under the control of the genii of Eastern fable.

The time has fully come for the adoption of such changes in the economic policy of Canada as are necessary to turn these ore beds to use. A very considerable expansion of the fishery trade is possible, and ought to be encouraged to the utmost. Many mechanical industries, other than those connected with mines, have been, or may hereafter be established, capable of maintaining many thousands. But after all has been done that can be done in other directions to promote the material advancement of Canada, to the development of those inexhaustible stores of minerals which Nature, ages upon ages ago, prepared and hid away for our use beneath the ground,—not only in the Laurentian system of rocks, in Ontario, Quebec, Nova Scotia and New Brunswick, but also in the, for so many ages, Great Lone Land of the North-West—now lone no longer—and, finally, in British Columbia, must we look for the chief means, after agriculture, of maintaining a brave, indigenous and immigrant population, and which, by furnishing them an employment that is practically independent of climate, remove to the far and indefinite

distance the limits to the growth of the nation in population, to the acquisition of wealth and all the benefits that flow in its train, and render possible for Canada a destiny second to that of few other nations in true greatness, brilliancy and grandeur.

Dr. OILLE continued :- Let this Board give no uncertain sound on this great question. Let it not be led astray by the *igniis fatuus* of reciprocity with the United States that is exposed to our view by Boards of Trade in that country, and by Free-traders both in the United States and in Canada. Fine-spun theories of great national advantages from free-trade are not what we should take as our guides, but the stern logic of facts; and the facts are that protection to home industries in the United States has, in a decade, produced such magnificent results that they have no reason to change it. From the beginning, their policy has been an intensely selfish one. They will not change it to better our condition. Like the voice of the sirens to Ulysses, they cry out to us, let us have freedom of intercourse, and hold out baits of reciprocity to keep us from adopting a national policy like their To their plausible devices let us no longer listen, but like own. Ulysses, the many-counselled, let us fasten ourselves to the good ship's mast, at whose head floats the motto-" Protection to home manufactures for all." If we will do so as far as iron and steel are concerned, I see an inspiring picture. Smelting furnaces and rolling mills by scores, with fires that never die. Canadian miners, like the gnomes and cobolds of German fable, down in the depths of the earth, plying their venturesome trade.

Mr. WM. ELLIOTT (Toronto) : Some three years ago I had the pleasure, and I think I may say the honor, of introducing this subject before the Dominion Board of Trade. I then advocated, mainly by a paper I prepared on the subject, the principal features of what has been advanced today by the supporters of Mr. Gillespie's amendment. At the present time I have no reason to change my mind. Although we were in a considerable minority then, I do not feel ashamed of the stand we took. I have lived in this country now 46 years, and am very happy to see its progress, and am anxious to have its best interests promoted. I am satisfied that if we are to have a large population—a population that this country can well sustain -we must have employment for all immigrants, especially when we have reason to expect a class of immigrants from Great Britain, who are to a great extent brought up to manufactures. As has been very properly remarked, it would be unfair to encourage them to come out and not find employment for them. In order to accomplish this end, we must encourage manufactures; and to do that to an extent not burdensome to the people, we must grant those who invest their capital in them some assistance in the shape of moderate protection. I am not in favor of so high a tariff as exists in the United States, although I believe the people knew what they were about in imposing it But I do not think that a protection of 20 per cent.,the tariff I advocated three years ago,—can be considered at all too high. I do not know that it is enough; but at any rate it is not too much protection for manufactures in general, and I think the Board would do well to adopt the amendment of Mr. Gillespie. I have to express my gratification

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with the able manner in which this subject has been brought forward, and I shall give my vote in favor of a resolution to have a fair, moderate, protective tariff, and to have it permanent. I quite agree with the opinion that we should not have frequent changes,—that we should have a fixed tariff, which could be relied upon as such by those gentlemen who have the courage to invest their capital in manufactures. At the same time, I must repeat what has been said by Mr. Gillespie, that it does not at all follow that the price of manufactured goods will be enhanced thereby to the consumer. The question will then arise, why do you want an increased tariff? Mainly for this purpose:—we have an instance in the recent panic in the United States. Manufacturers there during a panic like that, send over their surplus stock of goods and sell them in Canada at less than cost price, to the injury of our own manufacturers. Now, we are bound to protect our manufacturers against such an injury. Of course some will say, if we can buy goods cheap we are entitled to get a good bargain. But if this means, as it does, the throwing out of employment of a great number of our countrymen, it is not so good a bargain after all. I think, therefore, those who have invested their money in manufactures, should be protected against the recurrence of the state of things I have adverted to.

The PRESIDENT: I must call your attention to the fact that we have a great many subjects to go over, and I think it will be necessary to limit the time of speakers. Of course, we have heard very little as yet on the free trade side of the argument, and whoever leans to that side is entitled to whatever time he wants; but as to the speeches in general during the rest of our sessions, I think they should not be over fifteen minutes in length If you approve of that, I shall make it a rule.

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Mr. ADAM BROWN (Hamilton): I desire to confine myself as closely as possible to the amendment proposed by Mr. Gillespie. It does not quite meet either my views, or the views of the Board of Trade which I have the honor to represent, inasmuch as it fixes a 20 per cent. tariff as the one which should be adopted. No doubt there are some articles in the tariff that require a protection of 20 per cent. ; but some may require less, while others may require more. In plain English, the view which I hold about protection is this—that articles which can be produced in this country should be protected just so far as would prevent the introduction of the same class of articles from another country. While this amendment by Mr. Gillespie is not exactly what I would desire, yet it is the nearest approach to it. think it is a move in the right direction, and should receive the cordial support of all true protectionists. A well-adjusted tariff now, in this crisis of our country's history, is what we want,-and then permanence. As to the remarks of Major Walker, that we should rest and be thankful, and probably the necessities of the Government in carrying on large public works might lead to incidental protection, I must say that the word "incidental" in connection with protection, is altogether out of place. Let us deal with this question upon principle. If protection is right, it is

right upon some fixed principle founded upon justice or the interests of the country. No doubt one of the first matters that should claim the attention of the Government, is the promotion of an increase in population. First of all, population, and then occupation for that population; and nothing can be truer than the remark, that nothing can be more cruel than to induce immigrants from the homes to which they are so much attached, and then to provide nothing for them but hardship and penury. An ounce of practice is worth a ton of theory. Gentlemen may talk of what may be in the future ; but many of you know, especially those who come from manufacturing cities, as I do, that during the past year several large manufactories were closed. The half of our factories are not working full time, and many of them are only working half time. What is the cause? Ask the parties engaged in the work, and they will tell you it is because the same class of articles they produce is brought into the country from the United States in times of panic. and sold at less than cost price,—the object being to get rid of surplus stock which cannot be disposed of in their own country. In such times a 15 per cent. tariff is no protection. These manufacturers on the other side carry on a large business, and get full prices in their own markets; but in order to keep their factories running on full time, they are willing to sell their surplus stock in Canada at a much smaller price. I feel that in this matter the question is very clear. The gentleman who made the main motion wants the farmers protected. I claim that he who seeks for protection to native industry is the best friend of the farmer, because by this means centres of busy industry are created, furnishing at the same time a home-market for the agriculturalist. The more centres of manufacturing industries we have, the better for the farmers surrounding them, as may be proved by the condition of the agricultural population in the neighborhood of all large manufacturing centres. It is neither prudent nor reasonable to sneer at the experience of other countries. The men of the great American Union have been wise in their day and generation; and while we do not choose to live under any other flag than our own, we may do worse than take a lesson from them, as to the manner in which they have promoted their industrial interests. They have prospered under protection; and if there are manufacturers there who are willing to accept free trade to-day, it is because they have under a protective tariff became strong enough to compete with the world. I do not wonder that now there may be those in the United States who say they are in favor of a change. But we know-it is a matter of history-that it has been the protective policy of the United States that has made that country what it is to-day in regard to its industrial prosperity. That is what we require here. We need a wise protective policy in this country; not a protection dependent merely upon the incidental requirements of the country in the way of revenue, but a well devised tariff that will have for its basis, as a matter of principle, protection to native industry. We will then be able to find occupation for all the immigrants who seek our shores, and these thus finding profitable employment, will induce many others to follow their example ;---so that without injuring the farmer, but I claim benefiting him, we may make this Canada of ours the home of many millions of prospercus and contented people. I

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do not know that I have anything more to say upon this subject. I had intended speaking a few words in relation to the question of the iron industries; but as it is to come up as a special subject, I will defer any remarks upon that question, merely saying that here we are folding our arms, and calmly seeing our American friends come into this country, take away our iron, smelt it, and then bring it back and sell it to us. The parties interested in the iron of this Ottawa district are, I think, exceedingly moderate in their requirements in the shape of protection. Those I have spoken to ask only 10 per cent. on pig iron I will give my cordial support to Mr. Gillespie's amendment, as in my opinion, the best move that has been made in the direction which we ought to take; believing that the sooner we have a fixed protective tariff-permanent after it has been well adjusted—the sooner will capital flow into this country in increased amounts, and our industries and resources that are now lying dormant become utilized, thus enabling us to enter upon a career of great prosperity.

Mr. A. WOODS (Quebec): I do not intend to occupy your time with any lengthened remarks—cordially concurring in the suggestion that the time of the speakers should be limited. My only regret is that the restriction as to time should have been made in the middle of the discussion. The gentlemen in favor of extreme protection, who have based their argument upon the great prosperity of the United States, have overlooked one remarkable source of that prosperity. They have overlooked the fact that the United States has a population of about forty millions, and that one great source of its prosperity has been, not protection, but free intercourse between the different parts of that large country. The internal free trade of the United States, the unrestricted commerce over that large area of territory, which yields the products of many different climes and of great diversity-these facts have, in my opinion, done far more than the protective system, to advance the prosperity of that country. I might cite also as another argument in favor of free trade, the recent history of our own Dominion. I think it must be admitted that the recent Confederation of the Provinces, creating free trade between them, has tended very largely to increase the commerce and prosperity of Canada. I cannot allow the assertion to go uncontradicted which has been made at this Board, with reference to the decline of our manufactures-or rather the apparent lack of If we remember, that in the year 1850 the trade of the progress. Provinces now forming the Dominion, in imports and exports, amounted to only about \$29,000,000, and that the trade of the past year amounts to \$200,000,000-if we remember these facts, we will, I fancy, have good ground for the assertion that our country has made satisfactory progress, and that we have every encouragement to leave well enough alone. Moreover, if we look at the effects of protection in some particular branches of industry in the United States, we will not find much inducement to follow their example. I may cite one illustration-the mercantile marine of the United States. We all know, from the character and energy of the people, as well as from the large dimensions which their commerce had at

one time attained to, that the United States is a nation which should especially be capable of immensely developing their mercantile marine. Yet what is the history of the protective policy of that country, as applied to that most important department of commerce? Have we not to admit that their merchant shipping has been driven from the ocean by the competition of nations who build their vessels under a free trade policy ? and that the free trade nations are able, not only to manufacture for a large portion of the world, but also to do its carrying trade? Another point :- I can appreciate the remark that an ounce of practice is worth a ton of theory. All that is claimed on behalf of protection is this,-that it causes more labor to be employed, and therefore increases the population. Now, take the sugar interest in Canada. This interest has yielded in customs duties a very large revenue, and we all know, that in the process of the manufacture of sugar, only a very limited number of employees is required. Well, I have no hesitation in stating my belief, that if it had been possible for the country to take the 300 or 400 employees engaged in that business, and pension them off with a salary of \$500 or \$600 a year each, it would have been a far better investment for the laborer and the farmer, than protecting the manufacturer of sugar, so that he might increase the price from one-half to one-quarter of a cent per lb. to the consumers. All our consumers of sugar are required to pay this additional price for the purpose, forsooth, of giving employment to 300 or 400 individuals. This question of protection is not a new one ; and the great trouble about it is that once commit the country to it, for the sake of such a policy, and you can never satisfy the parties who are seeking it. The result will be that practices would be introduced into our legislative halls and lobbies far from edifying and much to be deprecated -each individual endeavoring to advance his particular interest, without any reference to the general welfare of the country. I am in favor of the amendment to the amendment proposed by Major Walker, believing that it contains the principles which should guide us in this matter. My ideas about the fiscal policy which should guide our Government are,-that whatever revenue may be necessary from excise and customs duties, should be derived, in the first place, from such articles as are acknowledged to be articles of luxury, as distinguished from those of prime necessity; and that whatever other revenue may be required over and above this, should be derived from articles the manufacture of which can be favorably prosecuted in this country.

Mr. THOS. WHITE, Jr. (Montreal): I would very much have preferred making the remarks which I propose to offer on the amendment I intend moving, as soon as the last amendment has been disposed of. My opinion with regard to the question of the tariff is, that a body such as we are, is not in a position to frame a customs tariff at all. We cannot undertake to say to the Government that the tariff shall be 20 or 25 or 15 per cent., or any other rate. Our business, it seems to me, in a question of this kind, complicated as it is in its details, is simply to affirm some principle which should guide the Government and Parliament in dealing with the subject. I therefore propose, as soon as the amendment is disposed of, to put another amendment in your hands, which will affirm the general principle of protect is abso at the ing re TI tariff, a no cha larger with tl country change

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protection to home industry, in view of the fact that some change in the tariff is absolutely necessary at the coming session of Parliament. Last year at the Annual Meeting of this Board I had the honor of moving the following resolution :—

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That without forming any opinion upon some of the details of the present customs tariff, and the anomalies which are inevitable in all tariffs, this Board is of opinion that no change should be made in it, unless the exigencies of the public service demand larger revenues; and that in such case any increase to be made should be in accordance with the principle of the present customs tariff, which, while not interfering with the commerce of the Dominion, affords incidental protection to its manufactures.

That this Board is further of opinion that permanence in the fiscal policy of the country, is most important alike to its commerce and its manufactures, and that no changes should be made in the tariff not demanded by the absolute necessities of the revenue.

I do not propose to repeat that resolution in the precise form in which it was laid before the Board last year; and for this reason. I am convinced that during the approaching session some revision of the tariff must take place. I arrive at that conclusion from the statement of the First Minister made recently before a public audience, and also from the fact, which I have ascertained since this discussion commenced, that the revenues of the country during the first six months of the present fiscal year have been nearly \$600,000 less than the expenditure—that for the first time since Confederation the Government of the country will have to face a deficit instead of a surplus, when it meets Parliament. In view of this fact,-and also of the fact that we are undertaking large expenditures in connection with necessary public works,—it will be absolutely necessary that the entire fiscal policy of the country be revised by Parliament, and altered in such a way as to meet the public requirements. I think, therefore, that in considering this subject, we may take it for granted that there must be a change immediately, and may, as a body of commercial men, suggest to the Government what, in our opinion, should be the general principles which should govern that change. I have been prompted to speak at this particular time, for the reason that some remarks made by my friend Dr. Oille were, I think, unfriendly to this country. Although I do not use the word in a political sense, I am heart and soul "Canada First"; and, Sir, I cannot listen to statements which appear to me to depreciate unnecessarily our own country, without offering some remarks in reply which I think fairly meet the arguments advanced. It has often been said in this country, that we are losing our population, and that therefore it is not prospering. But what is the fact ? On this vast continent inter-immigration is going on perpetually. Dr. Oille tells us, that by the recent census of the United States, it appears that nearly half a million of native-born Canadians are found in that country. I have not had the opportunity of examining this census, but I did examine very carefully the census of 1861, and I know at that time when there was something like a quarter of a million of Canadians in the United States, they were not necessarily native-born Canadians, but persons who gave their names as Canadians-Canadians by origin so well as by birth. In examining the census returns respecting the inter-immigration of the different States of the Union, I find

that seven States lost more of their native population than we did. The State of New York, for instance, which is prosperous, lying adjacent to us, lost up to 1861, 834,000 of her native-born population, they having moved into other parts of the Union. This system of interimmigration is going on from us, as it is going on from them; and to say it is the evidence of want of prosperity in this country,-that it proves that this country does not offer homes as happy and prospects as bright as any other portion of this continent, is to say that which a fair consideration of the statistics of the whole continent proves to be utterly unfair. Therefore I was anxious at this time, before the remarks of my friend Dr. Oille were forgotten, to at least put in this disclaimer to them. Some of our young men have thought to better their prospects by going to the other side of the line; some of their young men have preferred this side; and you must recollect this, that they have had their great West to attract the population of the Eastern States, while we have had no great West. In the future we will not be placed at this disadvantage. With the Canadian great West opened up, I am satisfied we shall not be seeing our people move to the United States, but rather will be seeing them coming back to live under the old flag. I desire also, to say a word or two with respect to the remarks made by Mr. Woods. He told us we had an evidence of the advantage of free trade, in the fact that since Confederation the result of the free interchange of commodities between the different parts of the Dominion, shows that free trade is the true policy for a country like this. Let me say I entirely concur with him; but the error he makes is in mistaking free imports for free trade. Free trade is one thing; free imports is a very different. thing. If we could get an absolutely free interchange of commodities all over the world, we might approve of it, as we would be able to hold our own in any market; but, when this policy is all on one side,-that we are to admit everything into this country free that is manufactured outside of it, while our manufactures are met with a hostile tariff wherever they go—that is not free trade as illustrated by the confederation of these Provinces; and it proves to my mind very clearly, that the gentleman has not considered the difference between free trade and free imports, but has been carried away by that curse of new countries, the book-worm political economist, who from his closet undertakes to send forth dicta to govern the outside world. The ground of my objection to the motions now before the Board is, that they undertake to fix for the Government the rates which shall be charged upon imported goods. Now, it seems to me if we examine carefully our present tariff,—if we look fairly at the industries which have been developed under it,-we will find that very much more than a mere question of import duties is necessary. If you decide in favor of a 15 or a 20 per cent. tariff, the question arises, on what articles are you going to impose these duties? I had occasion last year to point out that what is raw material for one manufacture is the manufactured article itself with regard to another industry. If, therefore, you lay down a fixed tariff of 20 per cent. as the one that should be adopted, you leave the Government no option-if they follow the opinions of this Board-but to put 20 per cent. on all manufactured articles. I have here a letter which

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I received to-day from gentlemen engaged in a very important industry in the city of Montreal; and as it illustrates the very point which I am now speaking on, I shall, if I have the permission of the Board, read it. It is from the wholesale clothiers, and shirt and collar manufacturers of Ontario and Quebec, and is as follows:

"The Wholesale Clothiers and Shirt and Collar Manufacturers of the Provinces of Quebec and Ontario, desire to lay before you the position their respective businesses stand in, in relation to the Tariff, believing that a careful consideration of the following facts will induce you to support them in their just claims to a modification of the Tariff, that will place them in as favorable a position as other branches of local industry.

| Amount | imported | for the y | year ending June, | 1868 | \$108,229.00 |
|--------|----------|-----------|-------------------|------|--------------|
| 66     |          | 66        | 66                | 1869 | 138,425.00   |
| 66     |          | 66        | 66                | 1870 | 218,556.00   |
| 66     |          | 66        | 44                | 1871 | 432,373.00   |
| 66     |          | 46        | 66                | 1872 | 458,463.00   |
| 66     |          | 66        | e6                | 1873 | 885,183.00   |
|        |          |           |                   |      |              |

"The fact that the Imports for 1873 are, say double those of 1872, is sufficient to show the urgent need for our being protected."

I cannot say I entirely agree with that proposition, because I do not think it absolutely follows that that is the fact; but I think it will be seen, as I go on, that there are reasons why industries of this sort require a special kind of protection, which is not covered by any general proposition, such as those contained in the motions now before the Board.

"As the English houses have established local representatives having sample rooms, and employing commercial travellers, there is every reason to expect that unless checked by an increase of duty, this increase will be greatly augmented.

"The present rate of duty on ready-made clothing being the same as on dry goods, namely, fifteen per cent., does not afford any protection to the labor employed in this branch of industry; and, in our opinion, a difference of not less than ten per cent. should exist between them, which would make the duty on ready-made clothing twenty-five per cent.

"It has been advanced that the cost of labor bears a duty as well as the material in the clothing, and that ought to be a sufficient protection. This argument would have weight, were the same prices paid in England, &c., as here, which is not the case, by probably twenty-five to fifty per cent."

I am aware that this argument that there is a protection on the labor itself, is generally used against the proposal to protect industries of this kind; but I think it is very fairly answered by the statement of the difference in the cost of labor in the two countries.

"If thus protected, a great deal of labor now employed in England would be available for our own population, who could make quite as marketable an article, without any increase of cost to the consumer. The keenness of competition would be an effectual guarantee against any advance in prices. "The three following schedules will shew the protection the Tariff gives to the several branches of industry enumerated :

"Manufactures in which the materials manipulated are *free*, the duty on the manufactured article being 15 per cent.—

"Brass, Iron, Copper, Gold, Silver, Plated Ware, Wood, Furs, Rubber, Hair, Cork, Hardware, Type (metal), Soap, Marble, Hoop-skirts, Straw for Bonnets, Starch, Willow for Baskets, &c., Hemp for Cordage and Twines, Wool, Hides, Tobacco pipes (clay for), Cheese, Stone, Paper materials for collars and wall paper, Red and White Lead, Zinc (moist), Canvas for sail makers. Except in a portion of the Iron trade, where Hoop iron, Sheet nail, Spike rod, Boiler plate and Rolled plate pay 5 per cent.

"Trades where a portion of the articles they manipulate are free or else less duty than the manufactured article.

Shoemakers have Prunella, Felt Cloth, Silk, &c., Linen Thread, *Free*, and Sole and Upper leather at 10 per cent.

Bookbinders have Mill Boards, Binder's Cloth, and all Implements, Free.

Hatters have Silk thread Plush and Felt. Free.

Chairmakers have Rattan, Free.

Upholsterers have horse hair and Moss, Free.

Leather Glovers have plush for lining, Free.

Printers have Ink and Presses, Free

Cheesemakers have Annatto and Rennett, Free.

"Trades in which there is a duty on the articles they manipulate with a higher duty on the manufactured article.

|   | Duty Raw.         | Duty Manfe'd. |         |  |
|---|-------------------|---------------|---------|--|
| Coffee  | Free.             | 15 per        | r cent. |  |
| Spices, Ginger, Pepper, Pimento, Cassia, Mace     | 15 per cent.      | 25            | 46      |  |
| Molasses, if used for refining purposes           | 73c. per 100 lbs. | 25            | "       |  |
| Tinsmiths and Stampers,-Zinc                      | Free.             | 15            | "       |  |
| Tin Plates  |                   | 15            | 66      |  |
| Nailors (and Spikes)                              | 5 "               | 15            | "       |  |
| Boiler Makers,-Plates                             | 5 "               | 15            | 66      |  |
| Tubes   |                   | 15            | "       |  |
| This is the class under which we think the Ready- |                   |               |         |  |
| ' made Clothing and all Wearing apparel has       |                   |               |         |  |
| a right to be placed thus . Dry Goods             | 1K nor cont       | 05            | t       |  |

a right to be placed thus : Dry Goods..... 15 per cent. 25 per cent.

Now, the fact stated as to this particular industry, enables me to explain the principles which, in my opinion, should be observed in framing a tariff. To prepare a Tariff which will protect the industries of the country, is a matter which cannot possibly be done by any bald statement that 10 or 15 or 20 per cent. is a proper tariff. I think there are anomalies in the present Tariff so great as to make the work of revision by the Government a very serious one, and one which they can only accomplish by having in view some general principle. Parliament, some time ago, adopted a principle in the interest of our manufactures, which gave the Government the power, by Order in Council, of allowing certain raw materials to come into the country free. It was done in the interests of manufactures, and I believe it has been carried out as a rule in perfect good faith,—but yet so carried out as to make the bly find th and rende are questi statement thatIprop ciple of a ] liament to the count frequent 1 country, 1 I have ha this count tunities a. feeling an I was in occasions. of the tov greatest places, fr trade and leave our allows the then sent the case are very emigrate grants w to sendin act of ci sending 1 best way a manufa he requir Hence th matter of be utterly he has a for his p that app develope of the pe of, to m obligatio first half by a con of the D Canadia

make the Tariff about as anomalous a piece of legislation as you could possibly find the world over, troubling custom house officers, troubling merchants, and rendering people who import in good faith liable to suspicion. All these are questions which affect the Tariff, and cannot be dealt with by any general statement that the Tariff should be 10 or 20 per cent. It is for that reason that I propose to move a resolution in more general terms, laying down the principle of a protective Tariff, and at the same time leaving Government and Parliament to frame the Tariff in such a way as will best promote the industries of the country. I cannot sit down without saying one word with regard to the frequent reference made to the injustice done in bringing immigrants to this country, and finding no employment for them when they come here. Now, I have had opportunities which have not fallen to the lot of many people in this country, of knowing something about this question; and I have had opportunities also for knowing, that in free trade England there is a very strong feeling among the workingmen in favor of a protective policy there. When I was in England as Commissioner for the Province of Ontario on two occasions, I addressed meetings in behalf of emigration to Canada in several of the towns of the United Kingdom; and I can assure you it was with the greatest possible difficulty that we could prevent the meetings, in many places, from being converted into meetings to discuss the question of free trade and protection. The workingmen would say, "We don't want to leave our homes; but we are driven out by the free trade policy, which allows the raw material to be taken to Belgium, there manufactured, and then sent back to compete with our manufactures." They find that to be the case in free trade England to-day; and the workingmen of that country are very strongly impressed with the idea, that before long they must either emigrate or have protection to native industry. But in relation to the immigrants who come to this country, I have rather peculiar views with regard to sending them at once on to our wild lands. I can imagine no greater act of cruelty than that of bringing out the average English laborer, and sending him at once to the backwoods to hew out a home for himself. The best way is for the immigrant to first find employment, either with a manufacturer or a farmer; and then, after he has been here a year or two, he requires no further advice from any one as to the best course to pursue. Hence the value of manufactures in or near our new settlements. As a matter of fact, but for the lumber interests going on in Muskoka, it would be utterly impossible for the farmer to exist there at all. He exists because he has a manufacturing industry in his midst, which pays him a higher price for his products than could be got in the frontier towns. The same principle that applies there, will apply in the older districts. What we want is to develope that variety of industries which will give employment to all classes of the people. I propose, as soon as the last amendment has been disposed of, to move an amendment which will declare, that in view of the large obligations already assumed by the Dominion, and the fact that during the first half of the present fiscal year the expenditure has exceeded the revenue by a considerable sum, it is probable that some revision of the fiscal policy of the Dominion will become necessary during the approaching session of the

Canadian Parliament; be it resolved, that in the opinion of this Board, the

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principle of protection to the manufacturing industries of the country should be embodied in such revision of the Tariff, so far as the same can be carried out consistently with the commerce and revenue requirements of the country.

Mr. WM. OSBOBNE (Galt) : I entirely concur in the patriotic remarks of Mr. White, but I object to what he says with respect to free trade and protection. I am not willing to go for free trade. He also objects to naming a 20 per cent. Tariff as laying down too strict a rule for the Government to act upon. I do not believe it is the intention of this Board to lay down any strict rule with regard to details, but only to show the Government the general feeling with reference to the principle of protection,-leaving it to them to decide upon what articles a protective duty should be placed. Now, I wish to call the attention of this Board to an industry of considerable importance in our district, and to show you that the 15 per cent. duty nominally imposed, has not in reality the effect it is supposed to have. We have, in our town, a very important manufacture of edge-tools and carriage springs. That manufacture is protected nominally to the extent of 15 per cent. But in order to make an axe the manufacturer has to import 4 lbs. of iron from the United States-for he finds it better to buy iron made there under the protective system-half a pound of steel, 4 lbs. of coal, and 4 lbs. of grindstone. On the grindstone he has to pay 15 per cent., and has to pay heavy freight charges for all the articles; so that those charges very nearly come to the amount of duty which the American manufacturer pays when he sends his axes into this country. The supposed protection, therefore, of 15 per cent., really amounts to very little; and I think matters of this kind should engage the attention of the Government, in making any revision of the Tariff. With reference to the remarks made about the sugar-refining industry, I desire to compare it with an industry which, I remember well, used to be supplied entirely from the United States : I refer to boots and shoes. I can recollect when they were not manufactured in Canada, and a good deal of opposition was evinced to increasing the duty upon them, because it was said we ought to get them as cheap as possible. Ten per cent., however, was added to the duty, and what was the result? Why, in a very short time we had manufactures sufficient to satisfy the whole country. and cheaper, too, than we can now import them; consequently, we have the benefit of a very large trade in our midst, and we are supplied with a cheaper article. Without that duty there could be no manufacturing of boots and shoes in our towns; but with the duty a maker establishes himself, say in a village. Even supposing the people have to pay a quarter of a dollar more for a pair of boots, they would gain far more than that amount by the additional trade he would cause in the village. The same may be said of every branch of industry. I think it would be well in discussing this question, not to consider it in the spirit of controversy as between free trade and protection, but rather of promoting the best interests of the country. I am neither a protectionist nor a free trader; but I must say, that the arguments I have heard to-day, lead me to believe that the United States has advanced immensely under its protective system. I

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fail to see any one interest in the United States that has suffered severely by protection. On the contrary, every interest has prospered with the exception of the marine,—and that exception proves the rule, for their marine had to go beyond the bounds of protection. If it could have been protected wherever it went, it would have prospered like every other industry. Then we have England's example also. It is true, England is free trade to-day, but she took care of her young manufactures; and not till they were in a position of wealth and strength, and able to defy the competition of the world, did she declare free trade. If we were in the same position, it would be well to do the same; but we are in the position of England when she carefully protected her manufactures; and even now, as Mr. White says, with all her advantages of wealth and experience, her manufacturers are beginning to find that they can scarcely, cope with the world on the free trade principle.

The Board then adjourned at 5.30 until 7.30 o'clock p.m.

During this session the following members of the Cabinet were present and were invited by the President to seats at the head of the room: Hon. Messrs. Letellier de St. Just, Fournier, Ross, Scott, Dorion, Laird, Burpee, and Cartwright; also Hon. Dr. Tupper and Hon. Mr. Mitchell.

# EVENING SESSION.

# WEDNESDAY, 25th February, 1874.

The Board resumed at 7.30 o'clock, the President in the chair.

The PRESIDENT: I have been requested to inform you, in advance of more formal invitations, that the members of the Ministry have kindly determined to honor us with a dinner, at the Russell House, to-morrow evening. I am sure you will all feel pleased and gratified at this announcement, and will heartily appreciate this expression of good will and regard for us on the part of the Dominion Government. (Cheers.)

## THE TARIFF.

The discussion on this subject was then resumed.

Mr. R. SPRATT (Montreal): While much has been said in support of various manufactures, the flour-milling interest has been entirely ignored. I believe I am correct in saying, although I have no statistics to lay before you, that there is more money invested in mills, in this country, than in any other domestic manufacture. It seems to me, if we are going to protect the industries of this country, we should be fair. If the milling interest requires it, I do not see why they should not be protected as well as any other. These mills, wherever erecte<sup>4</sup>, create a considerable trade around them. I was in the western part of the Province in May last, and was

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there told by one extensive miller, that he had invested in staves and cooperage alone, the sum of \$28,000. Surely domestic manufactures of this kind require protection as well as any other ? The milling interest of this country occupies a very peculiar position. On the one hand, our millers have to be guided by the great market of Liverpool, and prices there vary as much as anywhere else. On the other hand, they have that great gambling market of the world-Chicago, "selling short" three months ahead. Well, they naturally say, that if all other industrial pursuits are to be protected, they ought to be protected also. One of the best markets we have in the Dominion is the Maritime Provinces. Nova Scotia, I believe, in round numbers, consumes 450,000 barrels of flour, and New Brunswick 300,000. Our millers certainly have a right to say: "If we are to assist you in building up manufactures, you should assist us." As things are now, a man can go to Chicago and lay down flour in St. John, N.B, cheaper than he can in Canada. One reason against placing a protective duty on flour is that New Brunswick and Nova Scotia would not like it. But we can say to the people of those Provinces : "We submitted to the Washington Treaty for your benefit, and we expect you to assist us." And if our millers were protected by a duty on flour, it would not make it any dearer to the people of the Maritime Provinces, because our millers could supply all they want,—it would only give them the trade. I hope, therefore, if any recommendation in favor of protective duties be made to the Government, flour will be included in the list.

Mr. C. H. FAIRWEATHER (St. John, N.B.): I desire to add a little to what has been said on this subject. This question is one in respect to which it is very difficult to lay down a policy on one side or other, and affirm that it is absolutely right. I concur very heartily in the expression of Mr. Osborne, that we should not approach it with the desire to upset the statements of gentlemen opposed to us, but to get as much light as possible upon the subject. It struck me while listening to the able and exhaustive argument -as far as statistics go-of the gentleman from St. Catherine's, that statistics were very misleading, very apt to be delusive. This occurred to me particularly with reference to the observation that this country was losing large numbers of its population by immigration to the United States. Now, I live adjoining the State of Maine, and I know that from 1861 to 1871, that State lost in its population the number of its natural increase, the population being the same at both periods. The adjoining State of New Hampshire lost some twelve hundred. With respect to the State of Maine, every one knows that it is favorably situated for manufactures; its water power is unequalled, and it enjoys all the advantages which the high Tariff of the United States gave it for prosecuting manufactures; and yet, it was not able to afford employment sufficient to retain its own population. This matter was ably handled by Mr. White; and I need scarcely refer to it farther than to localize that point, that the manufactures of that State were not able to retain its own population. It struck me also, that the immense increase, as shown by figures which were read to us, in the iron production of the United States, may not have

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been due—I submit for your consideration whether they were due— Were they not due to the unexampled, the to the protective Tariff. enormous increase of the cost of iron in Great Britain, and has not the principal increase taken place within the last two or three years? The Tariff of the United States was an average of 45 per cent., and it has not more than sufficed to maintain their manufactures in existence. We surely are not prepared to accept as high a Tariff as that. The importation of merchandize into the Dominion from over-crowded markets in the United States, is also, it appears to me, due to exceptional The late imports—which were, perhaps, the most embarrassing, causes. and which, perhaps, in their effect upon our markets have drawn increased attention to this subject-were very possibly due to the state of affairs in the United States, arising from their financial difficulties. They are fairly attributable to that cause, and to no other. Protection has always appeared to me in the nature of a strike. It would be an advantage to one particular industry, if it were possible that other interests should not be protected also; and I am reminded very forcibly of this by the observations of the last speaker. One interest wants protection, and is willing to help another in order to get its assistance; and so prices are increased all round. The Province to which I belong, and the adjoining Province of Nova Scotia, are certainly not asking for protection for their manufac-The state of manufactures with us is a pretty fair evidence, as far tures. as it goes, that there are some local and exceptional causes—over-production or something-to produce depression in this part of the Dominion. Within a radius of ten miles of the city of St. John there are three cotton manufactories, two woollen manufactories, manufactories of steam machinery, large machine shops, manufactories of nails, spikes, and kindred articles, a large manufactory of carriage springs, manufactories of boots and shoes, to the extent of entirely stopping importation; also of clothing, hats and caps; very large establishments for furniture and carriages-the latter article was very largely imported from the United States ten or a dozen years ago. Now, I am in daily contact with my friends engaged in these various enterprises, and I have not heard any complaint. I know that many of them are in an exceedingly flourishing condition; but if we went into very large over-production, we should certainly either have to look for extended markets or suffer a depression. Now, I wish to take exception to the tendency of the remarks of gentlemen who preceded methat inasmuch as there is a willingness to tax manufactures, the staff of life should be protected. I have pretty decided opinions upon that point; I do not desire to force them upon any one, but I must say that I will oppose such a proposition with all my might. As to the giving up of the fisheries being specially for the benefit of the Maritime Provinces, I must take exception to such a statement. We have, perhaps, a loose habit of saying that the fisheries were given up to get money to aid in building the Pacific Railway. I do not put that forward as a serious argument; but I think there is no argument to be founded upon the supposition that the fisheries were given up specially for the benefit of the three Maritime Provinces. Concerning the remarks with respect to having to import grindstones and

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coal, to be used in the manufacture of axes, I may say we have unbounded quantities of millstone in Nova Scotia. It struck me, when that remark was being made, that, inasmuch as a great many axes are brought to this place to be ground (laughter),—I do not mean any allusion to this Board, because we do not do that sort of thing—that this would be a very profitable market for them (laughter). But, joking aside, I call the attention of the Board to the fact, that there exist in Nova Scotia perfectly limitless quantities of grindstone.

Mr. JAMES DOUGALL (Windsor): I may say I am an interested party in this question, in that I am interested in the general welfare of the country. This is not an era when the interest of the different manufactures throughout the country should be discussed, but we should have regard to the welfare of the whole country. The question before us at present is, the advisability of a general protective duty of 15 or 20 per cent. Those in favor of protection say they want permanence in the Tariff, and yet they say they would be in favor of 20 per cent. this year, but they want 25 per cent. next year. Are we to have the duties increased year by year, and yet always on the ground that there should be permanency? A protective duty of 20 per cent. would not benefit the revenue so much as many suppose. It is generally imagined that the higher the duty the higher the revenue. Such is not the case. If you go beyond a certain amount, the difference goes into the pockets of the manufacturers, and comes out of the pockets of the farmers and other consumers. This is a fact that cannot be gainsayed. Why do the manufacturers ask for this protective duty if they are going to sell their goods cheaper than they can be imported? I cannot understand what they want with protection if that be the case. But we know such cannot be the case. They would not ask for it if they thought they were not going to be benefited by it. I am not a free trader either, because free trade, as far as this country is concerned, cannot be carried out. But a duty of 20 per cent. would be injurious to the consumers. Why should they pay a higher rate for everything for the benefit of a few? I contend that we should recommend a moderate duty upon imports, and that the interests of the different manufactures should be discussed before the Government, Why should we build up a Chinese wall here against our own mother country? Such an act on our part, would place in the hands of the Manchester school, grounds for their argument that we are doing everything we can against Great Britain, and that, therefore, she would be justified in casting us adrift. Probably the recent change of Government in England, has been brought about to a considerable extent by such arguments as that. Now that there is a new Ministry in power there, we should see what they are going to do, before we try to increase the Tariff so as to injure one part of the Empire for the benefit of the other. I am in favor of protecting the farmer. I do not understand that the efforts of our Government to promote immigration, were made for the purpose of building up manufactures. I supposed that these immigrants were intended to open up the country, and supply the lack of labor that is being felt. I agree with Mr. White, that it would be preposterous to place these men at once in the backwoods; but

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they could remain in the cleared part of the country, working at whatever they could find to do, and by-and-by, when they have learned the ways of the country, settle upon land. Certainly farmers have just as good a right to be protected as manufacturers. Why should we not do away entirely with the excise duty, and place a duty upon coarse grain and leaf tobacco, thus giving what is called incidental protection to the farmer? I do not propose that scheme; but I might just as well propose it as many of the schemes which have been proposed to protect the different kinds of manufactures. A duty of 20 per cent. will not do that. I will, therefore, strongly support the original motion, namely, to retain the tariff at 15 per cent., which I think is amply sufficient for all manufactures. Those that cannot be protected by that would not be protected by a 20 per cent. tariff. A duty of 15 per cent. is equal, when the charges of transportation are included, to 20 per cent; and a duty of 20 per cent. would be equal to 27 per cent.

Mr. Sylvester Neelon (St. Catherine's): I must say I am in favor of increasing the tariff; my reason is that I believe our manufacturing interests require it, and that the country would be benefited by it. have heard some gentlemen remark that our manufacturing establishments are in a prosperous state. I cannot agree with that statement. I live in the neighborhood of several manufactories, and I know that under our present tariff they are getting along, I may say, with their heads just above water. Whereas, I am satisfied that if the tariff were increased—I am not prepared to say to what extent—they would be strong and able to defy competition. I do not think we ought to lay down the doctrine that there should be a strict 20 per cent. tariff;-there are many manufactures that require more than that rate, while others, perhaps, do not require over 15 per cent. The fixing of a rate should be left to the Government. It would be well, perhaps, for this Board to appoint a committee consisting of our ablest men, and let them report what they would recommend as a proper duty upon different manufactured articles. I agree with the remark that wheat and flour should be protected as well as manufactures. It is not fair that while we have to pay a 20 per cent. duty on flour, and 20 cents a bushel on wheat sent to the United States, the dealers of Chicago, Milwaukee, Oswego and other places, should be allowed, when they happen to have a surplus on hand, to ship their flour to Montreal, and depress prices. Of course I am not in favor of having a duty of 20 per cent. on flour; but 40 cents a barrel, and 5 or 6 cents a bushel on wheat, would meet my views. We should profit by the experience of our American friends, who have prospered under protection. Taking all things into consideration, it is for the interest of the whole country to have a protective tariff; and I am satisfied that a great many of our farmers desire it. We must not go to extremes; but articles which can be manufactured here, that are now imported, should be protected. Look at the vessel interest, for instance. If a vessel comes into Canada and gets repaired, the repairs are charged about 35 per cent. duty when she goes back to the United States. If this proves profitable to them, why should it not to us? Let this Board consider

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this whole question, not in the spirit of controversy, but with a view to uniting upon some recommendation that would be for the advantage of the whole country.

Mr. WM. DARLING (Montreal) : I submit we are not in a position to impose a duty upon iron. If a duty were imposed now, even to a small extent, it would have the immediate effect of closing the iron manufactures of this country. The manufacture of nails, for instance, is a very extensive industry, and requires a large capital to provide the necessary machinery. If a five per cent. duty is placed upon iron, nails could not be manufactured. It is with the greatest difficulty now that the manufacturers of nails can keep the foreign article out of the market, so that a small duty upon iron would prohibit their manufacture here entirely. I need not say also that if you impose a duty upon the articles that are used in our foundries,--much of which now comes from the United States,-they would not be able to compete with foreigners. It seems a very small thing to impose an additional duty of five per cent. ;--but our poorer classes, and people of fixed incomes, find it exceedingly difficult to live as things are now ; and if you add five per cent. to the duties, you increase their cost of living. Every addition to the duties increases the price of labor. I consider there are many faults in our tariff as it now stands. The Government have granted special advantages to particular industries at the expense of the country.

Mr. J. S. LARKE (Oshawa): In speaking for a few moments to the question before us, I propose to refer to some of the objections which have been made by free traders, to the amendment of Mr. Gillespie. I, perhaps, have misnamed them; because we have now the singular spectacle, that there is not one gentleman at this Board who has announced himself an unadulterated free trader. A few years ago a man was almost considered insane who advocated protection; now, we find we are all protectionists of some kind or other. I take exception to the expression frequently used of "incidental protection." It may have served its purpose; it may, perhaps, have induced men to consider the question, who would not otherwise have considered it on account of their prejudices. Incidental protection, we take it, is protection simply because the country wants a revenue. But we believe in protection, because we want manufactures, whether we want a revenue or not. If free traders do not believe in protection, they have no right to say to the Finance Minister that the revenue shall be levied in any particular way. Free traders may use the appellation to cover their conversion, but protectionists should come out squarely as protectionists. and use the word which means what they want to convey. Another objection was raised by Mr. Walker,-that our protection had a very depressing influence upon the invention of the people, and that it did not stimulate the activity of the brain. Such is not the case. A. man invents because he expects to make a profit out of his invention; but he certainly would not invent for what is not in the country. An increase in the number of manufactures would increase the number of inventors. There is another reason in favor of protection;

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and that is, when labor is high it stimulates the manufacturer to use as little manual labor and to do as much by machinery as possible. Am I borne out by the facts?' In the United States, I believe, there are four patents issued to one in England. It is quite true some of them are Yankee humbugs, but there are humbugs on both sides of the water. In England they are manufacturing sewing-machines after the model of American inventions; and when Russia wanted locomotives for her railways, she passed by Belgium, Prussia, and England, and selected them from a Philadelphia establishment, because American invention and enterprise had studied out the peculiar wants of that country, and were able to supply just what was wanted. But there is danger of stimulating our manufactures to a great extent by over-production. That will bring its own remedy; and the people will be benefited, because they will get the goods all the cheaper. I do not say that the result of protection would simply be to enable Canada to manufacture for our own wants. Canada might manufacture for the world; and if there is one part of the Dominion that should work for protection, it certainly should be the Maritime Provinces. I know of no country so favorably situated to be the world's manufacturers as Nova Scotia and New Brunswick. They have harbors; they have ships; they are remarkably well situated to trade with all parts of the world; they have coal; and I believe the gentlemen from these Provinces will, before ten years have passed, regret the position they have taken in opposition to the advance of protection. An objection has been made to an increase of 5 per cent. in the tariff, that it will stimulate smuggling. That objection is met by this fact, that the goods upon which it is proposed to increase the duties are very bulky, and consequently it would be impossible to smuggle Then, again, the increase proposed is so small; if a man is not a them. thief at 15 per cent., he is scarcely likely to be one at 20 per cent. If we proposed to double the tariff, there might be some inducement for a man to alter his invoices. We must recollect that the great danger of smuggling in this country is from across the border; and we do not fear competition from that quarter, except when they throw their surplus upon us. But with regard to steady competition, it is England and Germany that we have to Another argument against protection is, that it may turn the Manfear. chester school against Canada. When we were levying a 20 to 25 per cent. tariff, we showed our attachment to the mother country. Still, I am an Englishman born, and I love my country; but Canada is my home, and I do not think it is right or just that I should strip my home of the necessaries of life, in order to increase the wealth and luxuries of my father's. One great reason why we should advocate increased protective duties is, that we may induce English capitalists to invest in this country. We know the 20 per cent. duty to a very large extent founded our manufactures, when Americans realized that it was to their advantage to manufacture in Canada. I recollect one instance in which a gentleman was simply a middle man between the American manufacturer and this country. With a duty of 12 per cent. he could stand it; when it was increased to 20 per cent. he began to scheme how he could get rid of the duty. He imported his machinery in pieces, but finally brought over American capitalists, and 102

established the first manufactory of what is now one of the best paying interests in Canada-a line of manufactures which not only supplies our own wants, but those of the mother country. If it had not been for the 20 or 25 per cent. tariff, they would not have been here. A gentleman from New Brunswick says that their manufactures are doing well,but have they not been made prosperous since Confederation? The old 121 per cent. was not sufficient, but the 15 per cent. was the secret of their welfare. Now, I believe the main issue before us,-seeing that everyone is a protectionist of some kind,-is whether we require an additional 5 per cent. duty in order to encourage the manufactures of this country. It is said this is a class question; if so, I should oppose it, not being a manufacturer. But I believe an additional 5 per cent, is absolutely necessary for the benefit of the whole country. We protect nearly every industry. What did we do yesterday? The importers and forwarders appear to be opposed to this change; but yesterday we recommended an expenditure of millions of dollars to protect the Canadian forwarder-at least to improve his position as compared with the American forwarder-to benefit Montreal at the expense of New York. We also give large bonuses to railways. But there is one point in which the agriculturalist will be specially benefited by the increase of manufactures, and that is, that it will largely increase the number of consumers. The farmer now exports his produce to Liverpool, and receives certain goods from abroad ;---in both instances he has to bear the cost of transportation. If we can bring the consumer and the producer face to face, the farmer gets the benefit of it; and I believe it is possible to do so. We do not propose to ask the Government to increase the taxes, for that is not necessary. We can increase the duty on manufactures, without increasing the taxes at all; all we ask is that they should shift the burden to other shoulders. Our manufacturers have to fight against the disadvantage of a lack of skilled labor. They have to educate their workmen, and in many instances their capital is invested upon an experiment. Then again, they have to fight against the prejudices of the people. There is prejudice in favor of foreign products ; people will prefer to pay a higher rate for an imported article. It is so, for instance, in the matter of sewing-machines. Canadians to-day are actually paying \$45 for an American sewing-machine, when they could get one of Canadian make, equally good, for \$35. Our manufacturers also have, unfortuately, our own importers to compete against. They are the agents of American and English manufacturers, and have their sub-agents all over the country. I recollect one case where a home manufacturer of printing inks had to contend against the prejudices of the people, who preferred the imported article, although it was no better,—his one traveller having to contend against the travellers of six or eight importing houses. These are the obstacles against which they have to contend. Then we have the fact that we are the slaughter-house, or sacrifice-market, of the United States. I would go for free trade with that Republic ; but I would not go for free trade with Great Britain. I believe the time will come when we may adopt free trade, [as England has done, and throw out a challenge to the world; but it is not now. Still, that time is coming if we are faithful to our own

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interests, and the first step towards it is to encourage manufacturers to invest their capital here, to employ skilled labor, and to obtain possession of the trade. I do not believe there ever was a time in the history of this country, when it was so important to take this step as now. In the United States they have set their faces against inflation; and when they return to specie payments the necessaries of life will be reduced, and wages will be lowered—all which things are a protection to our manufactures. Then they are developing their own resources. Unfortunately, the Canadian manufacturer has to rely upon importing, while the Americans supply themselves with their own raw material. If we take advantage of our present opportunities, our manufacturers will speedily reach such a position of strength, that they may say to the Americans : "We are prepared to throw open our ports, if you are prepared to throw open yours."

Mr. W. W. OGILVIE (Montreal): I wish to say a word or two with reference to the grain and flour trade. We had a duty upon these articles for two seasons, and gave it a fair trial. I recollect at that time we shipped Canadian wheat to Liverpool, and also American wheat on which there was a duty of 4 cents a bushel; and at Liverpool the question was never asked, which was American and which Canadian wheat. They were both sold on their merits. Was that any protection to the farmer? We were then told that that was a year of surplus, but wait until we should have a year of The next year was a year of scarcity, and we had to import into scarcity. Canada two million bushels of wheat and pay four cents a bushel on it. That is to say, the staff of life was taxed to that extent. It was said a duty of 25 cents a barrel on flour would enable us to supply the Maritime Provinces ; but if a merchant in the Maritime Provinces has to sell a cargo of fish in New York, he should not be compelled to pay 25 cents a barrel duty on a return cargo of flour. I can make a barrel of flour as cheap as any man in the Dominion or the United States; and when I cannot supply it to the Maritime Provinces as cheap as they can get it in the American market, then let them buy there.

Mr. A. ROBERTSON (Montreal): Three years ago, when this question of free trade and protection was before this Board, I moved an amendment, which was carried, and which was very much stronger than the amendment to the amendment proposed by Major Walker. I am sorry to see it has been moved a second time. The gentleman from Oshawa asks us whether we are free traders or protectionists. He is proud to say he is a protectionist; but our friend, Mr. White, left such a *blane* upon my mind, that I am at a loss, after hearing his speech, to know whether he is a free trader or a protectionist (laughter). We have been often told what free trade does for England, and that it is England we have to fear. We are also pointed to the United States, and told that their protective tariff has enormously increased their prosperity. Now, I should like to read to you two or three short extracts from a speech of Mr. D. A. Wells, a high authority on this subject :--

"In respect to that greatest attempt of modern times to restrict the freedom of commercial and industrial movement through what is termed protective or high tariff

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legislation. This legislation it is well known, had its origin in what were conceived to be the necessities of the country, growing out of the existence of the civil war; and though not so understood at the time, it is undoubtedly a fact that these very necessities were taken advantage of, under the guise of patriotism, by the advocates of protection, for the furtherance of their policy in respect to certain special interests; for if revenue, as pretended, was the main object of the increase of the tariff, it is almost impossible to conceive a reason, setting aside the hypothesis of profound ignorance, why the duties upon many articles should have been fixed during the war at rates far above the point at which the maximum revenue was attainable. But be this as it may, it is not to be denied that the adjustment of the fiscal system of the United States for the last ten years has been fully in accord with the wishes of the most fanatical and extreme of the protectionists; that the average rate of duties on all dutiable imports during this period has approximated fifty per cent.

"In short, the whole aim and object of this school of economists has been to engraft upon the country a sort of Chinese policy of prohibition and exclusion; and their great leader and teacher, Henry C. Carey, of Philadelphia, has not hesitated to publicly express his opinion that the very best thing which could happen to the United States, would be to have the ocean that rolls between the two continents converted into a sea of fire so impassable, that if Dives was in Europe and Lazarus in Pennsylvania they could not under any circumstances enter into commercial correspondence.

"The theory of protection has for the last ten years been engrafted upon, and made an essential feature of, the fiscal policy of the United States. The trial has been full and complete—the circumstances of the country, the disposition of the people and of political parties have all favored—and the result has been nothing but failure and disaster. (Hear.) In fact, I challenge the advocates of protection, one and all, to name one single favorable result which has not been more than counterbalanced by some directly consequent injurious influence; or to cite one branch of industry which has prospered through protection in any other sense than the tropical vine prospers at the expense of the tree upon whose trunk it clambers and twines simply to paralyse and destroy.

"It is not to be overlooked, furthermore, paradoxical as it may seem, that Free Trade itself is one of the agencies which has thus far occasioned indifference in the United States to the unrestricted application of its principles; for it is not to be denied that one of the prime causes of the prosperity of the United States, past and present, is referable to the fact that Free Trade in its fullest signification has been extended over the area of a continent, and now embraces forty-seven widely-separated and industrially different States and Territories; and that so well satisfied, moreover, are the whole people, of the truth of this, that upon no one point are they better determined in their own minds, than that they will not permit the creation or maintenance by any of the States throughout the whole of this broad territory, of the slightest artificial obstruction to the freest exchange of products and the freest commercial intercourse; and this, too, although there is not a single argument which can be advanced in favor of maintaining a protective tariff in the United States against foreign nations, which will not apply with equal or greater force, in respect of the extremes of the American Union; the difference in wages and prices, characteristics and pursuits of the people, being greater between New York and Texas, South Carolina and California, than between New England and Great Britain, and Pennsylvania and Germany.

"Again, the main support of the protective policy of the United States has hitherto been the manufacturing interest, but the manufacturing interest is at last beginning to find out that, in the long run, the indirect losses and burdens incident to protection far more than counterbalance any direct advantages that may have been supposed to accrue from it. One of the most remarkable illustrations of this has been afforded by the experience under the high duties imposed upon the importation of wool and woollens, which range from 50 to 150 per cent. *ad valorem*. The main argument made use of by the protectionists in defence of such legislation is that these high rates of duty were necessary to compensate the American manufacturer for the advantage in wages enjoyed by his foreign competitor.

"Now the results of the census for 1870 show that in the woollen industry of the United States the cost of labor represents on an average but from 17 to 20 per cent. of the value of the finished product; while other investigations have proved that the maximum advantage at present enjoyed by any European woollen manufacturer over the American, on the score of wages, is not in excess of 30 per cent. But 30 per cent. o

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20 per cent. is only 6 per cent., and it therefore follows that a tariff of this amount, supplemented by freights over three thousand miles of ocean, commissions, and insurance, ought to be amply sufficient to relieve the American manufacturer of anything like dread of the influence of the so-called 'pauper labour' of Europe. But, as already stated, the existing tariff on the import of woollen goods into the United States ranges from 50 to 150 per cent.; and that this is not sufficient to protect the American manufacturer and give him the monopoly of his own market, is proved by the circumstance that the woollen industry of the United States was never in a more depressed condition, and the proportion of the people who are clad in woollen fabrics of foreign manufacture was never so great as it is at present. The explanation of this singular phenomenonfor a more singular one was never brought to the attention of economists-is, that the doctrine of protection in the United States has been carried to such an extreme, and has so raised the prices of every constituent of manufacturing industry, that protection ceases to protect, and the tariff, in fact, in place of being protective, has become fearfully destructive; so much so, indeed, that by depriving the American woollen manufacturer of the free choice of raw material, it has made it as difficult for him to make good and cheap cloth as it was for the Israelites to make good bricks without straw; and, as of old, their cry goes up throughout the land unto the Protectionist Pharaohs, "Why dealest thou thus with thy servants?"

Mr. Wells, in the course of his remarks, mentions the woollen interest, and says the duties levied on woollens are from 50 to 150 per cent. In regard to our protecting woollens, what I fear is that we are but entering the thin edge of the wedge, and that we will go on increasing the duty to 20, 25, 50, and even 100 or 150 per cent. I have said before, in this room, that I represent not only the mercantile interest, but am also largely interested in Canadian manufactures. I think I know something about woollen manufactures. The trouble with that manufacture, and I say it advisedly, is not the want of protection, but over-production. Then take the cotton manufacture. I believe that interest is doing well; and I take issue with the remark of the gentleman from Oshawa, that the increase in the duties from  $12\frac{1}{2}$  to 15 per cent., the result of Confederation, is the cause of the present prosperity of the manufactures at St. John. It is the increased market that Confederation gave them that has added to their prosperity; and if it is good to have the market of all these Provinces, it cannot be bad to have it all over the world. I do not see why we should not be allowed to buy where we can find the cheapest market. I do not mean to say we should not have a revenue tariff; that is necessary. If you, however, make the tariff so high as to shut out foreign manufactures, how are you going to raise a revenue ? One gentleman says that without protection, the English importer will come in with his agents and compete with us. That may be true; but that is only the ordinary competition of trade, which ought not to be prevented any more than I should be prevented from going into his Province and competing with him. We must expect and be prepared for great competition. There is another point in regard to this tariff question which I would like to refer to again. It is with respect to exceptional legislation, which I very much dislike. Each particular industry seems to want some special protection.

[Here the Premier entered the room, and was received with loud cheers.]

Mr. ROBERTSON continued: I am of opinion that this exceptional

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legislation should cease, and all our manufactured articles should be subject alike to 15 per cent. I do not wish, at this late hour, to continue the discussion much longer. But I was considerably surprised, on referring to this book of Mr. Wells', to find, that while in the last twelve years the increase in the exports of the United States had been 176 millions of dollars, the increase in manufactured articles had been only six millions. Mr. Wells says:

"Thus the total value of the exports of the United States increased in the twelve years from 1860 to 1872, inclusive, \$176,000,000, or from \$373,000,000 to \$549,000,000; but of this increase, all but about \$6,000,000 is referable to the following six items: bread-stuffs, coin and bullion, provisions, leaf tobacco, petroleum, and lumber—products three-fourths of the value of which represent the gifts of God, and the other one-fourth, labour of the most unskilled and poorest paid description. And of the other six millions increase of exports, which might be supposed to represent the products of high wages and skilled industry, it is only sufficient to say that fully one-fourth stands to the credit of the single article of sewing machines."

There is one more point I wish to refer to. There is a statement in this book, which shows that the cost of labor in the United States has increased 60 per cent. from 1860 to 1873, while the cost of living, on twelve necessary articles, has increased 92 per cent.; thus the net loss to the workingman is 32 per cent.; that is, he was 32 per cent. worse off in 1873 then he was in 1860. I think we should endeavor to strike the happy medium—not the extreme free trade policy of Great Britain, nor the extreme protective policy of the United States. I hope, therefore, that Mr. Walker's amendment to the amendment will be carried by a very large majority.

Mr. P. GARNEAU (Quebec): I intend to vote for Mr. Walker's amendment, and for this reason: we all remember how unsettled the commerce of the country was several years ago. Every year, session after session, there was a demand for a change in the tariff, and we know the injurious effect it had upon the commercial community. It prevented people from investing in manufacturing enterprises, and checked business advancement to a great extent. I, therefore, will support Mr. Walker's amendment, because I am opposed to suggesting to the Government any change in the tariff. It has been said that we have recently been flooded by American manufactures, because we have not had protection. I view this matter in quite a different light from some gentlemen who have spoken. We all know that about 12 or 15 years ago, Canada was a large purchaser from the United States; but since they have adopted their high protective policy, the cost of producing manufactures has increased so much, it has become impossible to compete with other countries or with our own manufacturers. And the reason why American manufactures have been thrown into our market to such a considerable extent of late, has been the existence of the panic in the States, and nothing else. Their manufacturers found themselves overstocked, and had to get rid of their surplus, even at a great loss. And it would have been the same, if our manufacturers had been protected to the extent of an additional 5 per cent. If the tariff were increased to 20 per cent., that would make, if the cost of transportation were added, about 25 per cent.; and if we add a profit to that, we know what would be the effect as regard facture of life, certain

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regards the consumer. It has been said here that protection to our manufactures would promote immigration; but the higher we make the necessaries of life, the more difficult we make it for our laboring classes to live,—and certainly we do not encourage immigration by that means.

Mr. G. A. DRUMMOND (Montreal): I do not think it is necessary, after the able discussion we have already had, to say anything in reference to the principle of protection as against free trade. We have had that discussed fully and ably; and my experience of discussions of this kind is, that after all is said and done, the free traders remain free traders still, and the protectionists remain protectionists. The only thing I should like to be allowed to say-and it is for this purpose I rise-is that, contrary to the opinion of most of my colleagues from Montreal, I am now, and have been for a long time, convinced that moderate protection is the true policy of this country. The chief argument against protecting manufactures, namely, that you are simply taking money from the pockets of the farmer and placing it in the pockets of the manufacturer, has, I think, been well and honestly met by the fact that must be patent to all, that the farmer, by the increased number of consumers of his produce, is more than recouped for his sacrifice. True, he makes a sacrifice-there is no doubt the increase of duties is paid by the consumer; but he is more than repaid for it. The doctrine laid down by the Manchester school was that no country fitted by nature to be agricultural, could with profit to itself become a manufacturing country. Canada took exception to that doctrine, and we are considerably farther from it now than we were at the time of Cobden, because no nation can possibly possess within itself the elements of independence, without being, to a certain extent, a manufacturing country. Those are my views on that point; but I need not enlarge upon a subject which has been treated so ably by the delegate from Oshawa. To my astonishment, one gentleman, in discussing this question, saw fit to point the moral of one of his free trade maxims, by a special reference to my own business. He said the sugar trade of the Dominion had been fostered at a great sacrifice on the part of the country, and that it would have been better for the country if the Government had pensioned off all the workmen employed in sugar-refining, and removed the duty on that article. I believe I may say I now represent the whole of that interest in the Dominion. I would have considered it presumption on my part to intrade my business upon this Board; but after what has been said, I may be allowed an explanation. So far from the present sugar tariff giving me any protection in the manufacture of sugar, I will prove to you beyond all question, that the business of sugar-refining in this Dominion, has for years been carried on in spite of a hostile duty. Now, I happen to have a few notes with reference to the actual duties paid by me and others in importing sugar into this country under the present tariff. I may state that during last year our firm paid the Government in duty something near \$650,000. Had the Government, instead of taking that sum from me, conferred it upon me, I should have considered myself very handsomely treated indeed. We hear a great deal of 20 and 25 per cent.

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being a high tariff; but sugar, such as I have imported, is subject to specific and ad valorem duties, amounting together to over 60 per cent. Now, had I been allowed to get that sugar at a moderate rate, I could have employed more labor in the business. At the present time I am paying upon inferior raw sugar a duty of three-quarters of one cent per lb.,-plus an ad valorem of 25 per cent.,-or something like 50 per cent. On a slightly better sugar these duties amount to 55 per cent.; on a still better sugar, 46 per cent.; on a higher grade than that, 45 per cent.; and on a better kind still, 42 per cent.; while upon American loaf sugar, manufactured in New York and imported into Canada in large quantities, the duty is not over 40 per cent.; and upon English sugar of the same description, it is not over 381 or 39 per cent. Seeing, then, that I have to pay something like 20 per cent. higher for my raw material than is paid for the manufactured article, I think my statement is proved that our manufacture, so far from being protected, is carried on in spite of a duty. The one branch of my business has to bear the burden of the other. No profit whatever is made in sugar-refining, in consequence of the tariff; but it is carried on in spite of the tariff by the other branch of my business. I am sorry to have taken so much of your time in this explanation, but I considered it was called for. In the letter which Mr. White read from the wholesale clothiers, and about which I would have had something to say had time permitted, I find a common illustration of the very vague ideas in the public mind in reference to our position on another subject. Amongst the articles the writer instanced as being in a better position than those in which they deal, he included, curiously enough, the article of molasses. Molasses, if introduced for refining purposes, is subject to a duty of 73 cents. per 100 lbs., and if not for that purpose, to 25 per cent. ad valorem. You will be rather amused to learn that the tariff, which is quoted as an advantage to the sugar-refiners, is and was intended to be a provision to hamper and cripple us. I say this advisedly, because the Finance Minister of the day was good enough to explain to me the reason why that duty was imposed. At that time the Maritime Provinces were rather opposed to Confederation, and they had to be treated with a good deal of consideration. They were accustomed to get molasses at a low rate of duty, and it was not considered good policy to deprive them of the advantages they possessed. But, it was alleged, if we obtained the molasses at a low rate, we could convert them into sugar and supply the market, thus depriving the Government of a large source of revenue. So the specific rate of 73 cents was imposed on molasses imported for refining purposes, which is equivalent to about 8 cents a gallon, a rate which produced most effectually the result intended; for from that day we gradually worked off our stock of molasses, changed our machinery, and abandoned entirely that branch of our business. I hope that it will now be clearly understood, that for refining purposes, the duty on molasses is 8 cents a gallon, while simply for consumption, it is only something like 4 cents a gallon; and yet there are people who so little understand the matter, as to say the duty was imposed in the interest of manufacturers. It seems to me that any approach

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to the state of things that exists on the other side of the line, is not desirable, even in the interest of manufacturers themselves. To my mind, our business as a Board is simply to lay down some principle, which, in our judgment, the Government ought to follow in this matter. I would support a resolution which would simply recommend a moderate protective tariff; but I would be opposed to intruding upon the province of the Finance Minister, by stating what particular rate of duty should be imposed.

Mr. H. McLENNAN (Montreal): It has been truly said that this question has been before us repeatedly. On the first occasion, the general impression was that it was to be looked upon simply as a question of revenue -that duties were a necessity entirely from a financial stand-point. We had, it is true, a resolution affirming that protection was a principle that ought to be recognized in the framing of a tariff; but that was voted down by a large majority. I recollect that either on that occasion or the next. one feature of the arguments used, was the statement that the rate of duties was an indication of the progress of civilization, and that, unfortunately, we occupied a very low position because we had a very high tariff. Last year we passed a resolution, which in a very mild form seemed to admit the principle of protection. If we go on in this way, we shall soon be passing very strong resolutions in favor of protection. Some of the arguments contained in the letter that has been read from the wholesale clothiers, command my sympathy; but I am hardly prepared to admit that the question of protecting our manufactures, comes to a question of employing labor that would otherwise be unemployed. We find our friends who want to protect the farmer complain of the high price of labor and its scarcity. We all know that the rate of wages for every man who is willing to work, has increased very much in this country, and that labor is fully occupied. We, in Montreal, are more apt to have unemployed workmen in our midst than the inland cities ; yet, we can occupy all the labor that offers, and we find our manufacturing interests have been making satisfactory progress. Then we come to the great argument on behalf of protection: that after all, the ultimate result to the farmer will be, that he will receive his manufactured goods at a cheaper rate than, or as cheaply as could be imported, although in the meantime he may have to submit to the disadvantage of having to pay higher for them. But what if our farmers are not in a position to make these loans to the manufacturers without very great inconvenience? Then we have to bear in mind, that if we prohibit imported manufactures by a high tariff, we must make up the deficiency in the revenue caused thereby, by increasing the duty on other importations. I object to our recommending a 20 per cent. tariff, because I do not think we are in a position to dictate to the Government what particular rate of duties should be imposed. There is another point which we are apt to lose sight of. If we make protection universal, it ceases to be protection at all. It increases the cost of living in proportion to the increase in the duties. With regard to the manufacturing interests of the United States under their protective tariff, I must say if we take them for our guide, it will be a most unfortunate one. I happen to know something about their manufactures, and can say that our

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manufacturing interests to-day are in a much more prosperous condition than those of the United States. Every one conversant with the matter will bear me out in the statement, that there are more failures in the manufacturing line there than with us. With regard to the loss by the United States of their commerce upon the high seas, we all know the effect of the civil war in depressing this branch of enterprise; but after the war ceased, there was a season of great prosperity, and the attention of capitalists was diverted from the marine, owing to the increased value of real estate, and the efforts made to open up the country. The consequence was that their shipping interests remained neglected, and British and German vesselsthe rate of interest being lower, and the opportunities of investment being less in those countries than in the United States-entered upon the trade that was neglected by the United States, not because they could not compete, but because they had opportunities of making better investments in another direction. But after all, as a matter of fact, their fleet upon the Upper Lakes is quite commensurate with the requirements of the country. I think it quite right that this Board should consider this question of promoting our industrial interests, yet I do not think we can do more than affirm a general principle in connection with it. What I would suggest is, that while a committee of this Board could not well be expected to report any particular tariff to be recommended to the Government, it might be well, when the question is under the consideration of the Government, that an opportunity should be given to the different Boards of Trade to represent the opinions of their respective localities upon the subject. The Government would then be in possession of the views of particular interests, while these interests would be relieved from the imputation of pressing their personal claims in the matter; because I believe, in times past, there has been a great deal of private representation to the Government, and entirely from a personal point of view in connection especially with the tariff. This, I think, is evident from the existing state of the tariff itself. In my opinion it would, therefore, be much better to have some definite expression from the Boards of Trade in the various sections of the Dominion. There has also been a good deal of trouble with regard to the interpretation to be put upon the present tariff, and this is a matter which should be considered by the Government. I hope an amendment will be offered that will simply enunciate a principle, instead of setting forth any definite rate of duty.

Hon. T. R. JONES (St. John, N.B.) I did not intend to offer any remarks on this question, and would not do so now, had not one of the gentlemen from Montreal referred to the clothing trade. There has been a very extraordinary letter read here to-day from that trade. I happen to know a good deal about it, because in connection with my dry goods business, I have been a wholesale manufacturer of clothing. With regard to the statistics contained in this document, I would like very much indeed to know where they were procured. Is anybody responsible for them ? The document which has been printed and circulated here, I notice is not signed.

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With regard to the clothing trade in New Brunswick, it stands in this posi-Some ten years ago, probably \$400,000 or \$500,000 worth of tion. clothing was imported, while, at the present time, I do not think \$20,000 worth is imported. Year after year, we are driving the imported article out by our home manufacture. I say this, because I carry on the business largely, and believe I thoroughly understand my own interests. This letter states that \$885,000 worth of clothing is imported into the Dominion; but you must recollect that that includes a large quantity of India rubber cloth. silk cloth, and other goods, which cannot at all be manufactured in the Do-No factories for their production have been commenced; and I minion. believe the imports of clothing that can be manufactured here do not amount to \$400,000, being about one-half of what is given in this letter, and about forming a respectable business for one wholesale clothier. In the next place, I fully endorse what Mr. Robertson has said as regards the manufacture of woollens. Some six or seven years ago, from seven-eighths to fifteen-sixteenths of our woollen goods were imported. Very little came from the Dominion or was manufactured by us. At the present time, three-fourths of our woollen goods are manufactured in the Dominion of Canada; and in respect of goods which we can manufacture, we are gradually driving the imported article out altogether. I fully endorse the statement that over-production is interfering very much with the woollen manufactures of Canada. We have about four millions of a population, and export very little of this class of goods. The population of Great Britain is something over thirty-three millions, and that country has the largest export trade of clothing in the world. And yet, what is the fact? We have a mill in the Dominion to-day that is doing as much as any mill in England; I refer to the Sherbrooke mill. The woollen manufacturers of Canada are beginning to kill the goose that lays the golden eggs, by over-production. I do not care whether they have a protective tariff of 35 or 40 per cent., unless they use some discretion in the quantity of goods they manufacture, they will ultimately reach the same result. Now, with reference to the article of cotton warps and grey cotton: ten years ago there was not to be found in New Brunswick, Nova Scotia, or Prince Edward Island, such a thing as home manufactured warp. What is the case now? We had a cotton manufactory started in St. John, and in the face of the free importation of English warps, you cannot find in the present day in any of those Provinces, ten hundred bundles of imported warps. It is true, when we came into Confederation, we had the Canadian tariff of 15 per cent.; but that cotton mill was started, notwithstanding that English warps could be imported free. Now we come to another point. The manufacturers must remember that importers have their times of depression ; they sometimes get caught with overstocks, or make bad debts, and at the end of the year have a very small margin. And the manufacturers must understand that if they produce too much, if they do not manage their business well, if they allow bad debts to accumulate, they must expect to lose, and should not come asking for protection to remedy the result of their own fault. Now, I shall vote for Major Walker's amendment to the amendment. I believe that we will get protection soon enough, judging from the great public works that are proposed. My own conviction is, that

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it should not be the policy of any country to adopt protection merely for the sake of protection, but only to meet the exigencies of the Government in the way of revenue.

Mr. WM. THOMSON (Toronto) : I intend voting for the amendment of Mr. Gillespie, because it affirms, at the outset, the principle of moderate protection to the industries of this country. It would have been better, probably, had the amendment not stated how far we are prepared to go in the way of protection. I do not regret, however, that a 20 per cent. tariff has been named in the motion, and for this reason : it shows those opposed to us that we do not ask for over-protection. Then, I venture to say that whatever changes the Government may find it necessary to make in the tariff, the sooner they are adopted, the sooner will we have permanency. We have had frequent alterations, and the sooner it is placed upon a permanent basis, the better for the commercial interests of the country. The condition and situation of our country make it necessary, in my opinion, for us to foster native industry. In the first place, capitalists investing in manufactures have to erect suitable buildings, and to go to great expense in procuring the proper machinery. I do not think we have much to fear from the competition of the mother country; nor would I desire to see, in the arrangement of the tariff, aught done to weaken the tie that binds us to Great Britain. But I do feel that so long as we live alongside of the great manufacturing nation of the United States, which is able to flood our markets with their goods whenever they happen to have a surplus stock,-and that, too, to the great injury of our home industries,-we need a moderate protection against that country. Nor need we fear that the consumer-at all events, after a short time-will have to pay any more for his goods than now. I know the trade in which I am particularly engaged,—the glass trade—in the United States has a protection of 35. 40 and 50 per cent.; but now the industry has reached such a state of perfection there, that they can defy the competition of the world, even supposing there was no duty—while the price of the article is now less than it could be imported for from Great Britain. It has been truly said that Canada is prosperous. But although that is the case, I venture to say that if we had had a moderate protection-a slight increase on the present duties-we would have had amongst us a number of industries that do not exist here at all. As I said before, I purpose voting for Mr. Gillespie's amendment, because it is an indication, on our part, that we do not ask at the hands of the Government any over-protection whatever. It is simply an indication that we wish to foster in our midst manufactures which are waning for the want of a little protection, and to encourage capitalists to start new enterprises.

Mr. JAMES TURNER (Hamilton): I am an importer, and consequently have no special interest in manufactures. My experience as an importer is, that the further away the market the greater is my profit. With regard to the amendment of Mr. Gillespie, I must say I would have preferred if no special rate were mentioned; yet I am prepared to support it. I look upon this been is the properture us re tariff. favor on a perm

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this question as one of great importance to this country. Here we have been almost pleading for reciprocity with the United States; but my belief is that we will not get reciprocity, unless we adopt such a policy as is now proposed, and give the United States to understand that if they do not give us reciprocity as we understand it, we shall reciprocate with them in their tariff. Upon that ground alone, I think, there is a good deal to be said in favor of protection. But when the Government has once framed the tariff on a sound basis, it should be understood above all things that it is to be permanent.

The PRESIDENT submitted to the Board the following paper, which he had received from the Hon. Isaac Buchanan :

## MR. BUCHANAN'S POSTULATES AND REMEDIES.

## POSTULATE No. 1.

The cause of the degradation and distress of the Canadian producer is, and has always been, the imposition on Canada of the Free Trade and hard money heresies of England, which simply amount to an ignoring, or abnegation, of practical patriotism; as our Canadian producer in selling at the same currency price against the foreign producer, gets paid in TRADM, (he having paid the local prices for his labor and raw material,) while the foreigner gets paid in CASH, as he can export the gold at a foreign raw material price-i. e., even if the same amount of GOLD is put into the hand of each, it is worth more to the foreign manufacturer. Before Confederation, the influence of England, and the ignorant prejudices brought from England and enforced through the Press, had banished the industrial question from the politics of Canada, although the question of Canadian employment, (the means of getting food, and not the food itself, being, under civilization, the first necessary of existence) should certainly be the first question in the politics of Canada. Government was thus before Confederation, (as indeed it still is), a mere conspiracy of men, not an embodiment of principles. Government, therefore, became impossible then, and soon again it must become so, in Canada. for want of that essential of political existence, a patriotic policy, or a POLICY THAT EM-BODIES THE INTERESTS OF HER OWN PRODUCERS.

#### REMEDY No. 1.

England, to save the Empire, must abandon the injustice to her Colonies of attémpting to centralize manufacturing in England; for if Canada, for instance, is not given all the advantages of a country she cannot long remain a colony. Upon British principles, Canada ought not to do so, as it would be clearly subversive of her prosperity, and England cannot want territory to blight, but to bless. England, in a word, must view Canada as *England in America*, (and in the circumstances of America,) allowing her to do the best for herself. This would involve no monopoly, as all Englishmen would have it in their power to come to Canada, and partake of the blessings flowing from the removal of the obstructions that now impede our industrial prosperity.

And Canada, to save the integrity of the Empire, must repudiate all those who would make her politics a mere matter of *ins* and *outs*—having no knowledge of, or regard for, the promotion of the country's industry. The employment of Canadians must be the first question in the politics of Canada, and our party differences must be the different views that may be taken of the best way to obtain this essential end.

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#### POSTULATE No. 2.

In 1864, it was found that the establishing of a British American Confederation was the only way to save bloodshed between Upper and Lower Canada, confusion, and annexation to the United States. But Confederation cannot work, or be permanent (as I shewed in a pamphlet at the time), without A PATRIOTIC INDUSTRIAL POLICY, which will speak home to the interests of the different Provinces. And the industrial past of Confederation is most discouraging. On Confederation, in order to reconcile the free trade feeling in the Maritime Provinces, the tariff was reduced 5 to 15 per cent. below that point which is the interest of Upper and Lower Canada, thus laying Canada open to be a slaughter-house market for the manufactures of the United States. And, in the most unpatriotic way, the free-traders of Upper and Lower Canada took a most unworthy advantage of Sir John A. Macdonald's absence, on the Joint High Commission at Washington, to repeal some legislation he had secured in favor of the agricultural, salt, and coal interests. In both these movements there has been evinced the principle of the most narrow, as well as most ignorant local party selfishness, which if persisted in, will be fatal to a great industrial policy for the Confederation as a WHOLE, and as a consequence to Confederation itself.

The position of Canada now is less unlike its perilous position at the time of Confederation than many suppose. Before Confederation, the farmers of the Great Western Province Ontario, being mostly from the old country (and not having yet got quit of their old country prejudices in favor of free trade) had been glad to get a press, with old country ideas in regard to free trade, to think for them, and this energetic newspaper machinery had, to suit its own purposes, pushed the question of the country's industry out of its first place in the politics of Canada, to bring to the hustings the question of the constitution, representation by population—which caused the dead lock in Parliament. And unwarned by once already having thus made Government impossible. the same game of party has been played under Confederation, from want of philosophy to see that as with religion, which to the mind is nothing unless it is every thing, so in secular matters the sacred cause of THE PEOPLE'S LIVING must in Parliament either be the first question or nothing; and, unfortunately, nothing it has been, its place being usurped for questions in regard to men, and the mere machinery of Government. Thus, as Confederation was formerly made a necessity, so will some further political change become necessary; for it is clear that if the industry of the country cannot assert its rights and true position, under British institutions, it will seek these in Independence, which just means the farther revolution of annexation to the United States.

#### REMEDY No. 2.

Canada, in a voice of popular thunder, must, without much more delay, reverse entirely the state of things explained in Postulate No. 2, unless she desires annexation to the United States. Any candidate should be scouted from the hustings who does not recognize the question of the people's industry to be THE FIRST QUESTION IN THE POLITICS OF CANADA, and who does not regard it as far more important than questions of forms of Government or any other constitutional machinery, these all being only means to the great end, THE LIVING OF THE PEOPLE.

And as to what industrial policy is now wanted for Canada, I think the only independent policy open to us is to create reciprocity with the United States, this being clearly in our power. We should say to the Americans, RECIPROCITY WE MUST HAVE. If you keep on high duties, we will put on the same, but we prefer that the reciprocal duties be low, or that there should be *no* duties. This arrangement with the Americans need not prevent us making raw material duty free, or in any other way improving on in fa Colon agree of our AGREI princ. duties I hav purpo The f suffici

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their system. In case the Americans prefer duties, our duties may be a discrimination in favor of England, which we formerly abandoned at the bidding of Lord Grey, the Colonial Minister—an obedience that would now be out of fashion. But if the Americans agree to abolish the frontier custom houses altogether, they may do this on condition of our not charging England less duties than they do on the sea-board. CANADA SHOULD AGREE TO THIS IF SHE SEES IT FOR HER ADVANTAGE. England cannot object on her professed principle (on which her own free trade was carried) that it is the people who put on duties that pay them. It would BE A GREAT THING FOR THE WORKING CLASSES IN ENGLAND (as I have often shown to Ministers and others in London) as it would, for manufacturing purposes in Canada, cause an immense demand for the LABORER INSTEAD OF HIS LABOR. The free trade middle men in England would, no doubt, selfishly object, and if they had sufficient influence to prevent the free action of Canada, which would not be the case, WE WOULD JUST REQUIRE TO ASSERT OUR PRINCIPLES OF RESPONSIBLE GOVERNMENT.

On motion, the paper was ordered to be published in the proceedings of the Board.

Mr. WALKER said Mr. McPherson had agreed to withdraw his resolution in favor of his amendment.

Mr. W. B. HAMILTON (Toronto), said he thought if Mr. Gillespie would withdraw the recommendation of a 20 per cent. tariff, and leave his amendment to merely recommend a moderate increase in the tariff, it would meet the views of all the protectionists present.

The PRESIDENT said the amendment had been discussed as it stood, and it would be better to take a vote on it.

Mr. Walker's amendment to the amendment was then put, and negatived on the following division :---

Ayes—Messrs. Balcer, Darling, Dougall, Fairweather, Ford, Garneau, Harding, Harty, Howlan, Jones, Joseph, Keays, King, LeDroit, Marshall, Newbery, Robertson, Walker, Waterman, Woods.—20.

Nays—Messrs. Baby, Belleau, Brown, Clemow, Cowan, Craig, Drummond, Elliott, Findlay, Gillespie, Guilbeault, Hamilton, Labelle, Larke, Mitchell, McCulloch, Magee, McGregor, McLennan, McPherson, Neelon, Ogilvie, Oille, O'Neill, Osborne, Read, Robinson, Skead, Spratt, Thomson, Turner, White, Wilkes, Young.—34.

On Mr. Gillespie's amendment being then put,

Mr. THOS. WHITE, Jr., moved, seconded by Mr. HUGH McLENNAN, the following amendment thereto :---

That in view of the large obligations already assumed by the Dominion, and the fact that during the first half of the present fiscal year the expenditure has exceeded the revenue by a considerable sum, it is probable that some revision of the fiscal policy of the Dominion will become necessary during the approaching session of the Canadian Parliament;

Be it *Resolved*, That in the opinion of this Board, the principle of protection to the manufacturing industries of the country, should be embodied in such revision of the tariff, so far as the same can be carried out consistently with the commerce and revenue requirements of the country.

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Mr. JOHN WALKER: May I ask if Mr. White has any proof that there is likely to be a deficit in the revenue.

Mr. WHITE: Yes; I took the trouble to go over the numbers of the Canada Gazette, and add up the statements of the revenue and expenditure for the first six months of this fiscal year, and I found a deficit in that period.

Mr. WALKER: It is possible that there may have been proportionally more expenditure the first six months than the last six months.

Mr. White's amendment was then voted on, and carried on the following division :---

Ayes—Messrs. Baby, Belleau, Brown, Clemow, Cowan, Craig, Dougall, Drummond, Elliott, Findlay, Ford, Gillespie, Guilbeault, Hamilton, Harty, King, Labelle, Larke, Marshall, Mitchell, McCulloch, Magee, McGregor, McLennan, McPherson, Neelon, Newbery, Ogilvie, Oille, O'Neill, Osborne, Read, Robinson, Skead, Spratt, Thomson, Turner, Walker, Waterman, White, Wilkes, Young.—42.

Nays-Messrs. Balcer, Darling, Fairweather, Garneau, Harding, Howlan, Jones, Joseph, Keays, LeDroit, Robertson, Woods.-12.

The original motion as thus amended was then carried, and the Board adjourned at 10.30 o'clock P.M. roll s Secre

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# THIRD DAY'S PROCEEDINGS.

#### MORNING SESSION.

## THURSDAY, 26th February, 1874.

The Board met at 10 o'clock A.M., the President in the chair. The roll was called, and the minutes of last meeting were read by the Secretary and confirmed.

## REPORT OF FINANCE COMMITTEE.

Mr. H. McLENNAN, Chairman of the Finance Committee, submitted the following report :---

To the President of the Dominion Board of Trade :

Your Committee, appointed to audit the accounts of the Treasurer and report upon the finances of the Board, beg leave to report: That the accounts, bank book, and vouchers have been duly audited, and found correct, showing an entire expenditure of the funds received during the past year, as stated in the Report of the Executive Council. Your Committee would further report that the payment of 75 cents per member from each association in affiliation, will be sufficient to provide for the probable expenditure for the current year.

### HUGH McLENNAN, Chairman.

#### OTTAWA, 26th February, 1874.

The report was received and adopted.

## SAULT STE. MARIE CANAL.

Mr. ADAM BROWN (Hamilton): The subject which I have been instructed by the Hamilton Board of Trade to bring before this Board is, the importance to the Dominion of the construction of a canal at Sault Ste. Marie. This question has been frequently discussed by our Board in Hamilton, and for several years past we have all been convinced that in the interests of the Dominion, that canal should be constructed. The canal now there is upon American territory; and while, during times of peace, we may very likely have access to it, yet we know when we required it for the transportation of troops to Manitoba, there was difficulty. This canal is not a Federal work, but is under the control of the Legislature of Michigan; and that very fact may cause additional difficulty in the way of our using it at other times. At all events, it is of great importance to this country that a canal should be built there on our own territory, for commercial purposes both now and in the future-giving us entrance to the lake frontier of our great North-West, and to that portion of the Pacific Railway which must speedily be built from Thunder Bay to Fort Garry.

I do not think it is necessary that I should take up the time of this Board with any lengthened remarks on this subject, the practical importance of which, from a national point of view, must strike every one. Nor do I desire to urge upon the Government, in any arbitrary manner, the immediate prosecution of this work to the detriment of other important public works; but I hope that this Board will recommend the Government to proceed with this project as soon as the means at their disposal will permit. consistently with other great undertakings. I am sure the present Government will find themselves sustained by the country in the prosecution of this work. It is said the Americans propose building a second canal; but, in view of the immense traffic that is likely in the future to pass through these waters, there will be plenty of work not only for the Americans' second one, but for our third canal. At all events, in view of the great interests we have at stake in the North-West, it is of importance that we should have a canal there upon our own territory, so that under no circumstances could free communication with our Western territory be interrupted. I therefore move the following resolution :---

That in the opinion of this Board it is of vital importance to the interests of the Dominion that a canal should be built at Sault Ste. Marie, and that the Government be urged to proceed with the work so soon as means at its disposal admit of it.

## Mr. WM. PENNOCK (Ottawa) seconded the motion.

Mr. H. MCLENNAN (Montreal): This question has already been before this Board; and, while a large majority recognize the value of the work, a great many are afraid we are running too fast in the direction of public expenditure. I must say I sympathize somewhat with the remarks of our friend from Galt, that our canals were already sufficiently large to do all the trade of Canada; but it must be remembered that our object is to take a very large trade from our neighbors. The returns of last year show that out of fourteen millions of bushels of produce sent down the St. Lawrence, ten millions were American produce ; and it is in order to get more of this trade that we are asking for a large expenditure of public money to enlarge our canals. But the duty of this Board, I take it, is to discuss purely commercial questions, and not those which are of a national character relating to the defence of the country. I know this is not the popular view. If we can raise a national cry, it takes with the masses,-just as, among our republican neighbors, in Congress and at public meetings, it is popular to declare that the national defence and the national honor require a large expenditure. We have heard, repeatedly, the cry raised that the construction of the Niagara Ship Canal is necessary, in order to sustain the national honor. From a commercial point of view, I do not consider we are justified in taking up questions of this kind-the only argument in support of which is that the work will probably be a necessity in the event of a war. With regard to the difficulty we once experienced in using the American canal, if I am rightly informed, the delay was not owing to any hesitation on the part of the American authorities to grant us permission to pass through, but owing altogether to the fact that it was overlooked that

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permission was necessary; and when that omission was discovered, the application was made first to Washington instead of the Government of the State of Michigan. That application was granted just as soon as it was made to the proper authorities. Then, upon our side, an almost similar case happened. On one occasion, a United States revenue cutter, going up to Lake Michigan, was detained at the port of Montreal for some time, until permission was given for her to proceed. That delay was merely until instructions could be received from Ottawa,—and permission was granted the moment the application was made to the Dominion Government. In view of all these considerations I move, in amendment,—

That the motion be laid on the table.

Mr. JOHN WALKER (London): In supporting Mr. Brown's resolution, I wish to say a few words in reply to Mr. McLennan. He has stated that we ought not to advocate the construction of this work, because the necessity for it will only exist in time of war. But if he will call to mind the circumstances of the detention of our vessels, which he has referred to, he will find that it did not require a state of war to bring about the inconvenience that was complained of.

The PRESIDENT reminded the speaker that a motion to lay on the table closed the debate.

Mr. McLENNAN: My idea was not that this canal should not be taken up by the Government, but that it ought not be one of the works with regard to which we should make any representation. It was in order that the question might be left in that position, that I moved to lay the motion on the table,—and not with the intention of stopping the debate. I do not wish to oppose the construction of this canal by the Government.

The PRESIDENT suggested if the words " and published " were added to the motion, it would be debateable.

This suggestion was agreed to, and the amendment was then read as follows :---

That the motion be laid on the table and published.

Mr. WALKER then continued : I was remarking that it does not require a state of war to bring about the inconvenience at Sault Ste. Marie so loudly complained of. When we reflect that year by year our commercial relations with our great North-West Territory are extending, and the vast importance, from a commercial point of view, of having our communication with that territory free from the possibility of interference by State Legislatures on the other side, or by the Federal Government, we must concede the importance of this work. It must be admitted that the maintenance of peace and good order in our North-West territory is of great importance to our commercial interests there ; and this importance will be enhanced as those interests expand year by year. In commercial matters, sentiment is generally excluded ; but seeing that we have an existing necessity as a basis, I think we may fairly strengthen our position by a reference to

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national sentiment. I will, therefore, say that I believe we, as a country, can afford to have an unbroken line of communication in our own waters between our own territories. I do not think it is to our advantage to be forced to go through foreign waters in passing from one part of the Dominion to another. Our position as an independent country, and our commercial interests, which are yearly extending, alike demand that we should have this short link,—this comparatively inexpensive work,—undertaken and carried out in terms of Mr. Brown's motion, which I hope will be carried on this occasion,—as it has been carried on previous occasions when before this Board.

Hon. G. W. HOWLAN (Charlottetown, P.E.I.): Coming, as I do, from the youngest and most easterly Province of this Dominion, I might be supposed to have no special interest in this question; but I must say I have listened with pleasure to the remarks of the last speaker. We have to discuss here diversified interests, and we should get all the information we can upon them. With regard to this canal, I think Mr. Brown's motion one which this Board may very properly adopt. It simply declares that as soon as the Government can see their way clear to doing so, this canal should be built. It is true, if you happen to have a back farm, you may get along, if your neighbor allows you a road through his property ; but if some fine morning you find he has put up the bars against you, your position would be rather awkward. We all hope that the occasion will never arise when our United States neighbors will put up the bars in this connection ; but this is hardly the position the Dominion ought to be placed in. If half a mile of canal will remedy that position, I for one would be quite willing to give my vote for it.

Mr. SYLVESTER NEELON (St. Catherine's): It must be admitted that there are other works of much greater importance, which should be completed before the work of building a new canal at Sault Ste. Marie is undertaken. I would be in favor of leaving this matter entirely in the hands of our Government. I am not in a position to say whether it is necessary to have this canal or not; but I do not think the country is suffering very much at present from want of it,—while the country is actually suffering from lack of a sufficiently large expenditure in deepening the St. Lawrence Canals,—the deepening of Port Colborne harbor, and the Lake Erie level on the Welland Canal. The Sault Ste. Marie Canal is not a work of such pressing commercial importance that any recommendation of it is required. We may safely leave measures for defence of the country in the hands of Government.

Mr. ADAM BROWN: Before the question is put, I beg the indulgence of the Board for a moment, while I refer to some of the remarks that have been made. Mr. McLennan seems to think that this work is advocated merely as a military necessity. Now, I feel obliged to Major Walker for pointing out the commercial necessity underlying the whole matter. We might with perfect propriety combine the two reasons for this work. The remarks of Mr. Howlan have the true ring about them—that it is right betw barro ment are u the s for, a inter Ste. it sho do so

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right we should in this great country provide such means of communication between all parts of it, that we shall not be in a position of liability to be barred out by our neighbors as we have been. I do not desire that Government should proceed with this work sooner than with other works, which are universally conceded to be of greater importance. The deepening of the St. Lawrence Canals is a work which the whole country is crying out for, and ought to be proceeded with first. We do not ask that this should be interfered with ; we merely wish to declare that the building of a Sault Ste. Marie Canal is a work of vital importance to the Dominion, and that it should be proceeded with whenever the Government find the means to do so.

Mr. McLennan's amendment was then put to the vote, and lost on the following division :---

Ayes-Messrs. Balcer, Belleau, Carruthers, Darling, Ford, Garneau, Hamilton, Harding, Harty, Joseph, Keays, King, Labelle, LeDroit, McLennan, McPherson, Neelon, Ogilvie, O'Neill, Osborne, Thomson.-21.

Nays—Messrs. Brown, Clemow, Cowan, Craig, Dougall, Drummond, Elliott, Findlay, Gillespie, Guilbeault, Howlan, Larke, Marshall, Mitchell, McCulloch, Magee, Newbery, Pennock, Robertson, Robinson, Skead, Spratt, Turner, Walker, Waterman, White, Young.—27.

The original motion was then put, and declared to be carried, on the same division.

### ORDER OF BUSINESS.

Mr. THOMAS WHITE, Jr., (Montreal), submitted the third report of the Committee on Order of Business as follows :---

The Committee on Order of Business, beg to submit their Third Report.

That they have had submitted to them the following further propositions, which they recommend shall be taken up under the head of unclassed subjects :----

#### QUEBEC BOARD OF TRADE.

Encouragement of direct trade with the British and Foreign West Indies.

#### HALIFAX CHAMBER OF COMMERCE.

Collection of duties on sugar, molasses, and liquids, on guage as delivered from warehouse.

#### HAMILTON BOARD OF TRADE.

On the subject of the rights of telegraph companies.

#### MONTREAL BOARD OF TRADE.

On the subject of the appointment of average adjusters for the principal ports in the Dominion.

Mr. White has asked permission to submit a paper on the subject of the double liability clause in bank charters, with the object of calling the attention of the public to the question, and it is recommended that permission be granted.

All of which is respectfully submitted.

THOS. WHITE, JR., Chairman.

On motion, the report was received and adopted.

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## COMMON CARRIERS.

Mr. JAMES YOUNG (Toronto,) asked leave to withdraw the notice relating to the subject of common carriers—No. 15 on the official programme. As there was so much business before the Board now, he thought it better to leave this matter over until the next meeting.

Notice withdrawn.

### THE DOUBLE LIABILITY CLAUSE IN BANK CHARTERS.

Mr. T. WHITE, Jr., (Montreal) in accordance with the recommendation of the Business Committee, read the following paper on the subject of the double liability clause in bank charters;

It is now upwards of forty years since the principle of imposing double liability on the holders of stock in the chartered banks was adopted, and as this principle is unknown in other commercial countries, it seems highly desirable that the circumstances under which it was first introduced into Canada should engage the consideration of the Dominon Board of Trade, and that the objections to which it is liable should be well weighed. Old men only can recollect these circumstances. The original charters granted by the Legislatures of the old Provinces of Lower and Upper Canada were in accordance with those which were granted by the State Legislatures of the United States, and contained no such provision. About the year 1831, when the Commercial Bank of the Midland District obtained a charter from the Legislature of Upper Canada, the Secretary of State acting, as is believed, on a report from the Board of Trade, disallowed the Act incorporating the bank, and required the insertion of what has since been known as the double-liability clause. A reference to the journals of the Upper Canada Legislature will establish the fact that this interference excited the greatest indignation amongst all classes of the people of Upper Canada. This House of Assembly, by an almost unanimous vote, concurred in by both political parties, remonstrated against the interference of the Imperial Government in their local affairs, but the Secretary of State believing, no 'doubt conscientiously, that an important principle was at issue, adhered to his first decision, and the Legislature had to yield. In 1841, in the first session of the Union Parliament, the Committee on Banking and Commerce reported a series of resolutions, 13 in number, on which to found a uniform system of banking, but no provision for double liability was recommended. It is, however, well known that the Governor, Lord Sydenham, was strongly in favor of the clause, and it was introduced accordingly in the charters, and since that time the subject has hardly undergone discussion.

At the period to which reference has been made, the principle of limited liability was unknown in England, and was deemed by the highest mercantile authorities unsafe, and therefore inadmissible. Canada had not then adopted the principle of limited liability, except so far as partnership *en commandile*, authorised in Lower Canada, may be considered as sanctioning it. But during the last quarter of a century there has been a complete revolution in public opinion, both in the United Kingdom and in Canada, on the subject of limited liability. Banks, as well as other trading corporations, may now be established in England with limited liability; and yet the Canadian banks are the only corporations on the American Continent, or in the Empire, which are subjected to the double liability clause. It may be asked, how does it happen that when the Bank Act was under consideration during the last Parliament, no effort was made to repeal the double liability clause? It certainly was from no settled opinion that the clause

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was unobjectionable. It is well known that the gentlemen engaged in banking operations are almost, if not to a man, opposed to the clause. But until recently, if objectionable, it has been harmless. No individual in Canada, desiring to invest money in bank shares, is restrained by the double liability clause, which has been looked on as a harmless, though useless restriction. The only discussion arose when an attempt was made to subject the Bank of British North America-the only banking corporation with limited liability-to the operation of the clause. There was a very strong feeling manifested that all the banks should be on the same footing, but the proposition was to subject the Bank of British North America to the double liability clause. This was thought by many a harsh proceeding towards a bank which had obtained a Royal Charter, and which had conferred benefits on the country. Nevertheless, it is an anomaly, that a bank, the proprietors of which are chiefly residents in another part of the Empire, should be on a more advantageous footing than Banks whose proprietors are almost exclusively Canadians. It has been admitted that the double liability clause has heretofore been rather harmless than absolutely injurious, and Governments are not much inclined to propose changes not seriously pressed on them. Within the last two or three years the banks have been authorised to increase their capitals, and several of them have either actually added to their stock or are known to be inclined to do so. It has always been considered desirable to afford facilities and to offer inducements to British capitalists to invest their means in Canada. How, then, does the double liability clause affect this most desirable object ? The answer must be, that it is notorious, and it will be easy for anyone to satisfy himself on the point, that the double liability clause not only operates to prevent British capitalists from investing in the stock of Canadian banks, but likewise from making loans on the security of such stocks. The English money market is practically closed to us for investment in bank stocks, and the knowledge of this fact has induced many who were previously indisposed to revive former controversies, to desire that the Dominion Board of Trade should exercise its legitimate influence to place all Canadian banks on the same footing as those in the United Kingdom and in the United States, and as the chartered banks of British North America and British Columbia.

As evidence of the correctness of this assertion, it may be stated that one of the principal British insurance companies, which has invested a considerable amount of money in Canada, and which, at one time, had held Bank of Montreal stock, gave orders to sell out that stock, and not to invest in future in the stock of any Canadian bank, expressly in consequence of the double liability clause.

# EXCISE DUTIES ON PETROLEUM.

Mr. ISAAC WATERMAN (London): The vexatious question of the excise tax on Petroleum has been on several occasions before this Board; but, so far as the refining interest is concerned, they have never succeeded in getting what they believe themselves justly entitled to. The oil-refining interest in Ontario, as is well known to almost all western merchants and manufacturers, is a peculiar business. It is hazardous and speculative—a business that cannot well stand any hampering on the part of the Government. A few years ago, it was thought fit by some parties to ask that an excise tax be put on petroleum, in the hope that that would improve the quality of the oil. The Government laid on a duty of 5c. a gallon, and gave us a copy of the law that relates to the distillation and manufacture of whiskey for our guidance. Let me remark here, that

there is a great difference between distilling whiskey and distilling petroleum. The regulations that might do for one, would be wholly unsuitable for the other. The result is, that we are subjected to great loss and inconvenience. For instance, the law says that every two weeks we must bond everything we manufacture; we are obliged, therefore, to put our oil into a warehouse and pay 10c. a barrel inspection fee. Suppose we want oil bonded for two months—everybody knows how petroleum leaks, and we are actually compelled to pay duty on what we never take out. If I bond, say 2,000 barrels of oil, and a large quantity leaks out, I not only lose by the leakage, but actually have to pay 5c. per gallon duty on it! Some two years ago, a gentleman in Montreal bought a certain quantity of oil, and, the weather being hot, a great deal of it leaked out. I was one of his sureties, and went to the Government to try to induce them to allow for the leakage. The reply was, in substance-" You bonded so much oil, and you must pay duty on it all, even though you have only the empty barrels to export." The consequence is, that instead of manufacturing stocks ahead as before, we are obliged to shut down; and if you go to London to-day you will find that instead of employing 1,500 hands, as we were in the habit of doing, we do not now employ 200. In Petrolia there are over 100 wells shut down, and vast amounts of property lying idlefor the simple reason that the trade is hampered so much as to make it impossible to carry on the manufacture. We do not object to paying the 5c. duty; it is the nature of the law that hinders us from working. In exporting, we have to compete with the Americans, who have a large advantage over us; but we could compete successfully with them were it not for this excise act. For example, the Canadian oil at one time was of very poor quality, and could not be exported. After years of toil and expense, however, we succeeded in making as good an oil as could be produced in any part of the world, and far superior in point of fire-test to any other oil. I have been in the business eleven years, and during that time have not heard of the explosion of a single lamp filled with Canadian oil. During the last few years we have produced an article as good as any American oil; but still the prejudice against Canadian oil exists, especially in England,-in fact, of about 200,000 barrels exported, I did not send one barrel there. Owing to this prejudice, we do not like to have the Canadian brand put on the barrels; but our Government says, "before you ship a barrel of oil, you must have the Inspector put his name on the head of it." The shipment arrives in New York, and the Inspector there says, "these are soiled heads; we cannot let them pass," and we are consequently compelled to pay ten cents a barrel to have the Canadian Inspector's name rubbed out. (Laughter.) In this way the business becomes ruinous to us, -especially so this very year. The next difficulty we have to contend against is, that we must give bonds for double the amount in value. These bonds have to be cancelled by the Collector of Customs at New York. He is under no obligation to cancel them ; he does it merely as a matter of courtesy. Were he to refuse to cancel them when the six months have expired, the Government could claim from us large sums of money. As to the propriety of taxing oil,-why should a man's light be taxed any more

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than his bread? Even though, as a friend of mine said, coal oil is cheaper than day-light, I do not see why it should be taxed. It is a poor man's tax, for the rich burn gas chiefly. At present the price of oil is 10 cents, and the duty is 5 cents; so that we have to pay a duty of 50 per cent. I do not think this wise policy; it will not encourage immigration to this country if it is known there is such a heavy tax on light. Moreover, the Government make little or nothing out of it. It costs a great deal to collect the tax; it requires a large number of men-one to each place. These men are paid from \$600 to \$800 a year. When we export, we pay the Government nothing; but we have a man to watch us. Indirectly, however, the Government derive a large profit from the oil trade. A great many articles are used in the manufacture of oil, on which a duty is paid. If the hindrances to the trade which I have referred to were removed, those duties would, of course, be largely increased by the increase in the refining business. We should profit by the example of the United States. They at first imposed an excise tax on petroleum; but they soon found out their mistake, and removed it. The consequence is, that the petroleum trade is one of the largest, and brings as much money into the country as any other interest in the United States, with the exception of the grain business. We might have the same state of affairs here if our Government would remove the excise duty; or, rather, if they would abolish the law; for we do not object to the duty; but, of course, if the law is repealed, the duty is abolished also. I am quite certain that if this law were removed, our business would be flourishing in six months, instead of being almost idle; and that we would be very shortly exporting five to ten million dollars' worth of oil, whilst last year we only exported from two to three millions. This year we have not, so far, exported one cent's worth. If the law remains as it is, we can do nothing. I am not far astray in saying, that if we do not get some relief, most of us will be obliged to pull down our machinery. I hope this Board will take such steps as will induce the Government to take off this excise tax, and for this purpose I move the following resolution :---

That the excise tax on petroleum oil, being unjust to the consumer of that household necessary, and having also proved a great hindrance to the oil-refining trade, from the irritating restrictions incidental to the Inland Revenue Department having control of the oil refineries; therefore this Board memorialize the Dominion Legislature to remove the excise tax from petroleum oil.

Mr. WM. ELLIOTT (Toronto): I second the resolution, because I am in favor of encouraging all domestic enterprises and manufactures. Already a very large amount of capital has been expended in the oil business in Ontario, and it would be a great pity if, for the sake of the very small revenue the Government realizes from it, it should be almost destroyed—destroyed at any rate, so far as any exportation is concerned. All who have had any experience in excise matters know that their direct tendency is very much to hamper business. I have had a little experience in the matter, and know of what I speak. I hope, therefore, in consideration of the facts that Mr. Waterman has laid before us, this Board will give its assistance to remove this tax. We ought to derive a very

large income from the oil business, if we were only in a position to compete with the Americans. At present, they have a great advantage over our oil refiner ; and it is very important that any relief the Government can give to the oil business should be given without delay. The time of this Board is very precious, and I do not wish to continue my remarks any further; but I trust the members of the Board will take the matter into their consideration,—and I can add, that they may rely on the statements of Mr. Waterman.

Mr. W. J. KEAYS (Sarnia): Coming from Sarnia, as I do, I feel it my duty, on this occasion, to bear testimony to the correctness of the statements of Mr. Waterman. Although not directly interested in the production of crude oil, or the manufacture of refined oil, I certainly think that if ever there was a time when it was the duty of this Board to ask Government to remove this tax, it is the present.

The motion was then put and carried.

## CUSTOMS REGULATIONS.

Mr. A. ROBERTSON (Montreal): In Montreal the system of examination at the Custom House is, I believe, as nearly perfect as possible ; but in Toronto and other places, I understand they have an inadequate system. while in a very large number of ports they have practically no examination whatever. This subject has been before our Board of Trade repeatedly for years past, and at one time a petition was presented to the Minister of Customs on the subject. What we want is a uniform and effective system of examination at all the ports. For instance, in Montreal we repeatedly have to add to the price of the goods, while in Toronto, at the same time, a part of the same goods passed on the basis of the invoice. I might refer to the case of Mr. John Ogilvy. In that instance the goods were bought exceedingly cheap, and I think some 50 per cent. was added at the Montreal Custom House; while in Toronto, part of these same goods were passed by the Appraiser there according to the invoices. I do not object to that so much, because it is quite likely that, with a small staff, such a thing might easily occur without any intention to be lax in the examination. What is wanted is, that the examination should be perfect at the other ports. I do not wish to be invidious; but I might mention Kingston. Then in Toronto, Montreal, Quebec, and, I think, in Hamilton, we are obliged to send our goods to be examined, and a charge is there imposed for that examination. I think if the customs duties are paid, this additional tax should be omitted. At all events, the same rate should be charged at all the ports. It is simply to point out to the Board these anomalies that I bring the matter forward; and in the hope that they may be remedied, I beg leave to move the following resolution :--

That the attention of the Government be called to the system of the examination of goods at the various ports of the Dominion, and recommend that the same be made as nearly uniform as possible ;—alsc,

That the rate charged for the examination of goods after the duty is paid, should either be discontinued, or, that the same rate should be exacted at every port of entry in the Dominion.

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Mr. M. McCulloch (Montreal) seconded the motion.

Mr. WM. DARLING (Montreal): The amount charged for the examination of goods at first was a comparatively small matter. At the time it was originally imposed, goods were generally brought in sailing vessels in large quantities, and comparatively small quantities of Although the charge was objected to, it was goods were examined. so inconsiderable as not to be worth making any trouble about. But when it is considered what large quantities of goods are now brought into Canada by steamers, and in comparatively small quantities each time, even to the largest merchants, this charge becomes a very serious matter, simply because the merchandise arrives so frequently, and by different ships, together with the fact that a large portion of the goods have to be taken to the warehouse to be examined. It should also be borne in mind that the duties have been paid on these goods, and the only object of this examination is to ascertain whether the merchant has committed a fraud or not. If this examination of goods is in the interest of the revenue, as it is, and not in the interest at all of the person who imports the goods, it seems to me that it is only reasonable that the charge, being imposed solely to protect the revenue, should be borne by the revenue. In other ports of the Dominion there is no such thing as these charges. The attention of the Government should be called to the matter; and if they determine that the charge shall not be discontinued—as I think it should be— that at all events they should make the charge upon all the goods shipped into the Dominion, so that one port will be at no disadvantage as compared with another.

Mr. JAMES TURNER (Hamilton): I have much pleasure in supporting this resolution, and quite agree with the statement of facts made with reference to the variations in Customs charges and duties levied at different ports. In my own business we have been very much annoyed. We have sent sugars from Cuba to eight different ports in Canada, and you will be astonished to find that at none of these ports was the sugar entered at the same rates, and Hamilton was worst of all; they charged more there than anywhere else. What we want is more efficient men to examine goods. The honest merchant does not want any advantage over his neighbors, but that all be placed on the same footing. I am very glad this question has been brought forward by Montreal, as we consider they are better off than we are.

Mr. WM. ELLIOTT (Toronto): I can only say, with regard to my own experience, that sometimes I have actually sent goods by way of Montreal, in order to get them entered at a lower rate of duty, or perhaps admitted free altogether. I had to do that in order to be able to compete with Montreal dealers, because the rate in Toronto is much higher. I do hope the Government will remedy this anomalous state of things.

Mr. P. GARNEAU (Quebec): I fully endorse the sentiments already expressed on this question. We, in Quebec, are placed in the same position with regard to the examination, as they in Montreal, and I hope something will be done to establish a uniform system of charges.

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Mr. A. BROWN (Hamilton): From my experience in this matter, I can fully testify to the evil that exists from want of uniformity in the entry of goods at different ports. As a rule, we enter all our goods in Hamilton; but on one or two occasions, some of our goods were entered in Montreal, and in these instances the interpretation of foreign invoices was different from the interpretation in Hamilton. I think the attention of the Government should be drawn to the necessity which exists for some sort of special education for Collectors of Customs. The trouble is, the Collectors are often ignorant of the proper interpretation to be put upon commercial matters. I venture to say that out of the eight men who entered Mr. Turner's sugar, four did not know the currency of the invoices they were passing. I think one of the best things the Government could do, would be to appoint a competent officer to visit the Collectors of Customs regularly, and explain to them the systems adopted in other 'ports, in this way bringing about a uniform system.

Mr. J. GILLESPIE (Toronto): With regard to the remarks of Mr. Elliott, that the same class of goods had been entered at lower rates in Montreal than in Toronto, we all know that however well Appraisers may be acquainted with the value of goods, it is impossible at all times to exercise such a complete supervision over their value as to prevent anything like that recurring. We know also, that there are occasional instances where the officer may be out of temper with some particular house, on account of some unnecessary trouble they may have given him, and he may have been more exacting than usual. With regard to the smaller ports, I know one instance where a regular system of credit for duties was established. I am aware of other irregularities at small ports, which should be remedied.

Mr. A. ROBERTSON: I am gratified to find my resolution so generally supported; and I am also glad to hear from some of the western gentlemen, that they can get their goods entered cheaper at Montreal. I have urged upon the Government for the last five years, to require that all goods coming up the river be entered at Montreal, examined there, and passed in bond. I believe that three-fourths of all the goods coming into Canada—I refer particularly to our branch of trade (Dry Goods)—come in by Montreal. If they were all examined there, I would be quite satisfied, because they would all be appraised by the same Appraiser, and with the same discrimination. With regard to the remark of Mr. Gillespie, that he knew of one port where they gave credit for duties, I may say I know a case where duties to the value of \$6,000 were left for two years unpaid. I am positive as to the fact, for I helped to pay that duty, the merchant being in difficulty at the time.

The motion was then put to the vote and carried.

### GENERAL INSPECTION LAW.

The subjects embraced in No. 34 and 35 of the official programmes, were next taken up.

Mr. JAMES YOUNG (Toronto): The Inland Revenue Department

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having notified the Toronto Corn Exchange Association that the Government would likely introduce an amendment to the Inspection Act, the matter was taken up by our organization; and a resolution passed that the grades of flour should be altered. I think those who are engaged in the trade will agree with me, that the inspection, particularly of Fall wheat flour, is not what it ought to be. There is a great deal of Fall wheat flour manufactured that will not come up to the present grade of "Extra;" consequently, it is cut down two grades below that, the next grade to "Extra" being "Spring Wheat Extra." The resolution passed by the Toronto Corn Exchange was, that we go back to the old grades, and exclude "Spring Wheat Extra." There was also another matter brought up in regard to the fees of the Inspector. The present law makes a uniform charge of two cents all over the Dominion; but previous to that the fee in Montreal was a penny a barrel, while in Toronto it was three cents. The reason was, that the quantity inspected was very much smaller in Toronto than in Montreal. The recommendation of our Association is, that Boards of Trade should appoint the Inspectors, and regulate the fees. While two cents in Montreal would be a very large income, the same rate in Toronto would yield a very small one, as the quantity inspected in a year in Toronto, is perhaps very little more than is inspected in Montreal in one month. I beg leave to offer a resolution in accordance with these suggestions.

### Mr. ADAM BROWN moved, in amendment,-

That the question of the Inspection Law be referred to a Committee, to be composed of the following gentlemen:—Alex. Mitchell, James Young, Senator Howlan, Hospice Labelle, C. H. Fairweather, T. LeDroit, and the mover.

Mr. YOUNG agreed to withdraw his resolution, and Mr. Brown's motion was then carried.

### INVITATION TO HOLD A MEETING AT ST. JOHN, N.B.

Mr. C. H. FAIRWEATHER (St. John, N.B.): At this stage of our proceedings I may, perhaps, be allowed the opportunity of saying, that we, from St. John, are very desirous that the Board should hold a summer meeting in that city, as referred to in the Report of the Executive Council. The matter, I hope, will receive the favorable consideration of this Board; and if you decide to come, I feel I can assure you of a hearty welcome. To those who come, I think it will be found a pleasant trip for the summer season. We will be able to show you some of the features which characterize the Maritime Provinces as contrasted with the Upper Provinces, and, perhaps, make you acquainted with some of those little factories that I referred to yesterday. We would like, also, to make you acquainted with the lumber and railway statistics of our Province. We have in New Brunswick, if my memory serves me right, a mile of railway to every three hundred inhabitants. I trust you will come, and we will give you a most hearty welcome. (Cheers.)

The PRESIDENT said this matter might be considered now; and as for himself, he thought if the members, so far as possible, would agree to go

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and meet their fellow-Canadians of the Maritime Provinces, they would derive a great deal of pleasure from the trip.

Hon. G. W. HOWLAN (Charlottetown, P.E.I.) : I desire to extend the invitation for St. John, and ask you to take a trip across to Prince Edward Island. I am sure you would derive some benefit from the visit, as it is of importance that the members of this Board from the different parts of the Dominion should be acquainted with the various branches of industry in each Province. I can offer you a hearty welcome to our little Island ; and I venture to hope that the more you know of us, the better you will think This being the first time I have had the honor of meeting at of us. this Board, I may, perhaps, be allowed to say that I have derived a great deal of benefit from the discussions. This interchange of ideas upon questions of great interest to the whole country, cannot but be of advantage to us all; and we shall be all the better prepared to discuss them in the general interest, by becoming better acquainted with every part of the Dominion. I should be glad, for myself, to find that every branch of industry was flourishing, so that a man might be proud to say he was a Canadian. If my suggestion shall meet with the approbation of this Board, I can say, on behalf of Prince Edward Island, that we will endeavor to treat you as kindly as they do in St. John, and that is saying a great deal. (Cheers.)

Mr. F. T. NEWBERY (Charlottetown, P.E.I.) said he was much pleased to join in the invitation extended to the Board by his co-delegate. They had had various official delegations visiting their Island, and he thought they had been productive of great good. A similar beneficial result would, he trusted, follow the visit of a commercial body like this Board. He thought the extent of the business done in Prince Edward Island was not generally known, and perhaps they might enlighten some gentlemen from the west if they would pay them a visit.

Hon. T. R. JONES (St. John, N.B.), observed that he was sorry there were no delegates present from Nova Scotia. Messrs. Thomson and Wylde of Halifax, were present last year when this question was before the Board, and he (Mr. Jones) knew that none were more desirous that the Board should visit the Maritime Provinces than they. He felt himself warranted, therefore, in extending the invitation to Nova Scotia. He had no official authority for doing so, but he knew, from the sentiments expressed last year by the gentlemen he had named, that he might safely extend the invitation to that Province. (Cheers.)

Sheriff HARDING (St. John, N.B.), said, that in extending this invitation, they, from St. John, were somewhat selfish in the matter, and wanted the members from the Upper Provinces not only to come themselves, but to bring their wives and daughters along with them (hear, hear). The idea was not to tie them down to St. John, but to give them an excursion into different sections of the country; also to take them, if they wished, across to Prince Edward Island, thence to Halifax, and return to St. John.

Mr. ROBT. MARSHALL (King's Co., N.B.), cordially endorsed the invitation given by his co-delegates from New Brunswick. They would endeav lan ha he felt land co gest to Newfo

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endeavor to make the visit as agreeable and pleasant as possible. Mr. Howlan had spoken of his Province as the youngest child of the Dominion; but he felt sure that could not be said much longer, as he hoped to see Newfoundland come into the Confederation at an early day. He would, therefore, suggest that the Executive Council invite some of the leading men from Newfoundland to attend the Summer meeting at St. John.

In each case the expressions of the gentlemen from the Maritime Provinces were received with manifestations of approbation. Acknowledgements were made by Messrs. Read of Belleville, Brown of Hamilton, Skead of Ottawa, Elliott of Toronto, Keays of Sarnia, Ogilvie of Montreal, Ford of Kingston, O'Neill of Port Hope, Joseph of Quebec, and Dougall of Windsor. All concurred in the opinion, that it would be advantageous to accept the invitation, as tending to strengthen the bonds of commercial interest between all parts of the Dominion. They, therefore, expressed themselves, on behalf of their Boards, as accepting the invitation with great pleasure.

Hon. Mr. HOWLAN then moved, seconded by Mr. ADAM BROWN, the following resolution :---

That when this Board adjourns at the close of the sessions of this Fourth Annual Meeting, it do stand adjourned to meet at St. John, N.B., on the \_\_\_\_\_ day of July next,—the time to be left to the Executive Council to determine.

Carried unanimously.

## THE CENTAL SYSTEM.

Mr. W. W. OGILVIE (Montreal) moved the following resolution :---

That this Board heartily approve of the adoption of the Cental system, and that this Board do all in their power, to secure its more general adoption throughout the Dominion, in buying and selling all kinds of grain.

He said : The Montreal Corn Exchange Association heartily approves of the Cental system, and would like to see it more generally adopted throughout the Dominion. I am very glad to see it adopted pretty generally throughout Ontario ; but still there are many places that have not accepted it, and some that hardly know it has become law. I would like to see the system applied to our Inspection Act, and think it would be well for the Committee on that law to give the matter their consideration. The barrel of flour, for instance, might be made 200 lbs. instead of 196 lbs. We are indebted in a great measure to the Americans for this Cental system, and I would like to hear the views of our friends from the National Board on the subject. It might be well for our Board to have some correspondence on that question with the U. S. National Board. Wheat quotations which come from Liverpool relate to the cental, and if we could get the cities of the West to adopt the same plan, it would facilitate business very much.

Mr. WM. P. MCLAREN (Milwaukee, Wis.): I was very glad to see this motion on the official programme, as it is one in which the West takes

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a great interest. I was pleased to hear the suggestion that this matter might be brought to the attention of our Board, because I think you, gentlemen, are in a position to bring it before us and urge it upon us with some force, seeing that you have got the law actually in force in your country. In 1869, a very decided attempt was made with us to carry out this Cental system; and I believe the only reason it was not successful was, that it was pushed a little too fast. Some of the grain markets adopted it; others did not; and the result was it failed through lack of unity-and the failure at that time put back the general adoption of the Cental system, in my opinion, ten years. I hope before another attempt is made, the matter will be fully discussed, and concerted action of the Boards of Trade in the United States and Canada be secured. I suppose there is no intelligent business man who does not believe that, if the Cental system were universally adopted, it would be a great benefit. I trust that the Dominion Board of Trade will bring this matter before our Board; and if this was brought before them, it would certainly be taken up with a great deal of interest.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.) supported the motion with pleasure. They had found great inconvenience in Prince Edward Island, arising from the different standards of measurement of grain, and it would be of immense advantage to have a uniform system adopted.

Mr. S. NEELON (St. Catherine's), while heartily approving of the adoption of the Cental system, was of opinion that it would not be advisable to apply it to flour at the present time.

Motion carried.

## SHIPPING OF SEAMEN.

The PRESIDENT said the Secretary had received a letter from the Department of Marine and Fisheries, on the subject of a remark in the Report of the Executive Council with reference to the shipping of seamen.

The SECRETARY read the letter, which is as follows :--

#### OTTAWA, 25th February, 1874.

SIR:—I notice by last evening's newspaper that the Report of the Executive Committee of the Dominion Board of Trade was presented before the Board and read by you; and that, under the head of "Legislation by the Dominion Parliament," you allude to an "Act to amend the Acts for more effectually preventing the desertion of seamen," which was passed at the last session of Parliament, and which, you state, is but a small instalment of much needed reform. I respectfully beg leave to inform you that that short Act was passed merely to remedy a difficulty which then existed, until the general Act for the Shipping of Seamen could be passed by the Canadian Legislature, and receive the Royal assent, when it would come into force in the Dominion.

This Act, which is a very comprehensive one, has now received the Royal assent, and I herewith enclose you a copy for the information of the Dominion Board of Trade.

I have the honor to be, Sir,

Your most obedient servant, WM. SMITH, Deputy of Minister of Marine, §c. T action

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

This communication was referred to the Executive Council, for such action and further report as may be necessary.

## THE STAMP DUTY.

Mr. WM. THOMSON (Toronto): I cannot conceive that there will be any opposition to the motion I am about to make, as the stamp duty is a tax calculated to unnecessarily impede and encumber commercial transactions. This duty was imposed at a time when the public exchequer was somewhat depleted; but since then, no such necessity exists. I speak on this question in the double capacity of merchant, and one connected with banking institutions; hence I know the trouble, annoyance and expense connected with this duty in both capacities. Before speaking further, I will submit mv resolution, which is as follows:—

That this Board, desirous of facilitating business transactions, is of opinion that the collection of revenue by means of stamps on bills or notes, is injurious to the commercial interests of the Dominion, and imposes annoying and troublesome burdens on the usual course of trade: That stamps being required to give validity to the large majority of purchases on credit, affects and cramps business transactions, and imposes upon bankers and others troublesome and onerous duties, in ascertaining that the requisite amount of stamps have been affixed and cancelled, and out of which, banks are exposed to vexatious and expensive litigation :—

Therefore *Resolved*, That a copy of this resolution be forwarded to the Government, expressing the hope that this vexatious tax will be removed at the next session of Parliament.

I think the discussion last night in regard to increased duties was very pertinent to this question, and it was in my mind when I voted for an increase in the Customs tariff. I believe, in this country there is no better way of raising a revenue than from Customs duties; but these should not be imposed in such a way as to be vexatious and annoying to an unnecessary degree, as, I think everyone will agree with me, this tax is. We know also that in the rural districts, when credit is given to a considerable extent, it is often difficult to obtain stamps. With regard to the banks, it has come under my observation repeatedly, that notes have been brought to the banks without having had the requisite amount of stamps affixed, or with the stamps not properly cancelled. The consequence is, that the banks were obliged to double the amount of stamps. Then these stamps, when put on, often become detached, and the endorser of such a note might set up a plea that he was not responsible, on account of the irregularity, by which the result is very often vexatious litigations. A very strong argument in favor of the abolition of this duty, is furnished by the fact that the United States, compelled as they were by the war to levy a tax upon almost everything, have now abolished this tax upon commercial paper.

Mr. WM. ELLIOTT (Toronto), in seconding the motion, said : I think the tax both vexatious and unjust. If it is unjust to legislate in favor of any class, it is much more unjust to legislate against any class; and there can be no question that this stamp duty is against the mercantile community. It bears altogether upon them, and particularly upon the wholesale dealers. As one of some experience in business matters, I can only say that my firm, in most cases, have to bear the cost of this duty, and not our custom-

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ers. Purchasers think it unfair to have to pay it, and as we need to get the paper discounted, we have to put the stamps on. Then again, I think this duty tends to encourage dishonesty. As already pointed out, in many cases the stamps on promissory notes are lost, or are never put on, especially in distant country districts where stamps are not easily obtained; and when the notes become due, and are sued for, the plea is that no stamps are on them. I was told by a gentleman the other day, that on account of the accidental loss of the stamps on a note amounting to \$800, he lost the whole amount. This tax produces very little revenue to the Government, and as they are likely to impose additional important revenue taxes, they can very easily make up for the small sum received for stamps. I do sincerely hope that the Government will take this matter into their serious consideration, and act fairly and justly by the class upon which this tax presses so heavily.

Mr. ROBERT MARSHALL (King's Co., N.B.) endorsed all that had been said on this subject. He was in daily receipt of notes in connection with his insurance business, and he had experienced the same difficulty and trouble that had been complained of.

Mr. A. JOSEPH (Quebec): No doubt this tax is vexatious, but so are all taxes. What can be more vexatious than a tax raised by excise ? Hence we might as well propose the abolition of the excise duties. Notes do come into our banks sometimes not sufficiently stamped—I have found it so in my own experience—but stamps are always put on, and charged as well as the discounts. So far as Quebec is concerned, our judges have decided in cases arising out of unstamped notes, that by paying, at any time, double the amount of the stamps originally required, the note could be made legal. I do not think it is quite right to be continually asking the Government to remove taxes. Our friend, Mr. White, tells us that the revenue is deficient; if so, it would be \$200,000 less by the removal of this duty.

Mr. A. Woods (Quebec): I cordially agree with the remarks of the last speaker, and think that certain members of this Board cannot lay claim to a great amount of consistency. We affirmed last night a statement-which to my mind was what would be called in Scotland " not proven "-that there would be a deficiency in the revenue as compared with the expenditure. We are now told by the gentlemen who voted for the resolution yesterday, that the time has passed when the demands of the revenue require this duty; and that now, inasmuch as there is a superabundance in the treasury, the Government can fairly be asked to take off a tax which they imposed in their needs. I must confess this argument appears to me very singular. It is evident that this morning the boot is on the other foot. Parties who are prepared to tax the imports of our country, to tax 92 per cent. of our population for the support of special industries, are also prepared, it seems, to relieve themselves of the inconvenience of the stamp duty. If I understood one of the speakers rightly, he said that one strong argument in favor of the repeal of this duty was, that the United States, having tried it, had abolished it. Now, I think I can say he was mistaken in that matter. I believe,

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of the last claim to a at-which that there penditure. yesterday, quire this treasury, mposed in gular. It s who are our popuseems, to nderstood vor of the had abol-I believe, in the United States, cheques are universally stamped, and that this is one of the principal sources of the stamp revenue ; therefore his argument really tells against him. But in a matter like this, the example and experience of England should not be ignored. We all know that in Great Britain stamp duties are imposed, and there is very little agitation for their repeal. Hence, although business men are sometimes annoyed by country merchants sending in bills not properly stamped, I am satisfied that the revenue derived from this duty is one collected with the least possible expense. I maintain that it is the duty of every citizen to accept such a mode of taxation as will yield the greatest revenue in proportion to the expense of collection. We know that a large share of our customs revenue is absorbed before it gets to the treasury, it being paid out for the cost of collection. In this respect the comparison of Stamp duties with Customs duties is very much in favor of the former. I hope that this Board will not go so far in the direction of protecting special interests, as to attempt to deprive the Government of a source of revenue, which, to my mind, does not materially interfere with the commerce of the country.

Mr. THOS. WHITE, Jr., moved an adjournment of the debate. There was sure to be a good deal of discussion yet upon this question, and as it was now about lunch time it would be as well to adjourn at once.

The debate was then adjourned; the Board rising at one o'clock.

# AFTERNOON SESSION.

## THURSDAY, 26th February, 1874.

The Board resumed business at 2:30 o'clock P. M., the President in the chair.

The PRESIDENT read the following dispatch, which he had received through the courtesy of the Montreal Telegraph Company :----

Товолто, Feb. 26, 1874.

To W. H. Howland, Esq., President Dominion Board of Trade :

Following just received from London to-day. Following just received from Coomassie: Feb. 5th—We reached here yesterday after five days' hard fighting; the troops behaved admirably. Our casualties are under 300. The king has left the town, but is close by; he promises to visit me to-day and sign a treaty of peace. We hope to start on our return to the coast to-morrow. The wounded are recovering and the health of the remainder of the army is good.

(Signed,)

WOLSELEY.

The PRESIDENT announced the special order to be the consideration of the question of

## RECIPROCAL TRADE RELATIONS WITH THE UNITED STATES.

Mr. THOS. WHITE, Jr. (Montreal): Mr. President, I am quite satisfied that this Board must be deeply gratified at having among them representatives of the National Board of Trade of the United States, whose presence here is indicative of a strong feeling in favor of free commercial relations between the two countries. It has been my good fortune for the last three years to be present at the meetings of the National Board ; and I am glad to say to this Board of Trade, that the indications which these meetings afforded of a growing sentiment in favor of closer commercial relations, have been of such a character as to be gratifying to every one who believes that more intimate relations between two countries having so many interests in common, must be a great advantage to both. I purpose referring very briefly to some of the incidents of these three meetings. The meeting at St. Louis indicated a very strong feeling of opposition to anything like reciprocal trade relations between the two countries. We were met by a proposal to establish a general Zolverein, which would have made the whole American continent commercially one people. We did not consent to that; and although subsequently a resolution was passed in favor simply of a Reciprocity Treaty upon a broad and comprehensive basis, I think no one who was there could have failed to observe, that that resolution was passed more as an act of courtesy to the gentlemen from Canada, than from any strong settled conviction on the part of the American delegates in favor of the principle involved in it. When we met a year afterwards at New York, the most gratifying feature connected with the discussion was the opposition offered to reciprocity-the fact that the question had become so serious, that those who were opposed to the measure felt it necessary to assert their opposition in that large commercial convention. And the resolution which was passed with but one or two dissenting voices, and after a discussion which indicated an earnest interest in the question, was a very strong evidence of the growing sentiment of the commercial community, in favor of closer trade relations between the two countries. Last year at Chicago the question came up again; and I think those who were at that meeting will agree with me in the statement, that the feeling was one of hearty good-will, and that the National Board appeared to be thoroughly convinced of the importance of closer commercial relations; and I think the resolution which was passed then, acknowledging, as it did, the duty of the American Government to take the initiative in any steps towards the renewal of the Reciprocity Treaty, was adopted as a result of the sound convictions and the matured judgment of the gentlemen who composed the National Board. To-day, Sir, we find ourselves legislating upon this subject-if any of the acts of this Board may be called legislation-legislating, at any rate, so far as the expression of opinion is concerned, in the presence of gentlemen who have come here as representatives from the National Board of the United States, to indicate to us how heartily they desire to co-operate with us in any measure of this kind. Therefore, I believe we have great reason to trust, that before long we will realize what is the fond desire and hope of every true, patriotic Canadian-that we should have more extended com-

merci cussin show to be advan that upon which count had m Board in this calling its bei our di I prop gation recipro it cert mercia into fo vince ( to \$63 190; Canada the U \$20,85 to \$13. increas exports \$4,138 first ye tions of with th mother ent dec proper railway the iron in 1858 decreas trade b increas reciproc States very fir from th

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mercial intercourse with our neighbors. It is worth while, I think, in discussing this question, to present to this Board some figures which will go to show that, although we prospered under reciprocity, and had great reason to be satisfied with the Reciprocity Treaty, yet the prosperity and advancement of this country are not in any way whatever dependent upon that treaty; but that the industry and energy of our people, thrown upon their own resources, have sought out new paths of industry and trade, which have enormously increased the prosperity and commerce of this country. I submit these figures to you ;---and I am only sorry I have not had more time to prepare them, having done so during the discussions at this Board-I submit these figures, simply because I notice there are persons in this country who regard a Reciprocity Treaty as a matter of indifference, calling it a delusion, and warning the people of Canada against any hope of its being secured,—at the same time declaring that it would be positively to our disadvantage if it were secured ! Now, Sir, although the figures which I propose to present, indicate that we have prospered in spite of the abrogation of the Reciprocity Treaty, yet the progress of the country during reciprocity, will show that it cannot but be for the advantage of Canada, as it certainly will be for the advantage of the United States, that closer commercial relations should exist between the two countries. The treaty came into force in 1855. Taking the general aggregate trade of the old Province of Canada in 1854,—the year before the treaty—I find it amounted to \$63,548,515, the imports being \$40,509,325, and the exports \$23,019,-190; leaving \$17,490,135 balance of trade against the old Province of Canada. Under the operation of the Reciprocity Treaty, the imports from the United States increased in the first year from \$15,533,098 to \$20,828,676; while those from Great Britain declined from \$22,963,330 to \$13,303,460. During the same year the exports to the United States increased from the small sum of \$8,649,002 to \$20,002,291; while the exports to Great Britain decreased from \$10,876,714 to \$6,738,441; or \$4,138,273 less. Now, you will see from these statements, that in the very first year we had free trade with the United States in the natural productions of these two countries, the effect was to enormously increase our trade with that country, and, correspondingly, to decrease our trade with the mother country. We know, at that time, there were reasons for the apparent decrease in our trade with the mother country, which it is, perhaps, proper to mention. Up to 1855 there was a considerable importation of railway iron into this country. Many of our railways were being built, and the iron required came from England. A good deal of it, however, came in 1855; so that, although, to a certain extent, this will account for the decrease, the fact remains, that the effect of the adoption of reciprocal free trade between this country and the United States, was enormously to increase the trade between the two countries. During the time we had reciprocity-from 1855 to 1865-we find that the imports from the United States scarcely increased at all. It seemed as if, at the very outset, the very first year of the treaty, we had taken the full bound. The imports from the United States in 1855 were \$20,828,676, while in 1865 they had actually decreased to \$19,500,000. From Great Britain we managed to

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increase our imports during the operation of the treaty, though the immediate effect of its adoption was largely to decrease the trade with the mother country. The result, however, of the ten years' operation of the treaty was to increase the imports from Great Britain from \$13.250,000. in round numbers, up to \$21,000,000. So that, during the operation of the Reciprocity Treaty, we had an actual decrease in the importations from the United States, and a very large increase in the importations from the mother country. Our exports to the United States, in the first year of the Reciprocity Treaty, amounted to \$20,000,000, in round numbers; and they increased by about \$3,000,000 during the ten years of the treaty, being about \$23,000,000 at the end of that period. With regard to the period since the treaty, I think the progress of this country must be exceedingly gratifying to Canadians. In the last year of reciprocity the aggregate trade of the old Province of Canada had increased to \$87,101.620. the imports being \$44,620,469, and the exports \$42,481,151. By the year 1872 the aggregate trade had increased to \$153.990.704that is, for the Provinces of Ontario and Quebec alone. In making these calculations, I have excluded altogether the Maritime Provinces, because I could obtain no figures at the moment showing the results of the Reciprocity Treaty upon them and their trade. The aggregate trade of the Old Province of Canada increased during the ten years of Reciprocity a trifle over 21 per cent., while during the seven years since the abrogation of the Treaty the aggregate trade of Ontario and Quebec has increased upwards of 77 per cent. Now, with regard to some of the details of this trade, those relating to our intercourse with the American Republic are exceedingly interesting. The aggregate trade with the United States before reciprocity amounted to \$24,082,100. The first year of reciprocity it rose to \$34,132,136, being an increase of about 41 per cent. During the ten years of reciprocity the aggregate trade with the United States increased to \$42,528,746, or 24 per cent., while during the seven years after reciprocity, with all the disadvantages of a high tariff on the other side, with all the disadvantages of almost hostile relations during a portion of that period, the aggregate trade increased to \$54,255,480, or about 27 per That is, during the period of reciprocity, the increase has been 24 cent. per cent., and since reciprocity it has been 27 per cent. The trade with Great Britain, however, shows a very much larger increase since the abrogation of the Treaty. During the ten years of reciprocity the aggregate trade with the mother country increased no less than 78 per cent., as against 24 per cent. increase with the United States. Those who hold the doctrine that commerce follows the flag, will find in these figures a confirmation of their view. During the seven years since the abrogation of the treaty, the trade with the mother country has increased 102 per cent., as against 27 per cent. increase with the United States. Taking the chief articles of trade affected by the Reciprocity Treaty, it is somewhat remarkable how little change has taken place since the abrogation of the treaty. Take the last year of reciprocity, for instance. We exported to the United States during that year :--

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| Products of t | he Forest      | \$5,008,746 |  |
|---------------|----------------|-------------|--|
| Animals and   | their Products | 7,053,079   |  |
| Agricultural  | Products       | 8,246,987   |  |

While in 1872, which is the last year we have published trade returns, we exported to the United States :---

| Products of the Forest     | \$8,192,518 |  |
|----------------------------|-------------|--|
| Animals and their Products | 5,859,960   |  |
| Agricultural Products      | 7,878,234   |  |

But it is scarcely fair to take the last year of reciprocity as a criterion, for this reason: Upper Canadians especially will remember that after the notice of the abrogation of the Reciprocity Treaty had been given, Americans came into Upper Canada and literally cleared the country of its cattle. The export of cattle the year after the notice had been given was exceedingly large, as shown by the fact that the exports of animals that year amounted to about \$1,200,000 more than in 1862. But take the trade of 1863, which was the last year before the notice of the abrogation of the treaty was given, and which may be said to represent the normal condition of the trade under the treaty, and we find the following comparison of exports in 1863 and 1872:—

|                            | 1863.       | 1872.       |  |
|----------------------------|-------------|-------------|--|
| Products of the forest     | \$4,397,103 | \$8,192,518 |  |
| Animals and their products | 4,151,343   | 5,859,960   |  |
| Agricultural products      | 8,600,410   | 7,878,234   |  |

So that only in agricultural products has there been any decrease, or any absence of increase in the ordinary exportation to the United States of products coming under the Reciprocity Treaty. But, Sir, although we have not succeeded in sending as much cereals to the United States as we did under the Reciprocity Treaty, the general exports to that country have been greater than they were before. Take, for instance, the exports of a few principal articles in 1863, as compared with 1872:—

| 1863.                    | 1872.        |  |
|--------------------------|--------------|--|
| Horses\$1,465,080        | \$1,177,791  |  |
| Horned cattle 511,737    | 539,249      |  |
| Lumber 2,963,426         | 6,636,451    |  |
| Flour 2,216,440          | 537,865      |  |
| Barley and Rye 2,260,438 | 3,443,590    |  |
| Oats 2,097,688           | 149,629      |  |
| Wheat 1,410,462          | 2,047,365    |  |
| Total                    | \$14,531,940 |  |

The total increase is about 12½ per cent. The only decrease that took place during that time was in Flour, which decreased from \$2,216,-440 to \$537,865, and in Oats, which decreased from \$2,097,688 to \$149,-629. In all other branches there was an actual increase in the exports; and we have this gratifying fact, that while the exports of flour to the United States during that time decreased, our aggregate exports of flour largely increased. There are some other features connected with this trade, which, I think, it is worth while to mention. When the Reciprocity Treaty was abrogated in 1865, this country stood in a very peculiar position.

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Politically, the best men in the country had strong reason to fear that our constitutional system had reached a dead lock. Agriculturally, the pest of the weevil and the midge had almost destroyed the agricultural prosper-Throughout the great agricultural Province of Upper ity of the country. Canada, I believe I am correct in saying, that there were few farms, even in the best districts, which were not at that time under mortgage. Then we had, in addition to all that, the announcement made that the market which the people had been in the habit of looking to was about to be closed to us. A gloomier picture for a people it was almost impossible to imagine. Providence, apparently, against us in the destruction of our grain crops; the interest of the country sacrificed to the agitations of political parties; and our neighbors of the United States threatening to close that avenue to our trade. And yet, what is the fact to-day? It is quite true that in some respects the difference is to be accounted for by a change in the system of agriculture in the Province of Ontario. The farmers, cut off from the markets they had been in the habit of using, at once resorted to raising other products; and I find this remarkable fact, that of the one article of cheese we exported in 1865, \$76,321 worth, while in the year 1872 we exported \$1,830,290. That large increase in that industry means much more than the figures indicate. It means the overcoming of the pest of the midge; an entire change in the system of agriculture; and the adoption of the system of rotation of crops; while it also means. wealth to every farmer in the country who adopted the latter system. I am aware there are those who say it was simply the displacement of one industry for another; that the butter industry went down, while the other went up; but such is not the case. While the export of butter in 1805 was \$1,329,045, it was \$3,442,723 in 1872. Thus while one of the results of having a large market open to us in the United States for grain, was that our farmers, year after year, raised little else than wheat, to the great detriment of the soil,—one of the effects of the closing of that market, was to force the people of this country to build up other industries, which have not only benefited our trade, but improved greatly the general agricultural interests of the country. I believe I am right in saying, that today it is the rarest thing to find throughout the Province of Ontario a farm which is mortgaged, unless it be for unpaid instalments on the purchase of the land. Almost everywhere the farmers have been able, by the change in the system of agriculture, more than any other cause, to pay off their mortgages, build new houses and barns, and introduce an improved system of agriculture; so that they have prospered as they never would have done, had they not had the strong incentive to turn to new industries, which was forced upon them by the abrogation of the Reciprocity Treaty. There is another result of the abrogation of that treaty. The public men of our country found it was necessary to secure other markets in place of those closed to us. And while the politics of old Canada had much to do with the bringing about of Confederation, I believe that the determination of our neighbors to punish us-I am speaking only of the politicians, not the merchants-as they thought they were doing by closing their markets to us, forced the public men of this country, from the Atlantic to the Great

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Lakes, to see whether some means could not be adopted to open up a market between the Provinces. As a consequence the Confederation of the Provinces followed; and it is to Confederation and the free interchange of commodities which it gives among our own people, that we must, in a great measure, attribute our prosperity. We have to-day as the result, among other causes, of the abrogation of the Reciprocity Treaty, a union of British interests and British subjects, extending, happily, from the Atlantic to the Pacific. But you may probably say, why, with these results, should we desire a renewal of the Reciprocity Treaty? The argument, it may be said, goes to show, that we have prospered rather better without it. I have used the argument for this reason: that I know there are those on the other side of the line who believe yet-again I speak of the politicians and not the merchants—that the prosperity of this country is dependent upon a renewal of the Reciprocity Treaty. I think the figures I have given prove that this country has prospered and can prosper without that Treaty. But I think no one can look to the position of both countries on this continent-coming to the discussion of this question on equal terms, each feeling that it can prosper without the Treaty-without realizing that it would be to the advantage of both to have the freest possible intercourse. Here we are with a common line of frontier extending some four thousand miles, with many interests in common, with the same language, religion, and traditions, each proud of and loyal to his own form of Government, but willing to respect the national sentiment of the other; and it does seem to me, that the closer we can bring our commercial relations the more prosperous will both countries become. I have compiled the figures I have laid before you, simply for the purpose of showing that when we discuss this question of Reciprocity, we do so not as supplicants who are dependent upon it for our prosperity, but that we meet on fair and equal terms as commercial men, to discuss the question in the interest of the prosperity of both coun-That is the reason, therefore, why I move the resolution which I tries. am about to put into your hands. Hence, I sincerely hope that in the discussion of this question in the future, we will all be able to realize that we are considering it simply as a commercial question, so that the politicians may give up the idea that they can punish Canada by withholding the treaty, as they failed to punish us by its abrogation, notwithstanding the predictions of some very wise people at the time, that it only required the abrogation of that treaty, to cause us to fall into the arms of our neighbors. I beg to move the following resolution :---

That this Board desires to express its gratification at the growing sentiment among our neighbors in the United States, in favor of more intimate reciprocal trade relations between the United States and the Dominion of Canada, as evidenced by the resolutions passed by the National Board of Trade ;—

And that it be an instruction to the Executive Council to take whatever steps it may deem necessary in order to secure the adoption of a Treaty for reciprocal trade with the United States, upon a broad, comprehensive and liberal basis.

Mr. ADAM BROWN (Hamilton). In seconding this resolution, I feel indisposed to make any lengthy remarks after the eloquent speech of Mr. White. He has established the fact that this Dominion can prosper without

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the renewal of the Reciprocity Treaty; and he has also established the fact that in the interest of the progress of both this country and the United States, we ought to have reciprocal trade between the two countries. This question should be regarded in the broad light of humanity. It is a matter of the greatest consequence to us in this country that we should live on the most amicable terms with our friends across the lines. We should cultivate peace in every possible way, and I believe there is no manner in which peace can be more thoroughly cultivated between two great nations, than by reciprocal trade relations between them. I have simply to say that I have great pleasure in seconding the resolution.

Hon. R. HAWLEY (Detroit), was then introduced and was received with applause. He said : Mr. President and Gentlemen. To me, this has always been a question of the highest interest and importance. It is a broad question, the value of which in all its bearings cannot be over-estimated. We are warranted in believing that in due time we shall see the consummation of our desires in this matter, though we cannot speak definitely with respect to the time. Some patience may be required, some pains may have to be taken to remove what remaining prejudice and misconception and ignorance as to the substantial merits of reciprocity there may be. But just as soon as the people on both sides of the line-Ispeak particularly with regard to the American people-understand it in relation to its important bearing and the good it cannot fail to accomplish, just so soon, undoubtedly, will steps be taken which will lead to its accomplishment. In considering this question, my mind recurs to the West, and the steps that have been taken in this matter. I go back to Detroit, when this question of reciprocal trade was considered, and I recollect listening, with unalloyed satisfaction, to an address from that distinguished statesman from your country, the Hon. Joseph Howe. [Cheers.] The ability and grace with which he discussed this question were appreciated by all who had the pleasure of listening to him on that occasion. And while others were treating the question in the spirit in which it was treated at that convention, others, in other fields, were treating it in a similar way. Before leaving home, my eyes fell upon some memoranda, and among them I found a few brief remarks that fell from the lips of an honorable gentleman of our country, who now has also gone, we trust, to a better world—I refer to the Hon. John P. Hale, of New Hampshire. (Cheers.) These remarks were made in January, 1855, I believe, on the floor of the Senate of the United States. Let me read them :---

"I was one of those who at the time this Treaty was adopted, looked upon it with great favor. I looked upon it as one of those healthful indications of the application of Christian principles to the diplomacy of nations. I believed it was an onward march in national morals, indicative of a better state of things than which had heretofore prevailed. I believed so then, and I believe so now; and to my mind the proposition to abrogate the treaty is a step back from the advancing civilization of the times to the dark ages of restriction which so long hampered the progress of nations."

I do not doubt that Mr. Hale, as was very generally recognized on our side, felt there were imperfections and defects in that treaty, and that the seeme treat one. discu an en intima Gover financ condu preva plated quent gener possib dation may b -the apprec exist o adopti gentle in rela While interes suitabl secure tating promot certain letter Februa nent a most i " I thi witness This g and, a way, d and ig rejoice wants ( are all remark Howlar the opin certain that it

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times, irrespective of these defects, called for a revision of it. The question seemed to be, however, whether it was better to undertake to revise that treaty, or give notice of its termination and trust to the formation of a new one. In the Detroit Convention it became evident, in the course of the discussion, that the general idea was that it was better to bring the treaty to an end; and I happen to recollect an important delegation from Philadelphia intimating that they would be willing to concur in a recommendation to our Government to take steps to negotiate a new treaty-one suitable to the financial condition of the United States, and at the same time one that would conduce to the welfare of both countries. The result was that this view prevailed, and there was a general acquiescence in regard to the contemplated termination of the treaty; and I am glad to say that subsequently that body, without opposition, passed a resolution requesting the general Government to take measures to bring about a new treaty, which, if possible, would meet all the requirements of the times. That recommendation, as you are aware, has been recently renewed on the part of what may be considered the successor of that Commercial Convention on our side -the National Board of Trade; and it is pleasant to realize that you appreciate the advancing policy in favor of reciprocity, which I believe to exist on our side, as manifested by the greater unanimity and the more cordial adoption of this recommendation to our general Government. Let us then, gentlemen, persevere in what we are sure is of great practical importance in relation to regulating and promoting the commerce of the two countries. While we do not wish to do anything which in any degree will sacrifice the interests of either country, we believe that a treaty can be framed by suitable persons representing the two countries, which will, in its result, secure this great good-a treaty which, while promoting the commerce, facilitating the business, and adding to the wealth of the two countries, will also promote those feelings of friendship, esteem, and brotherhood, which are certainly not less important, nor less to be prized. (Cheers.) I have a letter from which I may read a single extract. It is dated Washington, February 14, 1874; it reached me yesterday. It is written by a prominent and influential member of Congress-the Chairman of one of the most important Committees of the House of Representatives. He says : " I think there is a greater tendency towards Reciprocity now than I have witnessed before." (Cheers.) Other remarks follow of the same purport. This gentleman has the best opportunities of knowing whereof he writes; and, as I said before, if we in our respective countries, in every proper way, do what we can to disseminate information and remove the prejudice and ignorance which to a certain extent still exist, in due time we shall rejoice in the framing of a new treaty, meeting as far as possible the wants of the two countries. A word or two more and I have done. We are all liable sometimes to misconception. I was pleased to hear some remarks from the honorable gentleman from Prince Edward Island, Mr. Howlan, while discussing another question akin to this. He expressed the opinion that in the formation of a new treaty, the question as to whether certain articles should be admitted free of duty was not at all involved, and that it was very probable that some articles which were free under the last

treaty, might have to bear a moderate duty under a new treaty. We do not, in pressing this question upon the General Government, in the slightest degree wish to indicate that we want a treaty which should meet any individual conceptions. We only press upon them the general question, and express our undoubted belief that the great interests of commerce, of trade and navigation, can be better promoted in this manner than in any other. Gentlemen, I thank you for listening to the few and imperfect remarks which I have had the honor to submit to you in connection with this, to me, most important topic. (Loud applause.)

Captain DORR (Buffalo), on rising, was also greeted with applause. He said :---While I fully endorse all that my friend Hawley has said. I want to say a word or two further. I want to go to the true status of this question. You all like to be dealt with in candor and sincerity. I heard an Englishman, at the other end of the table, say yesterday that he was proud of the old flag. What man is there in this assembly-what man that speaks the Anglo-Saxon tongue-that cannot take that right home to his heart? (Cheers.) Love of country underlies and gives impulse and direction to the noblest sentiments of the human mind. Now, this question of a Reciprocity Treaty, is it not a practical one? We had a Reciprocity Treaty for some time, and the American Government did what a prudent merchant would do, that is, ascertain what had been the result of ten or twelve years of trading. They figured up the result of the treaty, and found that, as you claim we have the best of it in the Washington Treaty, you had a great deal the best of it in the Reciprocity Treaty. They found by statistics—and figures, they say, don't lie—that Canada had made very much more out of it than the United States had. Now, I am not one who would strike the balance on this basis; I think it was a false one : but that was the view our Government took of it, and they gave notice of its abrogation. Since then you have been put upon your own resources. Mr. White has shown that you have had a large increase of trade, leaving us to infer that it arose from your being left to paddle your own canoe. I have no doubt this is a correct inference, and it is a matter of great encouragement to you. Cut off from our markets, you went to the markets across the ocean; you built ships; you subsidized them; and now you have got those splendid lines of steamships that go out of your River St. Lawrence. You have enlarged your trade and increased your shipping. And now we have the Washington Treaty, which I hope may be continued as long as grass grows and water runs; and if we get more of your fish than you do, that will be equalized by something else you get from us. If you throw open this River St. Lawrence, you will get a return for it. I was very much pleased to hear one gentleman say, that you do not want a canal at Sault Ste Marie for military purposes. There has no word been uttered here that I heard with greater pleasure than that. We want no barriers to keep the ships of either country from reaching the ocean; we want a common outlet. We are the same people; do we not speak the same language, and worship in the same churches? Have we not the same religious freedom? have we not the same free schools? Why

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should we not be brothers dwelling together in unity? (Cheers.) Why should these little questions of petty politics come between us and the broad question of humanity in the elevation of our race? Gentlemen, dollars and cents form, in my opinion, a very small part of the consideration in this question. If one chooses to fly one flag which they all revere, and the other to fly another flag, as the symbol of their nationality, why should that separate us in the great commercial race of the world? What has made England and America, but the enterprise of her merchants? Therefore, in considering this question of reciprocity, we should sink all local jealousies, and consider it in the broad light of the interest of commerce on this western continent. It would, in my opinion, be a good plan for a committee composed of representative men of both countries, to meet and "swap" ideas, as the Yankees would say (laughter),-to see what we both want, and to decide upon what would be best calculated to promote the interests of our respective countries. Gentlemen, the advantages which we possess in common are hardly appreciated; they are unequalled in any other part of the world. What other country has five thousand miles of continuous lake and river navigation? All we want is to improve it-not to sit down and wrangle over a column of figures, to show that one made ten cents more out of the trade than the other, but to work together harmoniously. A recent writer, Captain Butler, tells you in a book he has lately published, that the Americans are your natural enemies; that if they had the chance, they would put their heels upon your neck and grind you to the dust. Now, I am told that Captain Butler is a very clever man. He came to this country seeking employment, and found it in your Red River expedition, and his knowledge of the American people, upon which he bases his opinion of them, is confined to what he learned from a lot of miserable, drunken half-breeds on the frontier (laughter). Now, I want merely to say to you, that Captain Butler is mistaken when he tells you that the Americans have no sympathy with you, but that they are your natural enemies. I know the sentiments of the American people; and tell you they heartily accord with you, in every effort to elevate the human race and uphold constitutional liberty. (Cheers.)

Hon. G. W. HOWLAN (Charlottetown, P.E.I.): Before you put the question, Mr. President, I would like to say a few words, for I think the important speeches from gentlemen from the other side of the lines call for some notice. As has been very well said, we do not look for reciprocity, we are not beseeching it; the people of Canada have proved that they are quite able to live without it; but as a body of merchants, met here, representing the Dominion of Canada, we are expressing the opinion that we would be quite willing to live in friendly relations with those pursuing the same professions on the other side of the border. It is useless to discuss the question with regard to the advantages that may accrue to us as a commercial and manufacturing people, because I have yet to learn that manufacturers and merchants on both sides are not fully able to look after their own interests. But there are principles underlying reciprocal relations between the two countries, which cannot fail to attract the atten-

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tion of any man who has ever had responsibility thrown upon him. Now, I am not going to relate the circumstances that led to the abrogation of the Reciprocity Treaty; but this much I may say, that that abrogation was not caused by any unkind or uncommercial act on the part of the people of this Dominion. We fulfilled, to the letter, the conditions of that treaty; but our neighbors thought it to their interests to punish us, as has been already said; and I think I am not going too far in saying, that it was abrogated more with the view of punishing us than because it was injurious to them. Subsequent events showed the failure of that intention, and I am glad to observe the better sentiment that now prevails in the United States. I cordially sympathize with the remarks of Capt. Dorr, that the two nations should dwell together in amity; and I believe that this will be effected more thoroughly by having the best possible commercial relations between the two countries, than, perhaps, by any other means. Reference has been made to our lines of steamships, as an evidence of our prosperity since the loss of reciprocity. The inference, I believe, is perfectly correct. You can no more dam up the energies of a free people, than you can dam up the tributaries of commerce. And, speaking of this matter in connection with the abrogation of the treaty, I must say, in perfect kindness, that with all the enterprise, ability, talent, and wealth of the American Republic, they do not to-day own a single line of steamships crossing the Atlantic, -- not one that is covered by their own flag.

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## Capt. DORR : We have one at Philadelphia.

Hon. Mr. HOWLAN: I am glad to be corrected; I had overlooked the Philadelphia line of steamers. I am not finding fault; I am only illustrating the fact, that a great part of the trade crossing the Atlantic is carried on under the British flag. With regard to reciprocity, all I can say is, that I think we can scarcely ask the neighboring republic to give us free trade. When we consider the very large debt that has to be met in that country, I scarcely think we can ask for a treaty like the last one. I say this as a commercial man myself, feeling that if I were a citizen of that country I could hardly approve of it. I have had some little experience in this matter of reciprocity, because, while the Dominion was pursuing one course, Prince Edward Island was pursuing another. After the very stringent rules that were laid down by the Dominion with reference to the fisheries, it was found necessary to open our ports to the American fleet. I heard a gentleman say that the Maritime Provinces should be well satisfied with the Washington Treaty, because it was passed in their interests. I believe that is not the case. The treaty was ratified in the interest of Canada. Canada was seeking an Imperial guarantee to aid in building the Pacific Railway, and that guarantee was secured in connection with the passing of the treaty. But I was going to say that, at that time, we opened our ports to American fishermen. I was selected by my own Government to go to Washington to negotiate some trade relations. And my experience then was, that, whilst I found very few willing to go back to the old treaty, a majority were willing to consider a new treaty on a fair basis. That has

been my opinion for some time back; and, holding that opinion, I had drawn up a short memorandum, which I was going to propose to add to the resolution of Mr. White. I believe that if a committee from the National Board of Trade and from this Board were to meet and draft a tariff that would receive the approval of the commercial men of both countries, it would greatly aid in bringing about the object we all desire. Believing that, I had prepared the following resolution :—

Whereas, it is important to procure information from the mercantile community of this Dominion, and also of the United States of America, with a view to form such a Tariff, as will be equitable towards and tend to promote the mercantile interests of both countries ;—

Therefore Resolved,—That a committee be appointed by this Board of Trade, of which the President and Vice-President shall be two, to confer with the National Board of Trade of the United States for the purpose above-named, such Committee to report to this Board of Trade at its next session.

Mr. WM. P MCLAREN (Milwaukee),—The National Board adjourned to meet in June, 1875. It would therefore be impossible for the two Boards to take any concerted action in the matter in the meantime, except through their respective Councils. I have no doubt the Council of the National Board would be glad to meet your Council.

Mr. WHITE: In that case our Executive Council might take the motion of Mr. Howland as a suggestion, and the Board might adopt it as such.

Mr. WM. P. McLAREN (Milwaukee) then addressed the Board on the subject of the motion. He said : Gentlemen : I do not know that I can add anything to what has already been said on this question. But I have been carried back during this discussion to the meeting in Detroit in 1865, when an agent of the American Government went there, for the special purpose of impressing upon the American delegates, the propriety of their advocating the abrogation of the Reciprocity Treaty, with the view of coercing Canada into annexation. I trust it is not necessary for me to say one word upon that subject, except this: that if some Americans had the idea that it was proper, or wise, or possible, to coerce Canada into annexation by depriving them of the Reciprocity Treaty, that idea has long since gone by the board (cheers). I used my utmost humble efforts, at that time, to prevent such an idea obtaining credence; but I think the lapse of nine years since then has fully proved that such a thing is utterly impossible and unwise. Now, we have come to the practical point in this question. What have been the results of the abrogation of the treaty to us in the United States? We have paid so much more for our lumber. Out of whose pockets does this money come? Not out of the pockets of the producers and manufacturers of that lumber in Canada, but out of the pockets of the consumers in the United States. We have paid so much more for our barley. Out of whose pockets does that come ?--- the consumers in the United States. We have paid so much more for every barrel of flour we have imported from Canada. Who has it benefited? Has it benefited the millers of the United States? There have never

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been four years in the history of milling in the United States, when it was less profitable than it has been for the last four years; and every cent of duty that has been paid on flour, has been paid by the consumers. And so on. The abrogation of the treaty has, I believe, been unfavorable to the United States; and, in that position, we are endeavoring to bring about a new treaty, fair, just and impartial to both countries, which will admit, free of duty, from the one country to the other, the natural raw products of both. I do not conceive the time has come yet when it is possible to decide what are the conditions of a fair Reciprocity Treaty. In Chicago, in October last, the proposition was made that we should there and then undertake to determine what articles should be admitted free of duty, and on what conditions a Reciprocity Treaty should be negotiated. I do not conceive that it is for us, as merchants, to deal with that question at all. I think the proper way is for the United States Government to appoint a Commission ;—it is their business to take the first step (hear, hear)—and I am glad to believe that your Government will readily meet ours by appointing a similar Commission; and then it would be for this joint Commission to decide, after careful consideration, what should be the basis and conditions of a new treaty. I trust you will not be discouraged by the apparent fact, that we have not accomplished anything in this matter. I do think, as I took occasion to say yesterday, that we have accomplished something. We have not secured a Reciprocity Treaty, it is true. We may not secure it in the next few years; but I believe we are progressing; that every meeting of our Boards of Trade, on one side or the other, has helped to advance the object which we all believe to be desirable, and to form that public opinion which is necessary, as an initiatory step, to any important legislation in a free and intelligent country. I do not know that I have anything to add, except that I fully agree in the sentiments already expressed here on this subject; and I trust we will not slacken our efforts towards procuring free commercial relations between the two countries.

Capt. DORR: I wish to say one word with respect to Mr. Howlan's resolution. I fully agree with what Mr. McLaren says upon the subject of a joint Commission; but before such a commission is appointed, I think it would be well to have a number of practical men, from both sides, meet together, and, after examination of the whole subject, recommend to the Commission what they consider should be the conditions of such a treaty asis required.

Mr. C. H. FAIRWEATHER (St. John, N.B.): Being in possession of one or two salient facts bearing upon this question, I feel it right, although reluctant to occupy your time, not to give a silent vote. The mover of the resolution said he purposely left out of his calculations the Maritime Provinces, not having in his possession the statistics bearing thereon. I have not these statistics at hand; but from my own knowledge, I can say that our experience in New Brunswick entirely bears out the line of argument which the mover of the resolution followed. It was thought at first that we would lose our trade, which consisted largely of the exporting of lumber,

coal, stone, and other bulky articles, to the United States. But it was found in our experience, that these same articles were needed by the United States, and in spite of the high tariff, we shipped them in larger quantities than during the time of the Reciprocity Treaty,-while incidentally, new and important industries sprang up at St. John. I will give you this fact. The enhanced price of lumber in the United States, appeared to deprive the Northern States of the power to supply the West Indies with the article of box shooks. That trade sprang up at St. John, beginning in a small way, about 1865, and has increased to large proportions. Our exports of that article now amount to the value of about half a million dollars, in addition to its importance as affording freight for our vessels. Moreover, this export is of peculiar value to us, inasmuch as the season for exporting these goods follows the close of our season for shipping to European ports, and thus gives us winter employment. In Nova Scotia-for in the absence of our friends from that Province, I feel inclined to say what I can for it-there was a falling off in the exports of fish, potatoes, and some other agricultural produce; but the people sought out new industrial pursuits, and increased their exports of lumber, for which there was still a demand in the United States. The result is that their trade also has increased. I shall vote most heartily for the resolution.

The motion was then put and carried, Mr. Howlan's proposition being also adopted as a recommendation to the Executive Council, in the sense suggested by Mr. White.

#### STAMP DUTIES.

The debate on this subject was now resumed.

Mr. GILLESPIE (Toronto): I do not think anyone can say that the Stamp Act is at all carried out in the spirit in which it was intended it should operate. It provides that the maker of a note shall affix the stamps. Now, as a matter of fact, this is not the case, in a very Therefore, I claim the Act has defeated large majority of cases. itself. It is one of those expedients resorted to in times when a Finance Minister is at his wit's end to raise money. At the present juncture, the exigencies of the country do not require this Act; and now, when there is likely to be a reconstruction of our tariff, is a good time to provide some other means of collecting this amount of revenue. Some gentleman remarked that in the United States they still carried out the principle of affixing stamps to checks. Now, I am sure we would be happy to change that system for ours; for checks can be sent to the Treasury Department and have the stamp printed on them, so that there could be no possibility of the stamps being omitted, or of falling off. That would entirely do away with the complaint embodied in this resolution. I therefore hope, that if gentlemen will divest themselves of the idea that this is an attack upon the revenue, they will go with us in attempting to do away with the harassing effect upon the commerce of the country of the Stamp Act as now carried out. I hope the resolution will receive the favorable consideration of the Board.

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Mr. ANDREW ROBERTSON (Montreal): I am decidedly opposed to the repeal of the Stamp Act. Last year this question came up, and I opposed it then, for the simple reason that the law can be of great service to the merchants of Canada. It makes people more careful about giving bills. If a man wants to renew his bill, he thinks first that he has to pay the stamps upon it, and is very likely to take it up, if possible, in order to save this tax. Moreover, this duty is a source of revenue. I am very much surprised to find that those protectionist gentlemen, who yesterday held that there would be a deficiency in the revenue, now want to deprive the exchequer of this duty. In England, out of a revenue last year of seventy millions, nearly ten millions came from stamps—about a seventh part of the whole revenue. It must be a good thing, then, and I do not see why we should not have it here. I would rather see this Act applied in other ways than have it repealed. I would like, moreover, to see the practice followed of having merchants, instead of asking their customers to stamp the notes, do it themselves, as is done in England. The chief objection to the Stamp Act has arisen from the fact that many merchants found difficulty in discounting their paper, because the stamps had not been properly affixed. I was a victim to that difficulty. Among the first notes I received after the Stamp Act was passed, was one in Lower Canada for \$900, and although we affixed the stamps ourselves, we lost it on the ground that the maker had not affixed them. But since then, the law was changed so as to remedy that defect, and bills can now be stamped by either party. I think the seller, as he gets the profit, should always pay the stamp. It has been suggested that we should have stamped paper; but that would be very troublesome, for in some places it would be difficult to obtain.

Hon. T. R. JONES (St. John, N.B.): I fully endorse what has been said by my friend from Montreal. This tax was introduced among us with Confederation, and at first it was rather vexatious; but after using these stamps for the last six or seven years, and knowing the practical working of the law, I must say I believe it to be the fairest tax that can be levied. It does not oppress the poor, but is levied fairly upon the consumers of the country. I believe from what I have heard, and I think I am nearly correct, that the stamp duties amount to the sum of \$190,000. Yesterday, a gentleman from Montreal said, that during the last six months, there was a deficit in the Dominion revenue of \$600,000; but it seems we have got rich since last night. The mover of the resolution says there is no reason why this duty should be continued, as the money is not wanted. I can only say, that I think this is nothing more than an attempt to aid in raising the tariff up to 20 or 25 per cent. I had intended to vote against the repeal of the duty on petroleum; but after hearing a very strong case made out for its repeal, I voted for it as an act of justice. The coal-oil trade is languishing,—whereas this tax is spread over every branch of industry. With regard to the alleged difficulty of placing stamps upon notes, I see none whatever; because, if stamps are omitted or improperly affixed,-and there is a contestation about it-all that the holder of the note has to do is to double the amount of stamps, which is a small matter in large transactions. that ing Eng para grea of t neco frien law got

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Reference has been made to the Stamp Act in England. You are aware that, for the last 20 or 25 years, England has made rapid strides in reducing duties; but this tax is still maintained. From my knowledge of the English people, I can say it is the most popular tax they have. I am prepared to vote against the repeal of the Act, for I believe it would be a great injustice, and, as I said before, would only be putting in the thin edge of the wedge, for the purpose of getting an increase of the duties upon necessaries.

Mr. JAMES TURNER (Hamilton): According to the views of our friends from the Province of Quebec, it seems to me that they have got a law that will do away with stamps altogether. It seems that all you have got to do there, if you have to sue against a note, is to put on double stamps; and even this may be done after the action commences. If that be the case, then the Lower Canada banks can discount all the notes they please without any stamps at all; and when they want to sue any particular note, they can put on double stamps. So that, in fact, the stamp duty is done away with altogether.

Mr. A. JOSEPH (Quebec) : That is not the case. The law says that no note is valid unless it is stamped; and in order to accommodate the trade, banks are made vendors of stamps.

Mr. TURNER : I myself took notes in Quebec, and I did not require to put stamps on them unless I wanted to sue them. This stamp duty only brings in a revenue of some \$200,000; and it is scarcely worth while to annoy and harass the whole commerce of Canada for that comparatively paltry sum. We in Hamilton, as in Toronto, find this duty a perfect annoyance and bother. If a large revenue were derived from it, I would say keep it; but for the paltry sum that is raised upon it, I think the sooner it is done away with the better.

Mr. ADAM BROWN (Hamilton): I simply wish to add my testimony, as a merchant, to the great annoyance caused by this Stamp Act. I have found it in my business the greatest possible nuisance. Many of the country people, who settle their purchases by notes, write to say that they have not got stamps, and consequently the notes come down without them. and the merchant has to affix them. Gentlemen of this Board should be consistent. There was a unanimous vote to-day in favor of a resolution to take off the excise duty on petroleum. I venture to say, that the argument in support of that resolution was, that the tax was a great annoyance. In fact Mr. Waterman objected to the tax, not so much on account of the amount, as because of its harassing effect upon the trade. This stamp duty is of the same character, --- and any way, it is a puny thing at best. This is not a part of the protection movement. If the progress we have made towards protection should be the means of increasing the prosperity of the country, we will be all the better able to make up for this tax, which I hope will be removed.

Mr. P. GARNEAU (Quebec): As a merchant, I must say, that I sometimes have felt a little annoyance with the Stamp Act; but notwithstand-

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ing that, I am strongly opposed to its repeal. I handle a good many notes occasionally, and I find that I would prefer to have the Act continued rather than repealed. In my judgment, this resolution amounts to pretty much the same thing as protection. It is true the amount raised from stamps is not very large, but still, if the Act is repealed, it will have to be made up in some way. I think that this revenue of \$200,000 is collected much easier, and at a much less expense, than any other revenue of the Dominion.

Mr. GEO. A. DRUMMOND (Montreal): Some very hard things were said last night about protectionists, but none harder than the assertion that the attempt to repeal this Act comes from protectionists, with a view to promote their own class interests. For my own part, I disclaim any sympathy with that view. As a commercial man, I am opposed to the repeal of the Stamp Act. I do not think a source of revenue amounting to \$200,000 should be despised. One reason for the resolution adopted last night was, that there was to be a deficit. It is evident that we cannot now, without the risk of stultifying ourselves, pass a resolution to abolish a source of revenue. I say, no case has been made out in this discussion, sufficient to warrant the repeal of the Stamp Act. It may be extended in the future ; but I think it would be in the highest degree inconsistent and imprudent for this Board to use its influence in favor of its repeal. I hope the motion will not be pressed ; if it is, I shall feel it-to be my duty to vote against it.

Dr. OILLE (St. Catherine's): I find myself in somewhat of a dilemma as to how to cast my vote on this resolution. I rather feel disposed to support it, because I think the general feeling among the business men of St. Catherine's is decidedly hostile to the continuance of the Stamp Act. But under the circumstances of the case—in the face of the fact already stated, that we shall have a deficit-I think this is, perhaps, an unfortunate time to press the motion. I fancy it would be more patriotic for us to endure the nuisance for a while longer. I find, upon reference to the proceedings of the Board last year, that a resolution similar to this was carried by a vote of 31 to 16, and one of the chief arguments advanced in support of it then, was that there was a large surplus in the Treasury. But the Government, with a large surplus, failed to act upon the recommendation of the Board, and now we could hardly expect them to abolish the duty when they have a deficit staring them in the face. Moreover, they are now called upon to largely increase the public expenditure, in carrying on the great public works, for the prosecution of which they and the country are pledged. Under all the circumstances of the case, I am inclined to vote against the resolution, in the hope that the condition of the public revenue may soon be such that the Government may be able to do without this duty. I regret that our circumstances are such as to compel me to vote against the resolution, for, under ordinary circumstances, I would very much like to support it.

Mr. RICHARD O'NEILL (Port Hope): This tax is known all over the country as a most vexatious one. We heard a good deal last night about lookir this t men i throu to get comm other

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looking after the interests of the farmer. Well, it will be admitted that this tax is just as annoying to the people in the country, as to the business men in the city. Merchants and manufacturers have their agents going through the country making sales, where it is almost impossible sometimes to get the required stamps. I can say, from my knowledge of the farming community, that they are as much in favor of the repeal of the Act as any other class.

Mr. FENTON T. NEWBERY (Charlottetown, P.E.I.): Although the Act has not yet actually come into operation in Prince Edward Island, I have had some experience of it in New Brunswick, and that experience would lead me to desire the repeal of the Act. The great argument against its repeal is, that there will be a deficiency in the revenue as compared with the expenditure. I have yet to learn that such is really the case. I think if we look at the financial progress of the Dominion for the last few years, we will find that in every instance the revenue has exceeded the expenditure. I, therefore, think it is desirable that this duty should be repealed, and I shall give the resolution my hearty support.

Mr. JAMES MCPHERSON (St. Johns, Q.): As the seconder of the resolution last year, I feel bound to support it this year. I do not wonder at the large wholesale dealers opposing it. They are not great sufferers by the Act, for many of them charge the stamps in their settlement of accounts, to the small dealers, and the latter are the persons who pay this tax. I know the farmers are all opposed to it, and I believe that the amount could be raised easily in some more equitable way.

Mr. WM. DARLING (Montreal.). I only know that nine-tenths of all the stamps put upon bills for our firm are put on at our expense; absolutely not more than one bill in ten is stamped by our customers. I cannot understand why the Stamp Act should be so objectionable. The law provides that if the stamps are not put on by the maker, double stamps may be put on at any time.

Mr. WM. THOMSON (Toronto): It has been charged against me that this resolution is moved in a protectionist sense. Now, it was moved simply to get rid of a positive nuisance; and I repeat that banks are exposed to expensive and troublesome litigation in consequence of the absence of stamps, or of their being improperly cancelled. Mr. Robertson thinks that the stamps make a note more valuable; but I have yet to learn that the affixing of a little piece of paper to a note gives it any greater significance in the eyes of a business man. When we reflect on the great annoyance that is caused in a merchant's office for want of the proper stamps,-and this is repeated over and over again; and further, that this tax, to a great extent, comes out of the pocket of the merchant,-we can come to no other conclusion than that it is an unnecessary nuisance. We all remember the circumstances under which it was first imposed. The Government wanted more revenue, but at that time felt they could not very well touch the tariff. It was distinctly understood when the Act was passed, that it was

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only a temporary measure. The whole revenue arising out of the sale of stamps in 1871 was \$183,319—about one-third the amount of duty which we heard a gentleman here say his firm paid annually. And yet, for this paltry sum, you annoy the whole trade of the country, and prevent, in many instances, transactions in the rural districts from being legally carried out. If it be necessary to supply this amount to the revenue, impose it on whiskey or tobacco, but do not harass the whole mercantile community for so small a sum.

The motion was then put and declared lost, by a vote of 23 to 28.

Ayes.—Messrs. Brown, Cowan, Dougall, Elliott, Findlay, Gillespie, Hamilton, Howlan, Keays, Larke, Marshall, Magee, McGregor, McPherson, Newbery, O'Neill, Osborne, Read, Robinson, Skead, Thomson, Turner, Wilkes.—23.

Nays.—Messrs. Baby, Balcer, Carruthers, Clemow, Craig, Darling, Drummond, Ford, Gameau, Guilbeault, Harding, Harty, Jones, Joseph, King, Labelle, LeDroit, Mitchell, McCulloch, Neelon, Oille, Pennock, Robertson, Spratt, Walker, Waterman, White, Woods.—28.

#### CLASSIFICATION OF VESSELS.

Mr. ADAM BROWN (Hamilton) said he was prepared, on behalf of the Hamilton Board of Trade, to go on with No. 17 of the official programme, namely, "the inspection and proper classification by a Government inspector or inspectors of all vessels over —— tons, sailing on the lakes and rivers of Canada."

The PRESIDENT suggested that this subject had better be left over until the Summer meeting, as other subjects of importance had the precedence.

Agreed to.

## THE INSOLVENCY LAW.

Mr. A. ROBERTSON (Montreal): Last year a committee was appointed to consider this subject and bring in a report this year. As I stated the other day, up to the time the report of the Executive Council went to press, we had received very few replies from the various Boards of Trade. Since then, a number of suggested amendments have been sent in, and now, at the last moment, we find that many members have brought down other suggestions for consideration. I am happy to say that the general opinion is in favor of continuing the Insolvent Law, with some amendments in regard to its details. With these remarks I will present the Report of the Committee, and thereafter move its adoption.

## Report of the Committee of the Dominion Board of Trade on the Insolvency Law.

Your Committee are of opinion that an Insolvency Law is necessary for the protection of the interests of Trade in this Dominion, and should be co-extensive with the Dominion itself. beli furt Act, sion pect inte

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he protecwith the Your Committee approve of the leading principles of the Insolvent Act of 1869, and believe that the working of that Act has been advantageous; and your Committee are further of opinion that the amendment of certain details of the procedure under that Act, which experience has shown to be desirable, would place the Dominion in possession of a law of Insolvency which would be open to as little objection as could be expected, considering that such a law must regulate numerous matters in which the interest of debtors and creditors necessarily conflict.

Your Committee consider that the knowledge which the commercial community has attained of the principles and practice of the existing law, is of advantage to its beneficial operation, and that it would be inexpedient to substitute for it a new law, which, even if it were as useful, would require a certain interval of time before its provisions could be as fully understood by the people generally as those of the existing law.

Your Committee have had under their consideration the suggestions made by the Committee of the Dominion Board of Trade appointed last year, as well as suggestions from various local Boards of Trade, and after careful deliberation have prepared the amendments herewith submitted for the consideration and approval of your Board.

All of which is respectfully submitted.

(Signed,)

ANDREW ROBERTSON, Chairman. W. DARLING, MONTREAL, W. PENNOCK, Ottawa, JAMES A. HARDING, St. John, N.B. W. F. FINDLAY, Hamilton, A. JOSEPH, Quebec, J. CARRUTHERS, Kingston, THOS. R. JONES, St. John, N.B. WILLIAM THOMSON, TORONTO, G. BABY, Joliette, JOHN WALKER, LONDON.

OTTAWA, 26th February, 1874.

# **Proposed Amendments to the Insolvency Law, referred to in the foregoing** Report :---

Section 1.—Act should be extended to the whole Dominion, and should apply to bodies corporate, except banks and railways.

Section 2 and 39—Meetings of creditors should either be in the County Town of the County in which the debtor resides, or in the place where the principal part of the direct and unsecured creditors reside in the Dominion.

Section 3, 4, 23 and 27.—The insolvent should prepare the statement of his affairs and the list of his creditors as far as possible from his books, and be present at the meeting for the election of assignee.

Section 13-Add new sub-section k, as follows :

"k. Or if he has presented a statement of his affairs, "showing that he is insolvent, "or otherwise admitted his insolvency."

Section 32—The giving of security by the assignee of each estate should be compulsory in every case, and the amount should be determined in every case before the appointment of the assignee. The commission mentioned in this section should be fixed by the creditors.

Section 33-Add " or for the sale of perishable goods."

Section 38—Money should be deposited in a bank in the joint names of the assignee and inspectors. All monies paid by assignees should be by cheques signed by the assignee and inspectors. The cash book should, at the end of each week, show no balance in the hands of the assignee that has not been deposited to the joint credit of himself and inspectors.

Section 47—The sale of lands in the Province of Quebec has been a cause of complaint under the Insolvent Act of 1869, and if any remedy for this, it should be provided. The Assignee's commission for the sale of lands should be limited to one per cent.

Section 52—Remuneration to interim assignce should be immediately determined by inspectors, and paid out of the first proceeds of the estate. Inspectors should determine the commission to be paid to the assignce; an appeal should be allowed in both cases to the creditors.

Section 54—The provisions of this section should be compulsory under a penalty.

Section 55—Before any dividend sheet is advertised the inspectors and assignee shall examine the claims, and the inspectors should determine which of them they consider should be contested. Copies of the dividend sheet should be printed and sent to each creditor, with a note of any claim the inspectors have determined to oppose. Dividend should not be declared until after two months have expired from the date of an assignment.

Section 60—Any security on which the insolvent is secondarily liable should be valued and deducted, whether due or not due.

Section 63—But no dividend shall be paid on claims for indirect liabilities until the supplementary oath has been made and fyled with the assignee, and the production of the vouchers.

Section 66—But the creditors may order the payment of costs of any proceeding that has, in their opinion, tended to bring about the liquidation of the estate under this Act.

Section 68—Advertisements should be in the Official Gazette of the Provinces only, and by notices posted to each creditor.

Section 68—To remove doubt as to time allowed for objecting to dividends, alter this clause so that all dividends shall be paid which have not been objected to within fifteen days after the first publication of notice thereof in the Official Gazette.

Section 70-Alter so as to conform to Section 68, regarding the period of advertisement.

Section 77 to 81—Inspectors should have the right to order payment of rent at the dates stated in the lease, and also of privileged clerks and servants, before a declaration of dividend.

Section 92—As it has been stated that this section cannot be acted upon in the Provinces of New Brunswick, Nova Scotia and Prince Edward Island, it is therefore recommended that the offences mentioned in this section be made misdemeanors and punishable in the manner and form prescribed by Section 147.

Section 94 to 101—It shall be the duty of the assignee] and inspectors to examine deeds of composition when deposited with the assignee, and consents to discharge when confirmation of them is applied for, and to ascertain if the requisite number and amount of claims are represented as executing such deed or consent. And if they find they are not, the inspectors shall order any application made by the insolvent for a confirmation of such deed or consent to be opposed. But whether such application be contested or not, the same shall not be granted by any Court or Judge, unless the applicant shall make reasonable proof to the satisfaction of such Court or Judge, that he has conformed himself to all the provisions of this Act, and specially that he has obtained the signatures of the requisite number and amount of duly proved creditors on his estate. calc shal mor has assig vent

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calculated as provided by the 122nd section, to entitle him to such confirmation. He shall use all requisite diligence to cause the examination of the assignee, and one or more of the inspectors as witnesses in support of his application. And until such proof has been made, and the Judge or Court has had an opportunity of examining the assignee, and one of the inspectors, (if there be inspectors appointed) or until an insolvent has proved to the satisfaction of the judge that he cannot obtain the presence of such assignee or inspector, his application shall not be granted.

Section 97—To remove doubt as to time allowed for opposing a deed of composition and discharge, name 18 days after the first publication of notice thereof in the Official Gazette.

Section 101—Provided that the insolvent or person giving notice of an application for a discharge, or for confirmation of discharge, shall mail notices to each creditor as required by Section 117.

Section 109—The following oath shall be appended to the statement of the affairs of the Insolvent :--

"That the statement of the affairs of the insolvent subscribed by him, contains a full and true account to the best of his knowledge and belief—of all the debts of whatever nature due to him, and of all his estate and effects, real and personal, wherever situated,—as well as of all the claims he is entitled to make against any person or persons whatever, and of all estate in expectancy, or means of whatever kind to which he has an eventual right by contract of marriage, will, or otherwise, and that the said statement contains a full and true account of all debts due by him, or demands upon him, and that he has delivered up the whole of his books, documents, accounts, title-deeds and papers of every kind, belonging to him, which in any way relate to his affairs, and which were or are, in his possession or under his power, and that he has made a full disclosure of every particular relating to his affairs, and that he promises and swears that he will forthwith reveal all and every other circumstance or particular relative to his affairs which may hereafter come to his knowledge, and which may tend to increase or diminish the estate in which his creditors may be interested directly or indirectly."

Section 112-Recommend the following addition to this section :---

If the insolvent or any witness shall refuse to be sworn, or to answer to the satisfaction of the Judge, any lawful question put to him by the Judge, or by the Assignee, or by any Creditor with the sanction of the Judge, or without lawful cause shall refuse to sign his examination, or to produce books, deeds, or other documents, in his custody or power relating to the estate, the Judge may grant warrant to commit him to prison, there to remain until he comply with the order, which warrant shall specify the question and answer, book, deed, document, or the refusal to swear or to sign the examination. The insolvent or person imprisoned may apply by written petition (without argument) to a Judge of one of the Superior Courts for a recall of the warrant, and such Superior Court Judge shall order the petition to be served on the Assignee or the Creditor, and shall thereafter hear parties viva voce and pronounce judgment.

Section 116—If the assets are sold by the sheriff, and the proceeds not paid over to the plaintiff, they should belong to the assignee. See section 59.

Section 117—Notices should be in the Official Gazette of the Provinces only, and by notices mailed to each creditor, and registered at the Post Office.

Section 121—The assignee or inspectors should not be liable to be displaced at this meeting without special notice.

Section 122—And upon proof of any claim, any security held by the claimant shall be valued as provided in section 60; and the vouchers held by the claimant in support of his claim shall be produced to the assignee at the time of such proof, and copies

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thereof be annexed to the claim itself, and the amount for which creditors shall be allowed to vote and rank at any meeting of creditors for any purpose whatever, shall only be the proportion of their claim which is unsecured or unprivileged.

Section 135-The costs of a discharge should be the amount payable after taxation, and the assignee and commissioners should not pay the costs until they are taxed.

Section 140—Extend provisions of this section regarding Registration of Marriage Contracts to the whole Dominion.

Section 145-Should be struck out.

Section 149—The penalty under this section should be recoverable by the inspectors or any creditor.

Schedule, form A, should be creditors holding d rect claims, matured or not matured, and also those holding indirect claims, maturing before and after the meeting.

Schedule, form F-Creditors with direct claims only shall be able to take compulsory proceedings, unless the claim is sufficient after securities are deducted.

Form Q—This oath should have attached to it the copies of the vouchers; the originals should be produced at the first meeting, and this oath should refer to the vouchers.

Persons who acquire claims after an assignment, should not be entitled to vote for the election of assignee or inspectors—in all other respects, should have the same rights as other creditors.

No part of the expense of any competition for the office of assignee should be paid out of the estate, but all such expense should be paid by the unsuccessful party to the successful party.

Deeds of composition and discharge should contain the offer to pay all expenses incurred in cash, and the amount of commission the insolvent offers to the assignee should be contained in the deed.

The accounts for law costs should be specially submitted to the inspectors, and **tax**ed if they consider that necessary.

No assignee should be elected who is related to the insolvent, or who holds an interest opposed to the general interest of creditors.

Persons who cannot produce vouchers to rank for a dividend should be entitled to have it reserved for a reasonable time, on declaring on oath the cause why they cannot produce them, and in whose hands they are, to the best of their knowledge, but should not be entitled to act or vote until they are produced.

The assignce should not deprive the creditor of the right to rank or vote because his oath is not framed in the manner required by the Act, until he has first given notice that his oath must be made in conformity with the Act.

There is no register of bankruptcies kept with their results, nor any register of unclaimed dividends,—and this, if possible, should be provided for.

After goods are received by the purchaser, the vendor should have no further claim upon them in any of the Provinces.

The liabilities of assignees or their securities should not be lessened or impaired by being able to say that the inspectors sanctioned any improper act he may have committed.

As it has been decided that "force" makes a transfer of real or personal estate by an insolvent legal in Ontario, it should be provided that it is of no consequence under what pressure the security was obtained, that the transfer of the security is null.

Any creditor who shall vote or attempt to vote, or sign any deed of composition, or consent to a discharge on any claim for a larger sum than that for which he is entitled to vot which F simila

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to vote on such claim under Section 122 of this Act, shall be liable to a penalty of \$100, which shall be recovered by the inspectors and assignees or any creditors.

Recommend an Accountant in Insolvency for each of the Provinces, with powers similar to those given by the Bankruptcy Act of Scotland.

Sheriff HARDING (St. John, N.B.), said that the Committee had considered all the suggestions submitted to them with a great deal of care, and as it would be almost impossible for the Board to go over the whole Act clause by clause, he suggested, in order to save time, that the report be accepted without discussion.

Mr. W.J. KEAVS (Sarnia), said he would be perfectly willing to see the Act continued in its present shape; but, as it was generally understood there would be some amendments made, it was, perhaps, well that this Board should offer some suggestions. But he took exception to some of the suggestions, and might, perhaps, offer some amendments.

MR. A. JOSEPH (Quebec), said the Committee were engaged for nearly two days examining the mass of suggestions laid before them, and they having unanimously agreed upon a report, he hoped it would be adopted without discussion.

Mr. JOHN CARRUTHERS (Kingston), said the Board was very much indebted to the Committee for this report. They had taken great pains in the matter, and had thoroughly discussed all the suggestions presented. He thought it was entirely unnecessary for the Board to go into the question as the Committee had done; and repeated that the Board were indebted to Mr. Robertson, Mr. Darling and Mr. Jones for their valuable services in this matter.

Hon. T. R. JONES (St. John, N.B.), said he was much indebted to Mr. Carruthers for the compliment paid him; but he must say that there were others besides those he had named, who were equally entitled to credit. He might mention Mr. Joseph, Mr. Harding, and others. The whole of the Committee gave their undivided attention to the task.

Mr. ROBERTSON remarked, that last year the Board decided in favor of continuing the Act without change, because there was not time to get the opinion of the various Boards throughout the country as to what changes were desired. Now, however, we have a large number of suggestions which have been incorporated in the report; and I think it a high compliment to the Montreal Board that their suggestions have been adopted with so few alterations.

The motion to adopt the report was then carried, and the Board adjourned.

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# FOURTH DAY'S PROCEEDINGS.

## MORNING SESSION.

## FRIDAY, 27th February, 1874.

The PRESIDENT took the chair at 10 o'clock, and called the meeting to order.

The SECRETARY called the roll of members, and read the minutes of the preceding day, which were confirmed.

## TELEGRAPH LINES.

The PRESIDENT remarked that he had received numerous communications on the subject of alleged telegraphic monopolies, and suggested that they all be referred to a Special Committee.

This suggestion being agreed to, the President named the following Committee: Messrs. Brown, Joseph, White, Drummond and Gillespie.

## REPORT OF THE BUSINESS COMMITTEE.

Mr. THOS. WHITE, Jr., from the Business Committee, presented their Fourth Report as follows :---

The Committee on the Order of Business, beg to submit their Fourth Report.

They have gone carefully over the official programme, and their own previous reports, and with a view of facilitating the completion of the business to-day, recommend that the remaining subjects be taken up in the following order:

1. Subject of the proposed Fishery Commission under the Washington Treaty, and the Protection of the Fisheries of the Dominion.

2. Insurance Policies, from 39 to 42 inclusive, on the official programme.

3. The Pacific Railway from 6 to 8 inclusive, on the official programme.

4. Gauging of Liquids, No. 37, on the official programme.

5. Mercantile Agencies, No. 43, on the official programme.

6. More intimate relations with Associated Chambers of Commerce of Great Britain, No. 5, on the official programme.

7. Tribunals of Commerce, No. 44, on the official programme.

8. Halifax Chamber of Commerce—Collection of duties on sugar, molasses and liquids, on gauge as delivered from warehouse.

9. Postal delivery, No. 48, on the official programme.

10. Suits against Government, No. 49, on the official programme.

11. Subject of Bridging Detroit and St. Clair Rivers.

12. Dominion Board of Agriculture, on which Mr. Marshall is to read a paper.

13. Prince Edward Island Board of Trade-Telegraphic communication.

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14. Montreal Board of Trade-Appointment of Average Adjusters.

15. Encouragement of direct t ade with the British and foreign West Indies.

16. Scarcity of silver change in the Dominion.

In view of the change in the Constitution, the Committee recommend that the Vice-Presidents for the different Provinces, be elected to-day, the election to take place at four o'clock, P. M.

All of which is respectfully submitted.

#### THOS. WHITE, Jr., Chairman.

On motion of Mr. White, seconded by Mr. Robt. Marshall, the report was received and adopted.

#### THE FISHERY COMMISSION.

The PRESIDENT then intimated that the first subject in order was the consideration of a preamble and resolution on the Fisheries, to be introduced by Hon. Mr. Howlan. He also mentioned that in order to economize the time of the Board, he would enforce the rule limiting the speakers to ten minutes, making an exception, however, in Mr. Howlan's favor.

Hon. G. W. HOWLAN (Charlottetown, P.E.I): The question I wish to bring before the Board is just this: You are aware that a Commission will sit at Halifax during the summer, to adjudicate upon the amount, if any, to be paid either by the Dominion or American Government, as the case may be, for the right to the in-shore fisheries; and I think it is necessary that the fullest information should be afforded to our Commissioner, whoever he may be. I have reason to know that in the United States, at the present time, very diligent search is being made for statistics showing the value of their fisheries, and we, on our side, should be equally diligent. I acknowledge that our American cousins have got the better of us in this matter; and I have no doubt you will be surprised to see what evidence they will be able to lay before the Commission to prove the value of their exhausted fisheries-for they are exhausted, as compared with ours. The whole matter will depend upon the statistics placed in the hands of our Commissioner. I must say that the statistics of our fisheries are very imperfect; and, therefore, it will be necessary for gentlemen interested in this matter, to see that every effort is made to procure figures for their respective localities. In making these remarks, I do not wish for a moment to cast any reflection upon the Department of Marine and Fisheries; but I feel that more importance is attached to this subject in the United States than in this country, and by-and-by, when the Commission sits, we may find that we have not only to give up our fisheries, but perhaps pay the United States \$1,000,000, or more. There is another phase of this subject I wish to bring before the Board, and that is, the necessity for some law for the protection of our fisheries. At the present time the law is different in the various Provinces. A good deal has been done already, but more is required. A few years hence, when we will be wanting a large expenditure to re-stock our rivers and bays,

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it will be discovered that we made a great mistake in not protecting our fisheries when they were well-stocked. The fisheries are one of the most important branches of industry in the Maritime Provinces. The products of the Fisheries of the Gulf by British fishermen, during the last twelve months, was over ten millions; whilst those by United States fishermen were only about seven millions, and by French fishermen about four millions. It is well to protect this great source of wealth from being wasted. New Hampshire is now spending large sums in re-stocking her bays; so are Maine and Massachusetts. They allowed fish to be taken out of season, until they entirely destroyed their fisheries. If the same thing is to be allowed in the Gulf Fisheries, in a few years they will be as scarce of fish as the United States Fisheries. Therefore, it not only becomes the people of Canada, but of the United States as well, to protect these fisheries in time; for, by the new order of things, over 2,140 miles of sea-coast is given up to the use of the Americans as well as ourselves. To give you some idea of the extent of this industry, I will read you a few statistics on the subject. We have, according to the census of 1871, 176 fishing establishments; last year we caught 16,047 barrels of mackerel, 16,830 barrels of herrings and alewives, 15,649 quintals of codfish, 11,662 gallons of fish oil, and put up 6,711 cans of preserved shellfish. We had 1,183 boats for fishing purposes; 65 cooper shops, and we made 42,278 fish barrels. These figures show well, and yet our fishery trade is only in its infancy. But to indicate what a vast source of wealth there is in our fisheries, let me give you some figures respecting those of the United States, most of which are carried on in the Gulf. In 1862 the United States had engaged in the cod and mackerel fisheries 203,000 tons, which was reduced in 1868 to 84,000 tons. Last year, according to a late report, they had 1,000 vessels engaged in the mackerel fishery alone, worth not less than \$5,000,000, manned by more than 12,000 seamen; and the single town of Gloucester, Mass., sends out more than 400 of these vessels. It is in the Gulf where a great portion of the fish is taken, and it becomes of immense importance to the people of Canada to see that now, when our in shore Fisheries are open to the enterprise of the Americans, they are not entirely destroyed. I have no wish to withhold the right of fishing in these waters from the Americans; but I do ask them not to destroy our fisheries. In my opinion it would be well to have a Commission appointed, to examine and report as to the best mode of protecting those fisheries. You have breeding establishments for the protection of salmon, and those who are acquainted with them will tell you that their best customers are our friends across the border. Take the article of oysters, for instance. They are as capable of cultivation as cranberries or strawberries. We have oyster-beds in abundance; but if they are not protected, they are liable to be destroyed. In connection with this subject, there is another matter I wish to bring to the notice of the Board. Before we joined the Confederation, when the Dominion was seizing American fishing vessels for trespass, we allowed them to come into our harbors and land their fish. After the passing of the Washington Treaty, and before it came into operation, the offer was made

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to us by the Americans, to allow our fish into their markets free, if we would allow them to fish in our waters, in advance of the Treaty coming into operation. This we agreed to; and when we sent our fish into the United States, we paid the duty under protest, and sent the protest to Mr. Secretary Boutwell. We had his promise that as soon as Congress met, the sum so paid in duties, which amounted in all to some \$50,000 in gold, would be refunded. Afterwards, when we applied for the money, we were told that it could not be paid, because of the action of the Dominion Government in seizing some of their vessels! The offer was made separately to Prince Edward Island, Newfoundland, and the Dominion of Canada; but because the Dominion had seized one or two of their vessels for trespassing, they repudiated their agreement with us. We afterwards brought the matter before the Government, but some angry disputes were going on at the time regarding the Prize Court at Quebecone or two vessels having been seized-and Mr. Fish, the Secretary of State, said he found it impossible to do anything. It was a great grievance to us, and seriously interfered with our fishing trade, causing the failure of one or two houses engaged in the business. We feel that we have been badly treated. We fulfilled honestly the promise we had made, but the American promise is yet unfulfilled. I do not wish to trouble this Board further than to press the importance to us, as a people, of the Gulf Fisheries. They are the nursery of our sailors; and ships without sailors are of very little use. France spends large sums in supporting her small fishery in the Gulf. They look upon their little island there, small as it is, as the nursery for the seamen of France. The more you develope these fisheries, the more you develope a hardy race to man your vessels. I am glad to have the opportunity of making these remarks in the presence of representative gentlemen from the United States; for whilst we have been liberal with regard to our navigation laws, the United States have been very close with theirs. I do not know what would have become of their masters and mates if our service was not open to them. They could not command foreign ships, because they could not use a foreign language; but whilst an Englishman cannot command an American ship, an American can command an English ship. I now beg to move the following resolution :---

Whereas, under Articles 19, 21 and 22 of the Washington Treaty, a Commission will sit at Halifax, during the approaching summer, for the purpose of adjudicating on the sum, or sums, to be paid to either the American or Dominion Governments, for the privileges therein-under granted for the right to the "In-shore Fisheries" of the American and Dominion sea coasts, rivers, etc.;

ican and Dominion sea coasts, rivers, etc.; And whereas, it is necessary, that the fullest statistical information should be placed in the hands of the Commissioner appointed by the Dominion for that purpose; Therefore *Resolved*, That this Board deem it of the utmost importance that the Government should procure the fullest and most reliable statistical information on the subject; as well as appoint a Commission to report on the best mode of protecting this great branch of our industry, and prepare a law which will operate equitably in all the Provinces of this Dominion.

The motion was seconded by Mr. J. A. HARDING of St. John, N.B. Mr. GEORGE A. DRUMMOND (Montreal): I agree with what Mr.

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Howlan says; but I apprehend he is perhaps unaware of what has been already done by the Department of Marine and Fisheries. It is physically impossible to have a general law for the protection of the fisheries, applicable to the whole Dominion alike. The habits of the fish alone forbid that, Salmon which come up the rivers and the coast of Nova Scotia have different habits, and run in different seasons, from fish which are to be found on the north shore of the St. Lawrence; and a law which would be applicable to one place would not suit another. The Department of Marine and Fisheriesfor I have given the subject some little attention-found some years ago, that the rivers of the north shore were almost depopulated by gross waste and irregularity. The salmon were speared in their breeding grounds, and destroyed by nets extending across the mouths of rivers. But under the careful and wise administration of the Protection Laws, which have been in operation in this Province for some years, this state of things has been so entirely changed, that salmon were never so plentiful in the rivers on the north shore of the St. Lawrence, at any period almost within the memory of the oldest inhabitant. That Nova Scotia, when it entered the Dominion, did not have the same law applied to it, was considered by Nova Scotians themselves to be a mistake, and they are applying such provisions of the law as are applicable for the preservation of their fish. I say the Department of Marine and Fisheries, which is and has been administered with the greatest advantage, is more competent to deal with this question than any committee appointed by this Board, or by the Legislature. At the same time, considering the vast importance of the subject, and the facts with reference to the waste on the Atlantic coast, I shall not oppose the motion, but merely say, that in my judgment it is not so likely to result in benefit as the mover seems to suppose. There can be no question whatever, that the Treaty of Washington does not and cannot—so far as I can understand it confer upon the Americans the right to trespass upon our in-shore fisheries at all. I assume the Treaty gives the Americans power to take fish within a certain distance from the shore, and to land for the purpose of preparing their fish for the market, but nothing more. If the appointment of a Commission can bring out any facts which are at the disposal of the Board or any members of it, which would be of use to the Department of Marine and Fisheries in the settlement of this great question, I shall not oppose it for one moment; but simply have my observations understood, as qualifying to some extent, any remark of Mr. Howlan which might bring discredit upon legislation that has already been enforced for years. I certainly would support most heartily any means adopted for the preservation of our valuable fisheries.

Mr. WM. McGREGOR (Windsor): I concur with the gentleman who has just sat down, with reference to the law. A law which would be applicable to Prince Edward Island would be quite different from one that would suit the West. We have valuable fisheries in the West, which are in need of some better kind of protection; I hope if any Commission is appointed to examine into the subject, that the West will not be overlooked.

Mr. J. A. HARDING : In seconding this motion, I certainly had not

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the slightest idea of casting any reflection upon the management of the Department of Marine and Fisheries. I presume the intention of the resolution is, to assist the Department in getting information on this important subject. Those who are personally interested in the trade, may be able to give valuable information to the Commission, which may be of great service in securing us what we may be justly entitled to.

The resolution was then put and carried.

## INLAND NAVIGATION.

#### Mr. WM. HARTY (Kingston) submitted the following report :---

The Committee appointed to consider the management of our inland steamers, and the best mode of equipping them to protect passengers, beg to recommend :

That the Government be requested to apply the Act respecting "Certificates to Masters and Mates of Ships," assented to 12th May, 1870, (and now applying to the Provinces of Quebec, Nova Scotia and New Brunswick) to the whole Dominion—and that said Act be so amended as to apply to steamers as well as sailing ships.

They would recommend that due provision be made in said bill for the appointment of a Board of Examiners, before whom all captains and mates in command, or to be in command, of any of our inland passenger steamers, will pass a strict examination. They would further recommend, that this Board of Examiners draft a regular code of rules and regulations, for the guidance of officers in command of our passenger steamers. As an assistance to the Examiners who may be appointed, your Committee advise that copies of the rules and regulations adopted by the Kingston and Toronto Boards of Trade, be submitted with this report to the Minister of Marine and Fisheries for inspection by the Board of Examiners.

They would also recommend the appointment of an Inspector, or if necessary Inspectors, who would see that the rules and regulations of said bill were properly carried out.

All of which is respectfully submitted,

#### WM. HARTY,

#### Chairman.

The report was received and adopted; and at the suggestion of Mr. Harty, the following communication from Capt. Wyatt, and the report of a Committee of the Kingston Board of Trade on the subject, were ordered to be printed with the proceedings of the Board :

TORONTO, 20th February, 1874.

W. H. HOWLAND, Esq., Toronto.

DEAR SIR: As the President of the Board of Trade in Toronto, permit me to transmit through you to the members of the Dominion Board of Trade my views on an important subject (now that our marine interests, and the number of passengers travelling annually on our lakes, has so largely increased) that is, "A necessary law for the better protection of life on board our inland steamers."

Having been connected with vessels, steamers and lake navigation, for over twentytwo years, I beg to submit the outline of a necessary law now recommended to your Board, as after submitting it for approval, and securing the endorsation of almost every captain, vessel and steamer owner, I have had time to see, as well as the representatives

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of the Assurance Companies. I place it before you as combining nearly all the necessary requirements.

First, a Board of Examiners is required, to examine and grant certificates of competency to masters and mates of steam-propelling vessels. While the law requires a strict examination of engineers and necessary certificates—the captain and mates, quite as responsible in their position as the engineers, require no certificates, no examination —and any person can act as master (no matter how little experienced), can take charge of steamers carrying hundreds of passengers, and the only check now available is when the Assurance Companies step in and decline taking risk while an incompetent man is in charge—which they seldom like to do. This is when the law should come in and compel examination, and then such men as have worked up in experience and practical knowledge would be encouraged in their profession by promotion.

An outline of the division of a steamer's crew is given—preventing, as has been known to be usual in cases of accident, such occurrences as the firemen, deck-hands, &c., rushing to take possession of a boat for themselves without a thought for any passengers.

A monthly drill or oftener, as recommended, is very necessary, and adds security to the travelling public. I could instance a number of cases of accident on the lakes during the past fifteen years, when the crew took possession of the boats, and where the officers were entirely helpless through not having the protection of any law to stop the boats leaving half-filled, sometimes causing a fearful loss of life, which could have been prevented by such regulations as now laid before you, assisted by the law.

Numbering the boats is necessary—any boat leaving the vessel before ordered is then known.

With the boats all alike, in the dark, it is difficult to trace a boat, having a crew, not acting to orders.

A watchman from sunset to sunrise when the boat is under way is very imperative, as the majority of fires arise near the engine-room, or near boilers, and not discovered by those working the boat until too late. A watchman, whose whole attention is that of watching near the engine and on deck, would be a great protection to life and property, and is compulsory on all passenger steamers on the American side.

The steward is held responsible, with his waiters, for the immediate distribution of life-preservers, as well as being drilled in knowing how to show passengers to put them on. Life has been lost through the want of anyone in the saloon knowing how they should be worn when an accident occurs. I, myself, have been on board a steamer when on an alarm of fire, waiters have rushed about the cabin, asking passengers to show them how to wear the life-preservers.

Drilling the steward and waiters so as to assist passengers is very necessary in this case.

All wooden boats now in use can be made life-boats, in every respect, by lining the inside, at a small expense, with cork, as recommended in this report.

Passenger steamers, carrying a larger number of passengers than their boats could carry, should make every chair, stool or bench, a life-preserver by putting cork under the seats.

A marine law is also much required, similar to that in force for the better fegulation of seamen on the American side of the lakes, where men, shipping for a voyage or run, cannot leave until the expiration of that time. Now, a man can ship and leave on Canadian vessels without giving any notice, at the first, or any port he chooses; demand his wages and leave the vessel short-handed, often resulting in a serious loss to the owners by detention, before the captain can replace him and proceed. Th tions by

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In connection with a Marine Law, an Admiralty Court would be necessary. At present there is no redress to Canadian vessels which might sustain damage by collision with American bottoms, such as American vessels 'have against Canadian, which can be libelled and seized at the first American port they touch for any debt.

Canadian merchants supplying American vessels cannot hold the vessels for debt contracted, while Canadian vessels can be held by Americans.

I also recommend each boat should have the steamer's name painted on the stern, so as to lead, in case of accident, and a boat is found, to proof of name of the steamer.

A fog-bell should also be required on board as well as the whistle.

Fire extinguishers should also be kept on board every passenger boat. Recent trials have shown how expeditiously a fire had been got under control in a minute by the use of the fire extinguishers.

A great many steamers have been burnt, with loss of life and property, lying at anchor or dock.

When the steam has been let down there is no means except hand pumps available. In almost every case an extinguisher could have prevented the loss.

In the United States the law makes it compulsory on every steamer to be so provided Iron or rope ladders for escape from the upper deck to the water are also recommended. In cases of accident many persons have collected on the hurricane decks of steamers, with no means of reaching the water outside of the hull. These ladders provide the opportunity, when cut off by internal passages, as in the case of fire.

Trusting your Board may recommend the immediate passing of such a necessary law,

I have the honor to be,

Sir,

Your obedient servant,

GEO. H. WYATT.

The Committee appointed by the Kingston Board of Trade to offer some suggestions by which passenger steamers on our inland waters may be more efficiently equipped and managed, in order to lessen the risk and danger to passengers travelling by them, beg leave to report :--

That in their opinion, the first great requisite is, that the officer in command of such steamers ought to be a person of large experience, who has, as it were, risen from the ranks, who has previously learned to obey, in order that he may be the better qualified to command, and who ought to have discretionary power to ship and discharge any or all of his crew at pleasure, as without this privilege no proper discipline can be maintained.

He ought to know not only the route over which he usually travels, but should also have a general knowledge of all courses, distances, and harbors, in the lake or lakes and rivers, he navigates, so that he may at all times be self-reliant, and not have to depend, as a rule, on the superior knowledge of a subordinate. In furtherance of this, your Committee think that he should hold a certificate of competency from a Board of Examiners appointed by Government.

They are also of opinion, that only persons who have been examined and hold first class certificates, should be competent to act as chief engineers of such steamers.

Your Committee would recommend that all passenger steamers, of 300 tons burthen and upwards, should be provided with at least eight boats, of not less than the following dimensions:—Length twenty (20) feet, breadth seven (7) feet, and depth two and-a-half (21) feet; each boat having the necessary complement of oars, and other tackle. That in side-wheel steamers, two boats should be placed before and two abaft the paddle-

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boxes, on both sides. That cranes, fully rigged, should be secured opposite each pair of boats; and that, when under weigh, on the lake, one boat, at each pair of cranes, should be hoisted up and swung out clear of the steamer, with the cranes properly stayed and braced, so that, at a moment's notice, they may be lowered into the water, thereby saving much precious time, when required on an emergency.

Your Committee think it should be imperative that the officers and crews of such steamers be trained in the rapid lowering and manning of such boats, at least once a week during the season of navigation, and that each such training be noted in a journal, kept by the chief officer of the steamer.

As the main decks of steamers are occasionally loaded to their fullest capacity with freight, the hose at present provided for the extinguishment of fire cannot, at all times, be made quickly serviceable. Your Committee would recommend that, in addition, a longitudinal three-inch iron pipe, attached to the fire engine, should be run along under, and secured to the promenade deck, to within thirty feet of the stern and stern post, and that at the ends of such pipes sufficient hose, with nozzles, be coupled to it, so that, in the event of fire, the hose nearest it may be instantly turned upon it, thereby materially increasing the possibility of quenching it before it has gained formidable headway.

Your Committee are of opinion that no passenger vessel propelled by steam should be allowed to carry, as freight, gunpowder, highwines, petroleum, or any other explosive material whatever.

They would suggest, also, that inspectors be appointed by Government, whose duty it should be to see that all regulations are attended to and obeyed.

All of which is respectfully submitted,

(Signed) LEWIS MIDDLETON, R. M. FORD, G. J. TANDY, WM. STEWART.

#### KINGSTON, February 10, 1874.

Mr. ROBT. MARSHALL (St. John, N.B.) said that in 1867 the Government of the day had asked him to prepare a paper, on the subject of a law respecting the granting of certificates to masters and mates. He did so, and submitted it to the Government, recommending that an Act be passed for the granting of certificates. A Bill of the kind was printed in 1868, which was framed to apply to the lakes also, but it was not passed until 1870,-the lakes being excluded from its operation. This Act had been in force since that time, and proved of great advantage to the shipping interests of the Maritime Provinces. The certificates granted under it were recognized all over the world, the same as if they were granted in England. He was glad the Committee had recommended the extension of the Act to the Upper Lakes, and hoped that the American Government would give our masters and mates the same privileges we gave theirs. At present an American captain could command a Canadian ship, while a Canadian captain was not allowed to command an American ship. He wanted to see this distinction done away with,-the Americans to recognize our certificates as they did their own.

Mr. HARTY suggested that as Capt. Dorr was familiar with the subject of the best means of securing the safety of passengers on board of vessels, he be requested to address the Board on the subject. said 1 life of exclu great again: nation that of tection compe passen boats i for rer He he:

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Capt. DORR, on being invited to speak on the subject before the Board, said he had long taken a deep interest in the subject of the protection of life on board vessels. He saw no reason why the Lakes should have been excluded from the operation of the Act referred to by Mr. Marshall. The great lakes were like the ocean-ships sailing on them had to contend against the same dangers as on the ocean. He spoke of the value to a nation of its commerce upon the water, and the importance of promoting that commerce in every possible way; but while doing this, proper protection to the lives of those engaged in it should be provided. He was compelled to say that this protection was not afforded. There was not a passenger ship that crossed the Atlantic, of any line, that had sufficient boats to save the passengers in case of necessity, or the proper appliances for removing helpless women and children from the ship into the boats. He heartily approved of the propositions contained in the report.

## INSURANCE POLICIES.

Mr. WM. ELLIOTT (Toronto) read the following paper on the subject of insurance policies :---

1. In discussing the important question of Fire Insurance, I would, first of all, premise that it is one of great interest to the whole community in every civilized country, especially in our country where so large a proportion of the people have the power to accumulate property, and possess so much that is capable of destruction by fire.

2. It is also of great interest to those who have capital invested in Insurance Companies. It is plain that they have a stronger reason than any others to desire such a reform in the business of insurance as will promote public confidence in the really beneficent idea on which it is founded. For if the opinion became general, which is fast gaining ground, that the existing conditions of insurance policies, together with the present state of insurance law, places insured parties, in case of a loss by fire, in little or no better position than one not insured, it is easy to see that the volume of insurance business must be much less than it should be. The public would become quite unwilling to pay large amounts in yearly premiums, whenever it was believed that on a mere prétence a just claim could, in whole or in part, be successfully resisted.

3. Let us suppose, then, that the question is asked, What objections are there to the conditions of the policies issued by companies doing business in this country, and to existing insurance law? Before replying, I cheerfully admit that all the policies I have seen have some conditions quite unobjectionable. A few policies have nearly all the conditions reasonable and fair. But the greater number have many conditions that are either frivolous, unfair, calculated to entrap, or quite impossible of execution by the insured. And as the non-performance of any one of them voids the policy, the party meeting with a loss is at once at the mercy of insurance companies' employees, who too often are unfeeling, dishonorable, and unscrupulous-more bent on magnifying themselves in the eyes of their superiors, by hiding flaws, and evading in whole or in part a just claim, than in making an inquiry in a fair and candid spirit.

4. Before specifying objectionable conditions found on policies, I will refer to a general matter, which concerns us as a people, found in a Report made last July by a Committee of the Council of the Board of Trade of Toronto, which I will now read :-

"Your Committee, having carefully examined the Policies of the Insurance Companies doing business here, submit as follows :---

"Lat they find the conditions different in every policy; that in all cases they 12

are too numerous, and in nearly every case there are unreasonable protective clauses, which, your Committee think, could and should be dispensed with.

"Your Committee having some suspicion that the condition on the policies of the British Companies doing business here were more exacting than on the policies of the same Companies in Britain, procured copies of the policies used there by the North British and Mercantile, and the Liverpool, London and Globe. The policy of the Commercial Union was refused when applied for.

"In the case of the North British and Mercantile, several conditions are added which are not to be found in the Head Office policy; and in the case of the Liverpool, London and Globe, the policy used by that Company in Canada has *twenty* conditions, nearly all of great length, as against *twelve* short and reasonable conditions used by the same Company in Britain, and we presume in other parts of the world.

"Your Committee cannot express themselves too strongly on the invidious reflection against this country, in the fact that such Companies consider it necessary to protect themselves in Canada by extraordinary conditions, which they do not consider necessary in Britain, and, it may be, elsewhere; possibly, however, they may be prevented by laws of a more equitable character than ours from over-protecting themselves against their constituents."

5. I will now read extracts from conditions found on policies which I think are unreasonable, and therefore require to be modified or expunged. I shall confine my attention principally to the policy of the "Commercial Union Assurance Company," and I am sorry to have to say that its conditions embrace within them almost every objectionable feature to be found in every policy with which I am acquainted.

6. The four first conditions of this policy refer mainly to requiring an accurate and particular description of the property to be insured, with all its surroundings, a notice of any *alteration* in your own or your neighbor's building, &c.; and if there should be any inaccuracy of description, or any failure to give notice of any alteration in your own or your neighbor's building, whether you knew or not about your neighbor's alteration, you forfeit all benefit under that policy; so that if you meet with a loss, and the Company proves some alteration was made in your neighbor's building, though you knew nothing about it, you are fined perhaps \$10,000 for not giving information about a thing of which you were quite ignorant.

7. I pass on to the latter portion of the eleventh condition, which reads as follows : "In the event of any other insurance on the property herein described having been once declared as aforesaid, then this company shall, if this policy shall remain in force, on the happening of any loss or damage, only be liable for the payment of a rateable proportion of such loss or damage, whether such other insurance be in force or not, unless the discontinuance of such other insurance have been previously agreed to by this company by endorsement upon this policy." This is the only policy I have seen or heard of having this condition, and is therefore largely calculated to throw insured parties off their guard. The general impression is that Insurance Companies only wish to be informed when amounts are added to any property they insure, that they may guard against the temptation of parties burning their own property for the sake of gain by insurance money. In case a party holding a policy from this Company, should overlook this condition, it might work practically in this way: A merchant has nine policies of ten thousand dollars each, he goes to the Commercial Union and takes out another one of ten thousand, w making a hundred thousand, he informs that Company of the whole amount; subsequently he allows fifty thousand to drop, an accident occurs by which he loses fifty thousand dollars, he collects without obstacle forty thousand dollars from four companies, but when he applies to the "Commercial Union" they decline to pay more than five thousand. So, although he may have paid for twenty years the premium on ten thousand, and although he may urge on the manager that if he had given notice of a reduction he certainly would not have cancelled his policy, he is coolly pointed to the condition, and

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as coolly mulcted of five thousand dollars, because he has not attended to that form. This is no fancy sketch; I well know a case where this company gained in that way more than three thousand dollars.

8. In the beginning of the 14th condition of this Policy we read as follows: "Persons assured by this Company sustaining any loss or damage by fire, are forthwith to give notice thereof, in writing, at the office of the Company at Montreal, or to the agent of the Company, through whom the policy was effected, and are, within fourteen days after the loss, to deliver in writing, in duplicate, a particular statement and account of their loss or damage, specifying fully the particulars of the property destroyed or damaged, and what was the whole cash value thereof and of the property insured immediately before the fire." On the foregoing I remark, that in very many cases it is utterly impossible to make at all "a particular statement and account of loss," "specifying fully the particulars of the property destroyed." Every gentleman at this Board, and any person of observation, has only to pass through the streets of our cities and towns, or to go into the stores and warehouses of those keeping a great variety of goods, and, keeping his eyes open, to become satisfied of the utter impossibility of making, as it must be, from memory, and guessing at quantities in broken packages, the particular and detailed statement contemplated in the language of this condition. Many stocks of goods require an inventory of eight or nine thousand lines to describe them. How is it possible to particularise such a stock, unless immediately after stock-taking? And yet if such is not done, a subsequent part of this condition says "no money shall be payable by this Company." Then there is the limit of time in which this is done—fourteen days. I am prepared to state unhesitatingly that, under favorable circumstances, where no fire has occurred, it requires, to make a complete inventory of some stocks or goods, three or four clerks from five to eight weeks. The requirement of statements in duplicate is very unreasonable. The person who has been unfortunate enough to have a fire, and has sometimes to deal with eight or ten companies, has no need for any extra burdens of that kind.

9. For remarks on other parts of this 14th condition, I will read some comments on it made by Judge Wilson in rendering a judgment in which the Commercial Union was defendant.

#### Judge Wilson's remarks appended to Judgment in the case of Smith vs. the Commercial Union Assurance Company.

"It would scarcely be right to pass over some notice of the wonderful structure and scope of the fourteenth condition. It has been set out in full, and it numbers (although the numbers are not in the condition itself) thirty-six pre-requisites, which must be complied with before the insured can demand his money.

"Besides furnishing an account of the loss in the most precise manner, and verifying the same by books and vouchers and oath, giving the names and residences of all persons interested in it, of all incumbrances which affected the property, and getting the special certificate of two magistrates, the assured is to submit to an oral examination, and to answer on oath and subscribe the same if required. And, where practicable, and it would be hard to convince the company, if tempted to abuse the power they have under the conditions, that in every case it was not practicable, to verify the statement of loss by the testimony of his domestics, servants, and other persons in his employ. And in case of real property or fixtures, he is to produce his real title deeds and an abstract from the registry office. He is to supply such other voucher, &c., &c., as may reasonably be required, to prove his loss and his right to be paid; and until all this is done, and done in three months, time being of the essence of the contract, no money is to be paid. Then if in all this there is anything contrary to the 30th, 31st or 32nd branches of the condition, the policy is to be void.

"This is a degree of inquisitorial power under the penalty of a forfeiture of the insurance money, which it is vexatious and difficult to comply with, and which is about equal to a forfeiture of itself, and a perfect impunity to the debtors against their ever

paying the money. They could, if so disposed, probably cut out work enough for the assured for at least a twelvemonth, before he could be done with his further explanations or servants' testimony, or the other multifarious devices provided for him; if it did take more than three months, time being of the essence of the contract, so much the worse for the assured. The conduct of companies when rigidly enforcing such conditions, has often been complained of by the courts, by reason of the number and nature and difficulty of the conditions they introduce into their policies; and the time has come when the Legislature should interfere, to stand between them and those they insure, or pretend to insure—or in other words, the public—by limiting them to such conditions as the courts shall determine to be reasonable.

"That the companies are often imposed upon by wilful fire-raising, and by fraudulent conduct on the part of the assured, is too well known; but how far the companies may be answerable for some portion of that blame must also be considered, owing to the loose way in which they gather up their risks by agents, who are travelling everywhere in quest of them, and who may look chiefly to the number and extent of them, it being upon the amount taken that they obtain their commissions, instead of making the character of the party, and the value, nature and situation of the property, the basis of this contract.

"However these matters may be, it is quite manifest that the adoption of such conditions and provisions as these is not the proper remedy. They damage the honest man, perhaps, more than the dishonest one. The proper cure for common and gross dishonesty, on the part of those who insure is, that the companies shall be more careful in selecting those with whom they wish to deal. The public will be better served; for, with a better class of risks, the rates will be lower, and there will be fewer fraudulent claims made. The fair dealing man will get his money, where he reasonably shows he has a right to it; and the companies will be relieved from the temptation of not paying under the cover of their embarrassing conditions. As these companies have not adopted, and are not likely to adopt of their own accord, that mode of doing business, the only way is to force it upon them, by the Legislature enabling the courts to prohibit and restrict their conditions ; and when that is done, the companies will be obliged to be more careful of the risks which they take. At present it is a mere system of attack and defence. The more fraudulent or felonious the attack, the more numerous and com-plicated and guarded the defences are. But it seems to be a war calculated only for two very special classes of persons, as the honest people are lost sight of and suffer in the conflict. The object should be to restore this invaluable protection, when honestly administered, to its legitimate and mercantile character; and that it will have to be accomplished, as it can be accomplished, by legislation, is unquestionable."

10. The extract I have read shows unmistakeably the view entertained by this Judge of the Court of Queen's Bench of the unfairness of many parts of the condition referred to, and of the necessity of legislative interference to restrict insurance conditions to what is just and reasonable.

11. The fifteenth condition requires that appraisers mutually agreed on, shall ascertain the damage done to buildings or merchandise not totally destroyed, "the assured to pay all fees and expenses incurred." That one party should pay the expense of an employee appointed by the other, is objectionable on the ground that a mere hanger-on, one that would not work perhaps half the time, might be appointed, and receive large fees at the expense of the opposite party.

12. In the sixteenth condition we find the following remarkable words: "In case any dispute or difference shall arise between the assured and the Company touching any loss or damage by fire, such difference, if the Company shall so require, but not otherwise shall be submitted to the judgment and determination of two arbitrators," &c., &c

13. Now, I think we have all been under the impression that every one living under British institutions and laws was placed on an equal footing before the law, that no one had greater rights or privileges than another. But here is a case where a wealthy corporation makes a condition, having all the force of law towards a person who transacts business with it, prescribing a course than which nothing could be more one-si whom tion, i in cou

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one-sided and partial. Why, in the name of justice, should a wealthy company to whom a few thousands is of trifling consequence, have the right to demand an arbitration, and an individual, perhaps quite unable to fee eminent lawyers to conduct a case in court, be denied the same right?

14. Notwithstanding the unfair character of those conditions in the "Commercial Union" Policy I have read before you, and the animadversions of Judge Wilson, I have no reason to suppose but that the Company at headquarters is a respectable and responsible one. And we know the firm acting as its agents in Montreal is one in high standing in this country. But in all candor I think it right to say that if it desires to do business in this country, it will undoubtedly be necessary that its policy should be altered, for I feel pretty safe in stating that unless that is done, the Toronto Board of Trade will let the public know the kind of policy it is issuing. It is plain this Company has fallen, in this country, into the hands of a lawyer much more sharp than just.

15. Before concluding my remarks on the "Commercial Union," I would say in candor, that many of its objectionable conditions are not peculiar to it, but are to be found in many other policies also.

16. I have now only a few remarks to make on conditions of some other policies, not embraced in the foregoing.

17. A condition in some policies agrees, in case of a difference after a loss, to submit the case to arbitrators, "provided fraud be not alleged." Now, as the companies' employees are the self-constituted judges as to such an allegation, it is a simple mockery to speak of such a mode of settlement, should it not suit them thus to settle. For it is well known some insurance men base a charge of fraud, and pay lawyers heavy fees to try to sustain it, for no better reason than that assistants have made clerical errors in statements presented. It seems to be the business of some of those gentlement to falsely accuse honest men in order to justify their resistance of payment of a loss.

18. Some policies are executed under seal and require waivers to be under seal. Now very few persons in the community know the legal effect of the omission of a company's seal to an agreement, and an insured party is astonished to find that although an agreement is signed by its chief officer, yet for want of the seal the same officer can repudiate such agreement. It will scarcely be believed that any company claiming any respectability would be dishonorable enough, or would venture to outrage common honesty sufficiently to insist on such repudiation. But I know an instance where such was done. And were it not that some highly respectable gentlemen are connected with that institution, who no doubt were ignorant of the matter, I would name it. And I think such an exposure would not be likely to increase its dividends.

19. The object in view in presenting the foregoing is to endeavor to direct the attention of this Board to a matter so important to the mercantile community, as the enactment of a just law regulating this business, involving as it does, such great interests, alike important to insurers and insured. It is especially important to those companies which desire to act justly toward their customers who have met with an accident. For if unscrupulous companies can by technicality, in other words, trickery, evade just claims made on them, honest companies cannot in the matter of rates, compete with such. And in regard to the latter, the temptation to wrong-doing ought to be taken from them. It is obviously the correct course, that if at any given rates, insurance investments do not pay, the rates should be raised, that companies should not seek to make up deficiencies by trampling under foot the rights of sufferers, as is so often done by wealthy corporations, or a combination of them, who, counting their capital by scores cf millions, are found fighting individuals whose all has been swept from them by the accident of an hour, and thereby unable to procure the services of eminent coursel for their defence.

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20. I cannot conclude my remarks on conditions of policies and insurance law without reference to the legal bearing of a principle that very few dream of, and unless an insured party is awakened to its importance before an accident overtakes him, he may find his eyes opened just in time to behold his ruin. It is contained in words like the following :-- " No greater quantity of gunpowder to be allowed in any building insured by this company than 25 pounds, and the keeping any greater quantity than 25 lbs. shall make this policy void." Now the legal effect is this-suppose a person to pay a premium under that policy insuring him for ten thousand dollars, on the first of January, and that on the first of February fifty pounds of gunpowder are put into his building-left there a few days, then taken away again, and on the thirtieth of December, months after the excess was removed, a fire takes place-the insured applies for his money, he may be met perhaps very politely, by the agent with an offer for half his just claim, he declines any such unfair compromise, but is coolly told, "if you don't take that you may not get anything;" he sues for his just claim; it is then set up as a plea in resistance of his rights, that when he had fifty pounds of gunpowder in his place, the policy allowing only twenty-five pounds, it was then voided. He proves in court that at the time of the fire he had not a single pound of gunpowder in his place, the jury gives him a verdict for the full amount of his rightful claim. But if he is simple enough to imagine the case is decided in his favor he is soon undeceived. Counsel for the defence points to the confdition, appeals to the judges who decide according to law or precedent, and the tricky insurance company triumphs over their dupe, who has lost his insurance money and Such is a sample of insurance law as it exists among British premiums also. Americans.

21. We British subjects sometimes plume ourselves on the superiority of our institutions and laws over American, but in this case the comparison favors the other side. For I have seen American policies which provide that when goods more hazardous than those insured are taken into stock, or a larger quantity of hazardous goods than agreed on, then the policy is vitiated while they remain in store, but as soon as they are removed, it revives again. This agrees with every one's sense of what is reasonable and right.

22. Some gentlemen at this Board may suppose that this matter of Fire Insurance is not worth the consideration which they are now called on to give it. At any rate the fact is that in consequence of so small a proportion of the community having suffered by fire, and they usually only once in a lifefime, only a few give the subject much attention, the consequence is, Insurance Companies have impunity to make such conditions as suits themselves. But it may be well to remember that no one knows how soon his turn may come to face that calamity, and that, therefore, it is wise to be always prepared for it, not only by insuring, but by being insured in a company and under a policy that will not fail in time of need.

23. From what has been said, I believe this Board will readily use its influence to give effect to the views of those Boards of Trade which advocate that the force of law should be given to the introduction of a Fire Insurance Policy having conditions that shall be short, practicable and just, and above all, *uniform* throughout the whole Dominion, one that will benefit both insurers and insured. That such a policy is practicable I have only to point to examples of them in existence: one of which is the Ætna, of Hartford, containing 970 words in its conditions, another is the Liverpool & London & Globe as used in Britain, having 1,040 words, while those of the Commercial Union contain 3,840 words, about four times as many as the Ætna.

24. In connection with this matter, it is satisfactory to know that the Hamilton Board of Trade has prepared what it considers a model form of policy, containing in its conditi fection believe

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conditions about 800 words. And I have great pleasure in saying it comes nearer perfection than any I have seen. I could suggest three or four amendments, which I believe would meet the approval of that Board.

## Mr. ELLIOTT concluded by moving the following resolution :--

1st.—That in view of the great importance to the people of this Dominion of Fire Insurance, and believing that great defects exist in the present laws and precedents touching this subject, and believing a uniform policy, if issued by Fire Insurance Companies doing business in the Dominion, would greatly simplify and improve such business, and believing that the form of policy attached to this Resolution would be fair and just to all parties,

2nd.—That therefore the President and Secretary of this Board be hereby instructed to present to the Governor General in Council, the Senate, and the House of Commons of this Dominion, a petition based op, and accompanied by a copy of this resolution, and the Policy appended thereto, praying them to give the matter their carnest consideration, and adopt such measures as in their judgment they shall deem best to regulate the important business of Fire Insurance.

3rd.—That in case it is found that the Dominion Government has not jurisdiction in the matter, then the petition be presented to the Provincial Governments of the Dominion.

4th.—That therefore the President and Secretary of this Board be hereby instructed to forward to the Governor General in Council, the Senate, and House of Commons of this Dominion, a copy of this resolution, and of the standard form of Policy thereto appended.

5th.—That a copy of this resolution and the Policy appended thereto be also sent to each of the various Fire Insurance Companies doing business in this Dominion, urging their adoption of the said form of policy.

The following is a copy of the form of Policy appended to the resolution :---

Policy No. . Amount insured, \$

By this Policy of Insurance Fire Insurance Company, in consideration of the receipt of dollars, do insure in the sum of dollars against all such immediate loss or damage as may occur by fire to the property specified, not exceeding in any case the sum insured, subject to , eighteen hundred the conditions hereinafter provided, from the day of , at twelve o'clock noon, up to the and day of , eighteen , at twelve o'clock noon, to be paid within sixty days after due hundred and proof of the amount thereof, as hereinafter required, with interest from the date of lodging of such proof with the Company.

2. The Company are not to be liable for any loss caused by invasion, insurrection, riot, civil commotion, military or usurped power; nor for loss or damage if the assured, or his agent, in the written application for insurance,—which application is made part and condition of this policy—makes any false representation or any concealment materially affecting this risk; nor for loss if there is prior insurance unless endorsed hereon, nor after subsequent insurance is effected; unless written notice of every subsequent insurance is served on the Company or its duly authorized agent, with all reasonable diligence after the same is effected; nor for loss to property owned by any other party unless the interest of such party is stated on this policy, excepting goods sold and not delivered or held; and if the property is assigned, or the title thereof transferred or changed otherwise than by succession or by the operation of law, or by reason of death, without written permission endorsed hereon by the Company, this policy shall thereby become void.

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3. This policy shall be voided by keeping over twenty-five pounds of gun or blasting powder, so long as such excess is kept in store without written consent of the Company.

4. Any change material to the risk either in itself or adjacent premises, whether occurring after the making or after the renewal of the policy within the control of the assured, shall void the policy, unless notified to the Company; and when so notified the Company may at once cancel the policy by returning the premium for the unexpired period.

5. All persons entitled under this policy shall give immediate notice of any loss by fire, and render as particular an account thereof as the circumstances of the case will permit, with an affidavit, stating the time and circumstances of the fire, the whole value and ownership of the property insured, the amount of the loss or damage, and of other insurance, if any. They shall also, if required, furnish a copy of all policies, and their books of account, and other proper vouchers, and the certificate of one of the nearest resident magistrates as to the extent of the loss or damage, if required by the Company; and in the case of damaged goods or personal property, the assured shall at once make, or cause to be made, an inventory in detail of the same as far as practicable, giving cost and quantity of each article; appraisers mutually appointed shall then appraise the damage on each article; and until compliance with all such requirements, the loss shall not be payable; and in no case shall the Company be liable for a greater sum than the actual damage or cash value at the time of the fire; the Company may, instead of paying money for the loss or damage, enter on and repair, restore or replace the property damaged or lost, on giving notice of such intention within thirty days after due proof of loss, and if prevented, in consequence of municipal restrictions or otherwise, may pay the sum it would cost to repair or reinstate.

6. Assignors, unless the assignee owns the property, must furnish proof of loss.

7. The insurance may be terminated at any time at the option of the Company, on giving thirty days' notice to that effect to the assured, whereupon the Company shall be liable to return a rateable proportion of the premium for the unexpired term of the policy.

8. Every suit, action, or proceeding against the Company for the recovery of any claim under or by virtue of this policy shall be absolutely barred, unless commenced within the term of one year next after the loss or damage shall occur.

9. Either party by serving a written notice on the other within sixty days after any loss or damage may have occurred, may require a reference of the claim in respect thereof to arbitration, and the written award of the arbitrators shall be conclusive and binding to all parties.

10. Books of account, securities for money, evidences of debt and money, are uninsurable.

11. Plate, jewels, medals, paintings, sculptures, curiosities and musical instruments are not insured, unless particularly mentioned in the policy.

WITNESS the common seal of the said Company, and the hand of the President and Secretary, at , this day of , in the year of our Lord 187—.

Mr. W. F. FINDLAY (Hamilton) seconded the resolution. He said this form of policy was in substance the same as that recommended by Mr. Clarke, of Toronto. It was modelled upon the form used by the Ætna Insurance Company, and was very simple. He thought this form would equad

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le said this ed by Mr. the Ætna orm would equally protect the companies and the public, and he hoped it would be adopted by all the companies.

Mr. ROBT. MARSHALL (King's Co., N.B.) said he was in favor of a uniform policy. He suggested that the best plan would be to submit this policy to the various tariff boards, and insurance companies, with a view to the general adoption of a uniform policy; he accordingly moved the following amendment:—

Whereas, it is deemed very desirable "an uniform Fire Policy" should, as speedily as possible, be adopted for the whole Dominion of Canada;

Therefore Resolved, That a copy of the Policy, now submitted to this Board by the delegation from the Hamilton Board of Trade, be sent to the respective Fire Insurance Companies, Fire Tariff Boards, and the agents representing Foreign Companies, not thereby represented, doing business in the Dominion, requesting such Tariff Boards, &c., to take said policy into consideration, and either adopt it or make such changes or modifications as may appear desirable, and cause the same to be submitted to this Board at its Fifth Annual Meeting.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.), seconded the amendment, and remarked, that while he saw nothing objectionable in the form of policy submitted, he thought it would be best to have the opinion of all the Insurance Companies doing business in the Dominion.

Mr. GEORGE A. DRUMMOND (Montreal), believed there existed no difference of opinion in the Board as to the necessity of a uniform policy. He was aware that the Insurance Companies had now under consideration the question of adopting a uniform policy, and although they had arrived at no conclusion, yet the form adopted by the Hamilton Board of Trade. and now in substance submitted to the Board, was likely to receive their favorable consideration. He therefore thought it would be a better plan for the Board to appoint a Committee to confer with the Insurance Companies on the subject, with the view of framing a policy which would be approved of by the Insurance Companies on the one hand, and by the commercial community, as represented by the Committee of the Board, on the other. A policy thus arrived at, would go forth to the public doubly recommended. They should bear in mind, that while the Board might adopt a policy, and get Parliament to make it obligatory upon all companies, they could not compel foreign companies to adopt it; they might choose the other alternative of withdrawing from the Dominion. He knew as a matter of fact, that the question of withdrawal had been under serious consideration by some of the foreign companies; and it would, therefore. he thought, not be wise to press their views upon them in an extreme way, but to endeavor to come to some mutual understanding. He remarked in passing, that he had no interest in any insurance company except as an insurer. If his suggestion respecting the appointment of a Committee was not adopted by the mover of the resolution, he would move it as an amendment.

Mr. WM. THOMSON (Toronto), said he saw considerable difficulty in bringing about a meeting of all the Insurance Companies with the Committee. If they could not meet together, they would have to undertake a

very large correspondence, which would perhaps result in very little good. If the Board were to adopt the form of policy submitted, it could be sent to the Companies, and if they desired any changes in it they could send their suggestions to the Government, who then hearing both sides, could frame a Policy to be submitted to Parliament.

Mr. DRUMMOND was of opinion that the Board was not prepared, without much fuller consideration of the subject, to recommend this particular form of Policy. If the Committee were to meet in Montreal, he thought most of the Companies could easily attend, and the matter could be arranged with very little correspondence.

Mr. MARSHALL said he was willing to add to his amendment the words : "And give the Executive Council power to appoint a committee to see this matter carried out."

Mr. DRUMMOND moved in amendment that all the words after "business" in the original motion be omitted, and the following inserted in their place :---

That the whole question be referred to a Committee with power to prepare a form of policy, to confer with the various Insurance Companies, and to submit a form of Policy which would be satisfactory to the Insurance Companies, and fair to the mercantile community, at the next meeting of this Board."

Mr. WM. ELLIOTT (Toronto), said the difficulty he saw was, that new companies coming into the Dominion might not agree to the policy adopted by the other companies. Moreover, the companies might agree to a policy amongst themselves, and subsequently withdraw from the agreement. What they required was the adoption of a policy which would have the force of law. Parliament should step in and protect the public against the overbearing character of some of these wealthy companies. He saw no difficulty in adopting the original resolution. It proposed that the form of policy should be sent both to the Government and the companies. course, before it became law, it would have to be discussed in Parliament; and if the insurance companies had any suggestions to make, they would, no doubt, be heard. This, he thought, was the shortest and simplest way to arrive at a settlement of the question. The Board did not pretend to legislate; they only recommended; and when the matter came before Parliament, the companies could urge any objections they had to make.

Mr. Drummond's amendment was then put to the vote and carried, -27 voting aye, and 9 nay.

The main motion as thus amended being then put,

Mr. SPRATT moved, seconded by Dr. OILLE, the following amendment:---

That Messrs. Elliott, Drummond and Findlay be a Committee to confer with the several Insurance Companies transacting business in the Dominion on the subject of a uniform Insurance Policy, and insurance business generally, and report at the earliest date to the Executive Council direct.

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That in view of the great importance to the people of the Dominion of Fire Insurance, and believing that great defects exist in the present laws and precedents touching this subject, and believing that a uniform policy if issued by Fire Insurance Companies doing business in this Dominion, would greetly simplify and improve such business.

. Therefore, *Resolved*, that the whole question be referred to a Committee, with power to prepare a form of Policy, to confer with the various Insurance Companies, and to submit a form of policy which would be satisfactory to the Insurance Companies, and fair to the mercantile community, at the next meeting of this Board.

The Board then adjourned until 2 o'clock, P.M.

# AFTERNOON SESSION.

## FRIDAY, 27th February, 1874.

## The President took the chair at 2 o'clock P.M.

#### GENERAL INSPECTION LAW.

Mr. ADAM BROWN, (Hamilton) from the Committee on the General Inspection Law, presented the following report :---

The Committee of "General Inspection" beg leave to report :---

That it is desirable that a quality of flour be added to the list to be named "Fancy Superfine," and to come in after Extra Superfine.

That the examiners of applicants for the position of Inspectors under the Act should be increased from three to five; that the fees for inspection be regulated by the local Boards of Trade and Chamber of Commerce, and that the cental system be adopted in fixing the inspection fees on grain instead of by the bushel or car-load.

That in relation to the inspection of butter, instead of adopting the standard of quality and system of classification in use in that portion of the United Kingdom called Ireland, a Canadian standard should be adopted—that instead of the minimum size of the package, subject to inspection, being 50 lbs. it shall be 25 lbs.

That clause 65 of the Act should be changed so as to read that the Boards of Examiners shall fix and have in charge the standards for *fish* as well as *fish-oil*.

That clause 62, after the word "pickled," should read "and salted."

That clause 63 should read after the word "pickled," the words "salted or dry."

That it should be optional with the importer that fish and fish-oil be inspected at the stores of the importer.

That the Boards of Examiners be empowered to meet yearly at Montreal, to confer as to standards, in order to secure uniformity of inspection of *all* articles under the Act.

That it is expedient that a clause should be added to the provisions respecting inspection of raw hides, making it compulsory.

That in as far as Prince Edward Island is concerned, the provisions of the bill in relation to the inspection of fish and pork be inoperative for the present year.

All of which is respectfully submitted.

ADAM BROWN, Chairman.

Mr. BROWN moved that the report be received and adopted.

Mr. HUGH MCLENNAN (Montreal), suggested that the following be added to the motion:

That any further amendments to the Inspection law, prepared by local Boards of Trade or trade organizations, and transmitted to the Secretary of this Board, be placed before the Government, with this report.

He remarked, that he had no doubt this subject had received from the Committee, every attention it was possible to give it under the circumstances; but feeling, as he did, that the present Inspection Law was a disgrace to the intelligence of the Legislature, and that the whole question required the most careful consideration, he thought it would be well to have all the suggestions they could get from the local Boards. The country was aware of the change made in the manner of appointing Inspectors—the appointments being taken out of the control of the Boards of Trade, and placed in the hands of the Government—a change for which no reason was given. There were many other points that required earnest attention, and respecting which it would be a great assistance, to have suggestions from Inspectors and Boards of Examiners in the various localities.

Mr. BROWN said he had much pleasure in accepting the suggestion.

The resolution, being thus amended, was then put and carried.

#### INCORPORATION OF BOARDS OF TRADE.

Mr. WM. HARTY (Kingston), from the Committee appointed to revise the Bill relating to the Incorporation of Boards of Trade, presented the following Report :---

The Committee appointed to examine the bill relating to the incorporation of Boards of Trade in the Dominion, beg leave to report :---

That they are of opinion, that thirty members should be the minimum entitled to associate themselves together to form a Board of Trade; and that in accordance with this, the draft of the general bill be changed to read "thirty."

That the word "brokers" be inserted in clause one, after the word "traders"; that the word "village" be inserted in the same clause immediately before the word "town"; and that after the word "city," in the same clause, the words "having a population of not less than 2,500," be inserted; that the words "brokers" and "village" be inserted in all the following clauses of the bill where found necessary.

That in clause twenty-one, the words "voluntarily" and "willing to be" be expunged.

#### WM. HARTY,

#### Chairman.

On motion of Mr. HARTY, seconded by Hon. JAMES SKEAD (Ottawa,) the report was received and adopted.

## FOREIGN LIFE ASSURANCE.

Items 40 and 41 on the official programme, were taken up together.

Mr. W. J. KEAYS (Sarnia) introduced the subject—proposed by the Sarnia Board of Trade—of Foreign Life Assurance, as affecting the national interests of the Dominion. He said very likely it would be better to refer it to our t " or What activ " pre " tee " ing Cana mome this I is wit officia (Quel T panies tive C deeme the ar cover notice depos policy Of co insuffi would the G done been this c assum

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y the tional refer this matter either to a special committee or the Executive Council. The point is, that foreign insurance policies contain a clause forbidding the holder of any one of them from entering the active military service of his country, not even in the militia. I have here three of these policies, but before reading them, I may state that I am not interested in any other companies, directly or indirectly;—I simply bring this matter forward as one of national importance, affecting every loyal Canadian. This is the clause : " or enter into any military or naval service, the militia not on actual " service, and the volunteer militia service, in defending the British Amer-" ican Provinces against marauding incursions excepted." Are we to leave it to a foreign company to say what constitute marauding incursions into our territory? The next policy I have reads thus: "or in any military " or naval service whatsoever, the militia not in actual service excepted." What is the use of entering military service at all, if you cannot go into active service ? The third policy has this clause : "shall without such " previous consent, enter into no regular army or navy, excepting the volun-"teer militia force of Canada, in repelling unlawful raids and maraud-"ing expeditions." I deny the right of any foreign company to say to any Canadian, "You must not enter into the defence of your country; the moment you do that your policy is invalidated." I think it is the duty of this Board to bring this matter to the attention of the Government, and it is with that view that I bring the matter up.

Mr. P. GARNEAU (Quebec), moved, with reference to No. 41 on the official programme, the following resolution, seconded by Mr. LEDROIT (Quebec) :---

That in some instances, the deposit at present made by foreign Insurance Companies, as provided by law, is insufficient, and should be increased; and that the Executive Council make such representations to Government as in their opinion may be deemed desirable.

Mr. GARNEAU remarked, in making this motion, that in many cases the amount deposited in the hands of Government, was quite insufficient to cover the risks taken by foreign companies in the Dominion. It would be noticed by the reports of some of these companies, that the amount they deposit with our Government, is not deposited for the security of Canadian policy-holders exclusively, but for the general security of policy-holders. Of course, all here know that \$50,000 or \$80,000 or \$100,000 is quite insufficient to cover the amount of risks of many of the companies. He would not suggest any amount; that was a matter for the consideration of the Government, to be settled in accordance with the amount of business done by the various companies. I know that in some cases agencies have been refused, on the ground that the security offered to policy-holders in this country was quite insufficient to warrant any respectable agent in assuming the responsibility of issuing policies under such security.

Mr. ROBERT SPRATT (Montreal): I would ask Mr. Keays, whether the clause he objects to in the policies of foreign companies, is not also inserted in the policies of Canadian companies. My own impression is that it is inserted.

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Mr. J. S. LARKE (Oshawa): I had hoped the gentleman from Sarnia would have gone a little into the question, as to how foreign Insurance Companies affect the national interest. Just to show you the exceeding importance of this Life Insurance business, I may mention, that we have now sixty-one million dollars of risks upon Canadian lives, of which forty-one millions are in Canadian and British Companies. We paid in 1872, over two-and-a-half million dollars on premiums, of which some two millions went out of this country to British and American Life Insurance Companies. Now, the important point is this: that while we pay out two million dollars, these foreign companies pay into this country between three and four hundred thousand dollars; and if you add to this the expense of agencies, you will find that we have been paying to foreign companies, a little over one million dollars, over and above what we receive in the country. That is, I think, an exceedingly important matter, and the evil is growing every year. I believe the amount paid to foreign companies is doubling every four years. It is quite true that a few British companies do invest in Canada,—but not very many. The greater proportion of this amount goes out of the Dominion. There is another point I wish to refer to, and it is in connection with Mr. Garneau's motion. The deposits with our Government from Foreign and British Companies, amount to a little over two million dollars, while their risks amount to forty-eight millions. This appears entirely insufficient; but the danger is, the more you increase the deposits, the greater value you give these companies in the eyes of Canadian insurers, because they will say, "we are protected in foreign companies," and thus be induced largely to insure in them, and send more cash out of the country. Now, I do not propose to make a motion. L simply bring this matter up, for the purpose of having it under the consideration of the Board. In my judgment, the right policy is, for the Government to do the Life Insurance business of the country. No doubt there are objections to this course,—but no more than may be brought against their managing the post offices. Life Insurance is altogether a peculiar business, differing entirely from Marine and Fire Insurance. The great question is, not to reduce the premiums, but to provide permanent and safe security. Government insurance will, in the first place, afford security; and in the next place, will keep a very large capital in this country that now goes out of it. I believe there are about eight millions of Canadian money invested in United States securities. I hope we shall next year be in a position to advise the Government to consider the question of having a governmental system of Life Insurance for Canada.

Mr. GEO. A. DRUMMOND (Montreal): I think there is another feature of this case, which ought to receive the attention of the Board. Some little while ago the Supreme Court of the United States, held, in a decision, that a policy-holder in the Southern States, who was insured in a Northern office, had his policy forfeited by the war. This subject attracted some attention at the time, and I think this Board would do well to have the matter under its consideration, as to the danger to Canadian policy-

holders in the United States companies, in the event of a war unfortunately arising between that country and Great Britain. I should like to see the question thoroughly ventilated, and the danger, if any exists, provided against, if possible, by some legislative action in this country. Holding a policy in a foreign office, I took the liberty of writing to the head office to ask whether this legal point which has been raised, had any basis in fact, and what my position was under the circumstances. I had a reply the other day, which, with your permission, I will read. My enquiry was to this effect: That I should be glad to know, whether the decision recently rendered in one of the Courts was a valid one or not; and whether they had any information they could give me, with a view to set my apprehension at rest. The reply is as follows :—

MY DEAR SIR,—There is no danger that our Canadian policy-holder need to fear, even in case of a war with England, which is not likely to happen. In such event, his right of action in his policy would only be suspended : it would not be made void.

"The nation, which by the extent of its capital, must generally be the creditor of "every other commercial country, can certainly have no interest in confiscating debts due "to the enemy, since that enemy might in almost every instance retaliate with much "more injurious effect. Hence, though the prerogative of confiscating such debts, and "compelling their payment to the Crown still theoretically exists, it is seldom, if ever, "practically exercised. The right of the original creditor to sue for the recovery of the "debt is not extinguished; it is only suspended during the war and revived in full "force on the restoration of peace." \* \* \* "Such, too, is the law and practice of the "United States. The debts due by American citizens to British subjects before the war "of the Revolution, and not actually\_confiscated, were judicially considered as revived, "together with the right to sue for their recovery on the restoration of peace between "the two countries," and more to the same effect.

The commercial treaty of 1794 between the United States and Great Britain also provides "that no debt shall in any event of war or national differences be sequestered."

Truly yours, &c., &c.

Mr. A. WOODS (Quebec): With regard to the motion made by Mr. Garneau, I might remark that there seems to be a great difference of opinion, respecting the amounts deposited by the foreign insurance companies. One company has eight and a half million dollars of risks in Canada, and has deposited only \$80,000. Another life company has risks in Canada to about three-fourths of a million dollars, and has deposited \$100,000. The former company has policies in all countries, and the deposit is made to cover policy-holders generally, being consequently liable for the risks in all the countries.

Mr. ROBERT MARSHALL (King's County, N.B.), observed that in case of war between Great Britain and the United States, the policy holders of each country would be governed by international law. But with regard to the effect upon policies, by an internal commotion or civil strife, it became an important matter. He suggested that a Committee—

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say one or two from each Province—be appointed to act with the Executive Council, in the consideration of this subject, and bring in a report at the summer meeting of the Board.

Mr. WM. THOMSON, (Toronto) expressed his gratification at finding this question under consideration, as he had two years previously brought the subject of Governmental Insurance before the Toronto Board of Trade, as one which might properly be placed before this body. He agreed with the idea that this business should be placed on the same footing as the postal and telegraph systems, the latter being under Governmental control in Great Britain. Regarding the point raised by Mr. Keays, he mentioned that some years ago in extending his own policy, his attention was called to an American office. He thought favorably of it, and made an application, but the moment he received the policy he refused to accept it, because it contained a clause of the nature to which Mr. Keays has referred. He felt he would not be safe ; that if the Government required his services, and death should result, his policy would be void.

Mr. KEAYS: I wish to say, in reply to the question put by Mr. Spratt, that I can only speak as regards the Canada Life Company. I know there is a clause in the policies of that company, that permits any person holding a policy to engage in the active service of his country. As regards the policies of other Canadian companies, I believe some contain clauses similar to that in the American policies. But allow me to draw the attention of the Board to the fact, that during the American war, the American companies waived the clause preventing persons holding their policies from entering the active service of their own country. It is not very likely we could expect the same favor from the American companies in our case, though we might look for it from Canadian companies.

Mr. JAMES MCPHERSON (St. Johns, Q.): I can very well remember that during the first Fenian raid, many of the principal offices in Montreal issued circulars to policy-holders, and advertised in the newspapers that their policies would be good to any volunteer who might fall in the service of his country.

Mr. GARNEAU'S motion was then put and carried.

On the matter raised by Mr. Keays,

Mr. MARSHALL moved the following resolution, seconded by Mr. WM. CRAIG (Port Hope) :--

That the Executive Council, with five other members (to be appointed by the President), be a General Committee, to whom the subject of Life Assurance shall be referred, with instructions to report at the Summer Session, which is to be held at the city of St. John in July, 1874.

Mr. KEAYS having expressed his concurrence in this motion, it was put to the Board and carried.

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# A DOMINION BOARD OF AGRICULTURE.

Mr. ROBT. MARSHALL (Kings Co., N.B.) asked, and received, leave to submit the following paper, on the subject of establishing a Dominion Board of Agriculture, which had been prepared by Mr. J. D. M. Keator, a delegate appointed by the King's County (N.B.) Board of Trade, but who had been unable to attend :—

That the necessity of establishing a Dominion Board of Agriculture has begun to impress itself more and more upon the minds of public men in Canada, is evident from the fact that in the last address of His Excellency the Governor-General to the late Parliament, he stated that a bill would be introduced to effect that object. It being evident, therefore, that the hints which have been dropped from time to time in connec\_ tion with this matter, and bearing directly upon the great interests of agriculture, had begun not only to assume importance in the thoughts of the leaders of public opinion. but was about to be embodied in an act of Parliament-the King's County Board of Trade (composed to a certain extent of men more or less interested in farming) thought it expedient to introduce it as a topic before an audience who, however far removed by daily habits and associates from the simple yet manly labor of the field,-the slow yet interesting productions of the animals that minister to the comforts and necessities of man-nevertheless, know full well how the home agriculture of this "Canada of Ours" freights great steamships and loads long trains of rail cars, and draws upon the ingenuity of man to aid her noble water-courses in bearing the wealth of her soil to her many ocean ports. And if her merchants are becoming "Merchant Princes," and her cities sending forth a tonnage the fourth largest in the world, and our New Dominion quickening the intellect of her sons by her extended commerce, we feel assured that this audience is prepared to appreciate at its proper worth, that the basis of her prosperity rests in a great measure upon Agriculture.

The period has long since passed when the commercial world only looked to Canada as a vast lumbering country. Her peculiar climate has been continually aspersed as unfavorable to Agriculture; but gradually—step by step — it has dawned upon the nations, that if her winter seals<sup>a</sup>up the mysteries of nature in her cold embrace for a time, it is only to develop them with an activity that astonishes the natives of Great Britain who have taken up their abode among us, and assures them that farming gives comfort and prosperity here as in countries of more equable temperature.

Only in the last decade did the late Mr. Seward, from observations made in a Canadian tour, tell his readers that there was a country on the north of the Republic, famous for something more than the old-world quaintness of Quebec; the inexhaustible fisheries of her waters, and her wonderful tidal waves. A most practical American egricultural writer of the present day, has stated that nowhere in the United States did he ever observe such thorough system or efficient management, or know of such satisfactory cash returns as on several farms that he mentioned, and which are to be found in the Provinces of Ontario and Quebec. But it is not the object of this paper to make any laudation of the capabilities of our climate, or the efficiency of our soil. I only incidentally allude to them to urge that the time has arrived when a Dominion Board of Agriculture should be established, and efficiently officered.

Such an institution would be different from the various Provincial societies.

These exercise control over the local Agricultural Societies in the different Provinces, manage the Provincial Exhibitions, &c. The annual reports are local and embody accounts of local progress. The larger institution would summarize the proceedings of local advancement throughout the different portions of the Dominion, and present in 13

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tabulated form the annual progress of agriculture. By distributing such documents among our various emigration agents in Europe, an account of accurate and particular information about Canadian agriculture—its climatic gains and drawbacks—its marvellous growth, and its local adaptation for particular branches of husbandry, could be annually sent forth, stamped with the authority which local boards would be responsible for, and which would furnish most important information in detail. It is presumed that it is not contemplated at present to organize a Dominion Agricultural Society, for the country is too vast, and communication not direct enough to warrant the holding of any Dominion Exhibition. But a Dominion Board of Agriculture might have a Corresponding Secretary in each of the Provinces, whose duty would be to collect information to be used by the Central Board, and which could be embodied in an annual report. Some such arrangement is feasible, and would be in accordance with the spirit of the age.

The financial disturbance at present prevailing in the United States, and which is causing such wide-spread misery and distress among the laboring classes, however much to be deplored, must turn the attention of her people to the solid prosperity happily prevailing among us; while the strong and stubborn determination among the farm laborers of England, to seek for a change in their social prospects by emigrating to America, should be another stimulating incentive to place the fullest and most reliable information of the agricultural resources of the Dominion before the world; and so draw to our shores people able and willing to fill her waste places and procure free homes in a country where labor is sure to meet its reward.

# CANADIAN PACIFIC RAILWAY.

Nos. 6, 7 and 8 on the official programme, respecting the Pacific Railway, were next taken up.

Mr. WM. THOMSON (Toronto): This notice on the programme emanates from the Kingston Board of Trade, and the question suggested by that Board is this: "What is the best and most practicable method to adopt for building the Pacific Railway?" In the absence of Mr. Carruthers,—and I have his authority for my action on this subject,—I introduce the question. I feel that at this stage of the progress of the railway, it would not be wise or prudent for this Board to enter into a discussion of the subject in the absence of any engineering information, necessary to enable us to form an intelligent opinion. However, as the question is before us, I have prepared a resolution, which, I trust, will meet with the approval of this Board, and will not call for any discussion. It is as follows :—

That it would be impolitic and unwise at this time, in the absence of reports as to the practicability of constructing a Canadian Pacific Railway, in its broad sense, to indicate to the Government any particular plan or route in relation thereto.

This Board is, however, of the opinion that the construction of that portion should be begun, connecting the waters of Superior at Thunder Bay with the Red River Territory without delay. This Board also recognize the great importance in reaching at an early date, and opening up for settlement, the rich valley of the Saskatchewan,—meantime utilizing the extended water-ways of that country.

Mr. J. KING (Sarnia), seconded the motion. He thought it unadvisable to discuss the question now, especially as his knowledge of the Governmental policy made him think it would be of little use to do so.

Mr. THOS. WHITE, Jr., (Montreal): I have an amendment which I propose to submit. While the motion professes to express no opinion, it, in 1 utte elen to s ing now serte

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in reality, expresses a very distinct opinion on the subject. I think it is utterly impossible for us to discuss this question, without introducing elements into the debate, which, I think, it is desirable above all things to avoid. I, therefore, hold that we should, if we can do so without raising any discussion, simply declare in the terms of the amendment, which I now offer:—

That all the words after "that" in the motion be omitted, and the following inserted :---

The information at present in the possession of this Board is not sufficient to enable it to form a matured judgment on the subject of the route of the Pacific Railway, and it is, therefore, inexpedient to express any opinion on the subject.

Hon. T. R. JONES (St. John, N.B.,) seconded the amendment.

Mr. JOHN GILLESPIE (Toronto): It seems that the mover of the original resolution, and the mover of the amendment, desire pretty much the same thing; and if the mover of the resolution desires to have no discussion, I think he might be permitted to withdraw the objectionable clause at the end of his motion.

Mr. I. N. BELLEAU (in French) said: That as a representative of the Levis Board of Trade that had submitted this question to the Dominion Board, he felt it his duty to say a few words upon it.

Mr. SPRATT observed that Mr. Belleau would require to translate into English what he was saying, if he continued to speak in French.

Mr. BELLEAU said he did not see why he should not have the same liberty to speak his own language that Mr. Spratt had to speak his. The Province of Quebec, with its million of French people, had a right to have its delegates placed upon the same footing as those from the other Provinces. He was very much surprised at the remarks of the gentleman, and he was glad, at the same time, that they met with the general disapproval of the Board. With regard to the question before the Board, he was surprised that Mr. Thomson, while professing to desire to raise no discussion npon it, should have proposed a resolution, the object of which was to decide the route of the Pacific Railway according to his own views. The action taken by that gentleman was, to say the least, unfair. Mr. White's amendment he could not accept either. The question of the choice of the Pacific Railway route was a most important one to the commercial community, and he could not understand the position of those who held that the time had not yet come for this Board to express its opinion upon it. When, he would ask, would that time come, if it was not now? The Government would probably announce its policy on this question at the next session, and it was therefore high time for this commercial body to look after its own interests. He would vote against both the motion and the amendment.

Hon. T. R. JONES (St. John, N.B.): I think this question should be withdrawn from the Board, as in my judgment it is altogether political. I do not see that we have anything commercially to do with it at the present time. The surveys are not completed, and it is very difficult for any mem-

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ber of this Board to judge in the matter, especially gentlemen from the Maritime Provinces, where the subject has been very little discussed. We have thirteen members of the Government at the present time, and I believe they will settle this matter according to the well-understood wishes of the people ; if not, there will be found thirteen other gentlemen in the Dominion, who will settle it according it to the well-understood wishes of the people. I may say that this question was brought up at our St. John Board, and we were instructed to vote against all the resolutions that might be offered on it, for the reason that we considered it a political one. All I have to say on that point is, that if political matters are to be discussed at this Board, in a very short time we may bid good-bye to its efficiency. We meet here as business men to discuss commercial questions without political bias, and the very moment that political matters are admitted, this Board is turned into a political arena, and we lose our influence both with the Government, the Opposition, and the public. We want to impress all parties with the fairness of our decisions. I hope, therefore, that this question will be withdrawn.

Mr. WM. HARTY (Kingston): This question was put upon the programme by the Kingston Board of 'Irade, or rather, I should say, by Mr. Carruthers, as a question in which he is particularly interested. Mr. Carruthers was unfortunately, owing to illness, unable to be present, and Mr. Thomson very kindly undertook to introduce the matter for him. I now simply rise to ask that the question be withdrawn, owing to Mr. Carruthers' illness. Of course, if Mr. Thomson assumes the responsibility of going on, on his own motion, he has a perfect right to do so.

Dr. OILLE (St. Catherine's): If the first motion only is to be withdrawn, I should like to hear the question discussed. I differ from Mr. Jones. I think Mr. Thomson's resolution has a most important commercial bearing, especially that portion of it referring to the construction of a railway between Thunder Bay and Manitoba. That is a matter which, I think, affects the commercial interests of this country most vitally. We have been eudeavoring to establish communication with Manitoba through our own territory, by means of a waggon road; but that amounts to very little, our communication so far having chiefly been through the United States. It is highly important to our mercantile interests, that we should direct the traffic of the North-West through our own territory as soon as possible. It is a commercial question of the highest interest to the old Province of Canada; and I think it is quite in order for this Board, if it chooses to do so, to express an opinion in favor of the early construction of this most important link in the Pacific Railway, and thus give us communication through our own territory, between the older Provinces and the North-West. I shall, therefore, take pleasure in supporting Mr. Thomson's motion.

Mr. WM. ROBINSON (Galt) said he was of opinion that this question was inseparably mixed up with politics. The late ministry had a certain policy on this question, and the present ministry have a different one; and for t side

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for this Board to come to any decision on the subject, would be to take one side or the other.

Mr. WM. THOMSON said his political feelings were pretty generally understood; but whatever they might be, in introducing this subject, he had been guided entirely by what he conceived to be the commercial interests of the Dominion. He would have been content to have merely moved the first clause of his resolution, did he not feel the importance, from a commercial point of view, of having communication by rail to the Red River Territory as early as possible. Business men must know that there is a very large commercial interest at stake there now, which, he thought, would not be promoted by leaving the question in abeyance for the present.

Mr. WHITE's amendment was then carried on the following division :---

Ayes-Messrs. Baby, Balcer, Brown, Clemow, Cowan, Craig, Darling, Drummond, Fairweather, Findlay, Ford, Garneau, Guilbeault, Harty, Howlan, Jones, Joseph, Labelle, Larke, LeDroit, Marshall, Magee, Mc-Lennan, McPherson, Newbery, Ogilvie, O'Neill, Osborne, Robertson, Robinson, Skead, Spratt, White, Woods.-34.

Nays-Messrs. Belleau, Dougall, Elliott, Gillespie, Hamilton, Keays, King, McGregor, Neelon, Oille, Thomson.-11.

The main motion, as thus amended, was then carried.

#### GAUGING OF LIQUIDS.

Mr. HARTY (Kingston), said he had brought this question up last year, and had then explained the great inconvenience and loss occasioned by the system of gauging. He would now simply move the following resolution, in the expectation that the Government would take steps to remedy the evil complained of :---

Whereas, The sales of Liquids by gauging, as practised, is highly unsatisfactory, and in different parts of the country represents different quantities; therefore be it

*Resolved*, That the Board memorialize the Government to enact such legislation as will compel the adoption of a uniform standard throughout the Dominion, and that, in the opinion of the Board, sales by weight would be preferable.

Mr. R. O'NEILL (Port Hope) seconded the resolution. He said, he had a good deal of experience in the grocery and liquor trade, and he had found the present system of gauging exceedingly inconvenient. You ship, for instance, coal oil to Montreal and you find the gauge there altogether different from what it is in London or Petrolia. It was the same with spirits. The difficulty would be fully met by the adoption of the system of selling by weight.

Mr. WM. ELLIOTT (Toronto) said it gave him great satisfaction to support the resolution. In his judgment the only fair and proper way was to make all sales by weight.

Mr. DRUMMOND also expressed himself in favor of the resolution. Motion carried.

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#### MERCANTILE AGENCIES.

Mr. A. JOSEPH (Quebec): About ten years ago, when Mercantile Agencies were first established in this country, they were looked upon as institutions created for the purpose of black-mailing merchants and traders. with a view to getting them to subscribe for their books. But since that time,-although in some places the prejudice has yet to be dispelledowing to the efficient and proper manner in which Messrs. Dun, Wiman & Co. have conducted the business, and the careful and reliable men that have carried it on, this institution has been so approved of by the trade, that now, commercial men, and especially banks-I believe I am safe in saying, that, in Ontario and Quebec, all the banks-refer to Messrs. Dun, Wiman & Co. But what happened in years past may happen again; and for that reason the delegation from Quebec are instructed to try and avoid a repetition of what took place in years gone by. I have nothing whatever to say against the management of these establishments-the firm of Messrs. Dun, Wiman & Co., or that of Messrs. Murray, Middlemiss & Co., in Montreal; and, without any further preface, I shall move the following resolution :-

That, in the opinion of this Board, it is desirable that Mercantile Agencies doing business in the Dominion should be obliged to give security by deposits with Government, as is done by Life and Fire Assurance Companies.

We do not know what day mushroom establishments may be started, and I think it is only fair that all parties undertaking this business should be required to make a deposit, as do Fire and Life Assurance Companies.

Mr. A. WOODS (Quebec) seconded the resolution.

Mr. W. F. COWAN (Oshawa)-These institutions were at first objected to by the retail dealers, in the belief that they were established solely in the interest of wholesale houses, and to enable them to keep a supervision over the retail trade; but after the prejudice of the retailers passed away, they found that these institutions were a source of great safety and protection to themselves. There is nothing of more importance to the respectable retail dealer than that dishonest men should be prevented from obtaining goods on credit. If a dishonest trader is allowed to get goods on credit, which he does not intend to pay for, and therefore can sell at a low rate, he injures the honest retailer more than the wholesale trade. I therefore think these agencies have done a very excellent work in the country, and nothing in the shape of a deposit should be demanded of them. One of the largest business firms in England-I refer to the Fore Street Warehousing Company, late Morrison, Dillen & Co.-have stated that they have made fewer bad debts in Canada than in Scotland, owing to the fact that the information furnished by these agencies had been correct in the main. The agencies are deeply interested in furnishing correct information to their subscribers. The whole value of their reports would be useless if it were not correct; and I believe every care and discrimination are used to obtain the most reliable information possible. I think we might almost as well require the proprietors of newspapers-who have the opportunity, if they desire make It wou alone. solven dress t

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desire it, to slander the character of both public and private individuals—to make large deposits with the Government for the protection of the public. It would be invidious to impose this burden upon the mercantile agencies alone. The companies that are doing business in this country are thoroughly solvent, and if any person finds he is unjustly dealt with, he can have redress the same as from any other institution or private individual.

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Mr. ANDREW ROBERTSON (Montreal): This question came up last year, and at that time I put in an objection which was sufficient for the time being. I did so, because I did not then possess enough of information to enable me to decide what should be done. Since then, however, I have taken some pains to make enquiries; the result is that I cannot support the resolution, but will offer the following amendment:

That it is inexpedient to exact a deposit from Mercantile Agencies doing business in the Dominion; but this Board is of opinion, that the proprietors of agencies residing out of the country, should appoint parties in each Province to accept service of legal papers on their behalf.

I find that one great objection to these foreign agencies was, that they had no representatives here who could accept legal service in their name; it is to obviate this difficulty that I move this amendment. It seems to me that if they had some person here who could be legally served, there would be no trouble in recovering any award that might be adjudged against them. I may say that during the last eighteen years — ever since the agencies have been commenced—there have only been six suits brought against them, and not a single judgment has gone against them. That is a very strong proof that the motion is unnecessary. It also seems to me, that to require a large deposit would be an incentive to litigation, because people, knowing of its existence, would make up frivolous claims, with the hope of getting a share. I therefore beg leave to move the amendment I have read.

Mr. ADAM BROWN (Hamilton): I have very great pleasure in seconding the amendment, because by making provision for accepting legal service in this country, the only objection which might be taken to Mercantile Agencies is removed. I must say, as a merchant who uses the Mercantile Agencies freely, that in my business I have found them of very great value. I do not say they are by any means perfect, or that they have not made many mistakes; but upon the whole, I consider them of the greatest benefit to the commercial community. I must further say with reference to the oldest of these institutions-Dun, Wiman & Co's.that it is conducted with a great deal of prudence, and with every possible care. I do not claim that they are perfect, for in my own experience I have found reports incorrect; but altogether I consider them exceedingly beneficial institutions in the country. I might say the same with regard to Murray, Middlemiss & Co., and Bradstreet. In making personal enquiries with regard to parties with whom I had been dealing, it has struck me that every diligence and care were taken to get at the truth in their reports, without seeking to do any one an injury.

Mr. WM. ELLIOTT (Toronto): I intend to support the amendment. I have had large experience of these agencies, and have always found them to act in perfectly good faith. With respect to mushroom institutions starting up, that is not at all likely, because it requires a good deal of capital to establish one of these organizations.

Mr. THOS. WHITE, Jr., (Montreal): I hold tolerably strong opinions on the subject of these Mercantile Agencies-theoretical opinions, I admit -and I cannot say they agree with the views just uttered. I cannot congratulate the supporters of the amendment, whatever the amendment itself may be, upon the manner in which they sustain it. My friend who spoke first, referred to the parallel between the reports of Mercantile Agencies and of newspapers. There is just this difference, that if a newspaper slanders a man, it does so openly, and the man knows it immediately; whereas, if a mercantile agency slanders a man, it does it secretly. If these agencies would publish their reports to the world, there would be infinitely less harm in them. But you may find a man literally ruined some such cases have come within my own knowledge-owing to some political or personal difference between him and the man who is the agent of these companies, while he may know nothing about it until he is irreparably damaged. Then, Mr. Robertson says it is dangerous to require them to make a deposit, because it will incite litigation. What does that prove? Mere litigation will not give a man a share in the deposit; he must first get the judgment of the Court. The very fact that there have been difficulties in the way of litigation, and of recovering anything from the agencies, as admitted by the amendment, is a sufficient answer to the statement that there have been only six or seven cases before the Courts. The difficulty in this matter is this. The leading agencies, I admit, have a personal character and respectability now that may fully be trusted. But Mr. Elliott is mistaken in supposing that it requires a large capital to start one of these agencies. A little skill, a little ingenuity, and a considerable amount of "cheek," are about all that is required. All they have got to do is to procure a few books, and get a few parties here and there to send them information, and then they go through the country and say to merchants, "If you want to be rated well, you must buy my book." (No, no). This has been done, and I know it for a fact. That is all the capital they need, and when they get that, they can go on with their work. They are simply magnificent, huge systems of black-mailing, and nothing else. (No. no.) There are few merchants in this country who depend entirely upon these reports, but upon their own sources of information; though, at the same time, they find it convenient to get the books of the agencies, and pay a very large price for them. That is a statement of the actual operations of these companies to a very large extent. I think it is quite proper. there should be some means of making them feel that they have a responsibility to the country; and the best thing we can do, is to require such a deposit from them, as will make it a serious matter to go into the business. For that reason I am opposed to the amendment; and I think the arguments used in its favor, furnish the very strongest reasons for passing the original motion.

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Mr. WM. McGREGOR (Windsor): I am strongly in favor of the amendment. During the ten years I have been connected with banking business, we have used the books of both Dun, Wiman & Co., and Bradstreet. I have never known a man pay for these books according as he was rated. I have never known them to rate above what I consider fair and just, nor yet below. If I were to mark every man I know in the country, I could not make it any different from their books. The marks are fully as equitable and correct as they could be made. I know that in our county, they have employed men of high character as their agents men like the Messrs. Headley, and others, perfect business men, above even the suspicion of doing a mean act.

Mr. W. J. KEAVS (Sarnia): I am strongly in favor of the motion. I read a report in the newspapers, some two or three months ago, that Dun, Wiman & Co., had become wealthy; if so, it would be an easy matter for them to deposit a sum of money here, for the security of the public. I think it would be rather to the advantage of the company to do so. It would prevent others from setting up sham agencies. I think if the firm were here themselves, they would support the proposition.

Mr. WM. DARLING (Montreal): I must say that I approve very much of these agencies. I have consulted them since they were first commenced, and am satisfied that if their statements were not generally correct, they never could get a regular subscription from any person. It is not that any merchant depends upon these reports being absolutely correct; but they furnish information we cannot get elsewhere, with regard to each trader in the country, and which is valuable to every merchant. It appears to me that these companies should not be placed in a worse position than any other person. I think Mr. Robertson's amendment meets any difficulty that may exist; and it would be well if the companies volunteered to authorize parties in this country to accept legal service for them. But to compel them to deposit a large sum of money, would make their business comparatively worthless to them; and I hope this Board will not require it of them.

Mr. W. B. HAMILTON (Toronto): As one of the oldest subscribers to the firm of Dun, Wiman & Co., and being in the habit of doing a large business on credit, I can speak with positiveness as to the reliability of their reports. The gentlemen who have spoken against these companies have not been in the habit of giving credit, and therefore do not know the value of these institutions. If the simple truth is told about a man's position, which, I think, is almost universally done,—truth is what these companies aim at—you will find that his character is not injured at all. I do not think that mercantile men need object to their standing being published. It is only with the view of protecting themselves against imposition that merchants use these companies. Both the companies mentioned, I believe, are willing to place a power of attorney in the hands of their agents in Canada, authorizing them to receive service of any process, in the way of entering actions against them. One of the companies told me they were

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willing to do so, and I think the other is also willing to do the same; but to exact a deposit from them would, I think, be unjust and uncalled for.

Mr. A. JOSEPH (Quebec): It is remarkable that, in the opposition raised to the motion, no one has touched upon the main point. Every speaker has praised what I called the well-conducted establishment of Dun, Wiman & Co. I was very careful in my remarks not to omit to praise it. But Mr. Robertson argues that a deposit would lead to litigation. Do the deposits required from Life and Fire Insurance Companies lead to litigation? Everyone knows they do not. There is no desire, nor is it so expressed in the motion, to make any attack upon any of the agencies in the country; but the object is, to avoid the experience of some ten or fifteen years ago. Gentlemen will recollect the disputes and correspondence, with which the public were tried in years past, between Dun, Wiman & Co. and other companies - such as are generally called mushroom establishments. The only object is to prevent the founding of other institutions like those that have ceased to exist. It is no time, after a man is ruined by false reports, to look after a remedy. Almost every speaker has admitted that a remedy is necessary. If any delegate will propose a better one,-I do not think the amendment is better-I will be ready to withdraw my motion. I think it is no more injustice to Dun, Wiman & Co. to require them to make a deposit with the Government, than it is to require a deposit from Life and Fire Insurance Companies.

A division was then taken on Mr. Robertson's amendment, with the following result:-

Ayes—Messrs. Brown, Cowan, Craig, Darling, Dougall, Drummond, Elliott. Ford, Gillespie, Hamilton, Harding, Harty, Jones, King, McGregor, McLennan, McPherson, Neelon, Newbery, Oille, O'Neill, Robertson, Thomson, Walker, Wilkes, Young—26.

Nays-Messrs. Baby, Balcer, Belleau, Clemow, Findlay, Garneau, Guilbeault, Joseph, Keays, Labelle, LeDroit, Magee, Ogilvie, Osborne, Read, Robinson, Skead, Spratt, White, Woods-20.

# ELECTION OF VICE-PRESIDENTS.

The PRESIDENT intimated that under the Constitution as amended on Tuesday, they would require to elect one Vice-President for each Province, except New Brunswick, Mr. C. H. Fairweather, of that Province, having already been elected to that office.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.) said that one of the delegates elected to this Board from Prince Edward Island was the Hon. Daniel Davies, but he was unable to be present. Before leaving home he had obtained the opinion of their Chamber of Commerce as to whom they would like to have as Vice-President for the Island, and that opinion was in favor of the Hon. Mr. Davies.

After some conversation as to whether nominations were required,

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MR brought guest at Great B received Sir John the toast

MR. C. H. FAIRWEATHER (St. John, N.B.) moved, seconded by Mr. O'NEILL (Port Hope), That there shall be nominations for Vice-President before the ballot, and that each Province be taken in order. Moved in amendment by Mr. JOSEPH (Quebec), seconded by Mr. ROBERTSON (Montreal), That the election be proceeded with by calling over the names of delegates in each Province, and that a ballot be taken for those named. The amendment was lost on a division, there being 15 for and 30 against. The main motion was thereafter declared to be carried. Scrutineers of election were appointed by the President, viz. : Messrs.' A. WOODS and WM. ROBINSON. For the Province of Prince Edward Island, Hon. G. W. HOWLAN was nominated for the office of Vice-President. A ballot was taken, and the

Scrutineers reported that he was duly elected.

For the Province of Nova Scotia, Mr. CATHCART THOMSON was nominated, and after ballotting the Scrutineers reported him duly elected.

The following nominations were made for the office of Vice-President for the Province of Quebec, viz.: Hugh McLennan, A. Joseph, A. Robertson, P. Garneau, Thomas White, Jr., and Geo. A. Drummond. The Scrutineers reported the result of the ballot to be the election of Mr. McLennan.

Messrs. THOMAS WHITE, Jr., and JAMES MCPHERSON were appointed Scrutineers of Election, and the following nominations were made for the office of Vice-President for the Province of Ontario, viz.: Wm. Thomson, Hon. Jas. Skead, A. Brown, William Elliott, John Carruthers, W. F. Cowan, and J. S. Oille. The Scrutineers reported the result of the ballot to be the election of the Hon. James Skead.

FRIENDLY RELATIONS WITH ASSOCIATED CHAMBERS OF COMMERCE OF GREAT BRITAIN.

MR. A. JOSEPH (Quebec): I expected the Executive Council would have brought in a report on this subject. Last year I had the honor of being a guest at the annual meeting of the Associated Chambers of Commerce of Great Britain, and I was pleased to see the spirit in which the members received any idea of closer relations with these colonies. On that occasion, Sir John Rose spoke on behalf of this Dominion, and returned thanks for the toast given in honor of Canada. I think it is a matter of great impor-

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tance for this Board to be in friendly relations with the associated body in England, and I therefore move the following resolution:

That with a view of encouraging more intimate relations and intercommunication on commercial subjects with the "Associated Chambers of Commerce of Great Britain," the Executive Council be requested to ask that Institution to name annually a deputation to attend the meetings of the Dominion Board of Trade at Ottawa; and that the Executive Council be empowered to annually send from this Board a committee of three members, to attend the Annual Meetings of the "Associated Chambers of Commerce of Great Britain."

I think that this Board might, with very little trouble, send a Delegation to England; for, during the winter many of our merchants have business on the other side of the Atlantic, and they would be only too happy to attend the meetings of the Associated Chambers of Commerce.

The motion was seconded by Mr. Thomas White, Jr., and carried.

# UNFINISHED BUSINESS.

# Mr. THOMAS WHITE, Jr., moved, seconded by Mr. HUGH MCLENNAN,

That the Board do adjourn at seven o'clock, p.m., and that the subjects not then disposed of, be deferred, and placed on the official programme for the special session to be held in the city of St. John, N.B.

Motion carried.

#### TELEGRAPH COMPANIES.

Mr. ADAM BROWN (Hamilton): I claim the indulgence of the Board, to make a few remarks upon a subject referred to a Committee, of which I am the chairman. I find the question cannot be considered this session in such a way as to do justice to it. I refer to the matter of rights of Telegraph Companics to construct their lines along existing Railways. In the Province of Ontario, at least, I think all telegraph companies should be placed upon the same footing in this respect, with regard to those railways on which no other company has at present any exclusive right. I am not now going to enter into the discussion of the question at all; I simply wish to ask that this matter be referred to the various Boards of Trade throughout the country, with the view of having it taken up at the summer meeting of this Board. I move:

That the question relating to the rights of Telegraph Companies, as referred to in the memorial of the Hamilton Board of Trade, be deferred until the Summer Session, and that in the interim, the Secretary do send copies of said memorial to the several Boards of Trade and Chambers of Commerce, drawing their attention to this important matter.

Mr. JOHN GILLESPIE (Toronto) having seconded the motion, it was carried.

#### TRIBUNALS OF COMMERCE.

Mr. ROBT. SPRATT (Montreal): I have been requested to bring this matter before the Board, and I do so by moving the following resolution:

That the establishment of Tribunals of Commerce having been found of great advantage in France and Germany, where they have been in operation for years—and found such their

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found to operate successfully—it is therefore resolved that the question of appointing such Tribunals in this Dominion be referred to the Executive Council of this Board, for their consideration.

Tribunals of Commerce have been in operation in France and Germany for over fifty years. I shall simply read a few extracts from a paper on the subject, read before the Council of the Bradford (England) Chamber of Commerce, by Mr. Behrens, Vice-President of that body. He says:

"Every banker, manufacturer, or merchant, will be able to give numerous instances of having been advised, by his legal adviser, to submit to galling wrong, rather than to expose himself to the annoyance and expense of seeking redress in a Court of Justice. This has become so common, that commercial lawsuits are of rare occurrence indeed, and that many prudent persons abstain altogether from enforcing any demand however just, or from defending any claim however unfounded, rather than go to law. The rarity of commercial lawsuits, compared with the immense number of trading transactions, has been quoted as one of the great advantages of the present system. But surely that system cannot be good which produces a bitter feeling of unredressed wrong on one side, and encourages dishonesty on the other, by giving the assurance of impunity to the wrong-doer.

"The low state of commercial honor, which is so frequently, perhaps too readily, complained of, may in a great measure be attributed, not to the state of the law, but to the difficulties and the cost of enforcing it.

"The judges are themselves well aware, that the ordinary courts are incompetent to deal with important and complicated commercial cases, for there is nothing more common than to find such suits, at the last moment, put to reference by the advice of the judges. It is unfortunate that this wise step is rarely taken except after many vexatious delays, and enormous costs have been incurred.

"Taking an average from 1861 to 1865, of the work done by the Tribunals of Commerce in six of the principal towns in France, we find that of a total of 110,610 cases :--

50.0 per cent. were undefended ;

22.3 per cent. were settled by agreement, under sanction of the court ;

24.9 per cent. were adjudicated after pleading; and only

2.8 per cent. were left over for next year;

thus, really only 25 per ct. of the whole, were cases upon which judgment had to be given.

" Of 100 decisions only eight were appealed against, with results extremely favorable to the tribunals; for the supreme courts confirmed 36.10 per cent. of the judgments, and only reversed 12.44 per cent., whilst 14.72 appeals were withdrawn, and 36.74 per cent. left over to the following year.

"The results in 1864, of the Tribunals of Commerce in Hamburg, are equally satisfactory, but the published details are not so well arranged as the former, and may be stated as follows:—

11,949 summonses issued;

4,867 new cases entered;

1,715 settled amicably under sanction of the court;

1,150 judgments in defended cases; and

139 appeals entered.

Mr. Tesch, Ex-Minister of Justice, said :--

"I have several times heard loud complaints against Tribunals of Commerce, t within and out of these walls, but I must add that they never came from those who t are interested in their existence, I mean from the traders themselves; on the contrary, t the merchants demand their continuance. No commercial body, no respectable mert chant, has ever asked Government or Parliament, to suppress a jurisdiction especially t entrusted with the settlement of commercial disputes."

Mr. Vermeire, an eminent manufacturer, and well known political economist, said :

"Pretended abuses are put forward for the purpose of destroying an existing insti-" tution. But I maintain that an institution which gives entire satisfaction to those for " whose sake it exists, ought not even to be modified. We ought to *please the traders*,

" and not the lawyers. The lawyers do not like Tribunals of Commerce, because they " do not allow sufficient vacations, offer no means of unnecessary delays, and afford no " opportunity for running up costs. I am sorry for the lawyers, but I congratulate the " merchants, that things are as they are. I say it is an institution which we ought to " establish, if it did not exist."

In addition to these public testimonials to the value of Tribunals of Commerce, I may be allowed to refer to that given by an eminent judge in Germany; who after practising for above thirty years at the bar, occupies at present the high post of chief judge at the highest court of appeal. "He was decidedly of opinion, that Tribunals of Com-"merce are far better adapted for deciding questions and disputes, arising from trade trans-"actions, than the ordinary courts. Their principal advantage consists, not only in the "greater speed and cheapness of their decisions in matters where delay and expense are "frequently equal to a denial of justice, but also in the superior soundness of their "decisions. They have also the great collateral advantage of adapting law and justice "to the everchanging conditions of trade, or in other words, of tending to produce a "concord between the eternal principles of law, and the practice of commerce. Any-"thing which can contribute to raise the standard of public and commercial morality, "ought to be welcome to Government and to the Legislature."

"Tribunals of Commerce are intended to submit claims and disputes, by a plain, simple, and inexpensive process, to the judgment of men selected for their honor and intellect, from the same rank of life, and living in the same neighborhood as the litigants. The effects of such an institution upon morality in commercial transactions must be great.

"The code referred to, is the code Napoleon in its commercial part, but this has no force in Hamburg, where the Tribunal of Commerce has lately celebrated the *fiftieth* anniversary of its existence, amidst the congratulations and expressions of the most complete satisfaction from the whole town.

"It is certain that in 99 cases out of 100, it is not the law which is doubtful, but the facts and usages of trade; and these, as has been shewn, are acknowledged to be more easily understood, and more correctly appreciated by an institution such as it is proposed to establish, than by the ordinary law courts."

Gentlemen occupied in business, have no doubt frequently known of cases that have been in litigation for several years, where the defendants have been very well aware that judgment should be given against them, but who, in order to put off the judgment as long as possible, raise objections to points of form which do not touch the merits of the case. I simply bring the matter before you, at the request of our Board of Trade, in the hope that it will lead to the establishment of Tribunals of Commerce, and also that this paper by Mr. Behrens might have the consideration of the Executive Council.

Mr. GEORGE A. DRUMMOND (Montreal), seconded the motion.

Mr. A. JOSEPH (Quebec): The Board is well aware, that commercial cases are now settled by arbitration when so authorized by the Court, and it is a question whether these proposed tribunals would be of any more service.

Mr. SPRATT: I would simply say, that arbitration is resorted to, when the parties agree to it. But it is proposed to have these tribunals appointed by Government, with a judge to preside over them, and if the parties refer their case to such a tribunal, they are obliged to abide by the result.

Hon. T. R. JONES (St. John, N.B.), said he fully agreed with the resolution and would support it. He understood that these tribunals would be con pla sav in t whe just

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composed of practical men, and presided over by a judge who would explain the points of law that might be raised. He was satisfied they would save a great deal of needless litigation. It was well known there were cases in the Dominion which had been in litigation for some eight or ten years, whereas such a tribunal as proposed could have settled them equitably and justly in as many days.

The motion was adopted.

# SUITS AGAINST GOVERNMENT.

Hon. T. R. JONES: This matter was brought before this body at last Session, and a resolution similar to the one I am about to move, was passed unanimously, and laid before the Government; but since then, no further action had been taken. It is now again brought up on the recommendation of the St. John Board. In New Brunswick we have over 200 miles of Government railways; and as they are common carriers, and receive emoluments as such, we consider that they should bear the same responsibility as other common carriers. Parties are often injured by delay in the transmission of their goods, and by having property damaged in transport, or by other causes, while they have no redress except through the Government, who will most likely in every case, refer the matter to the very official whose negligence caused the damage. Now, I think my resolution will meet the whole case. All that we require is, that the Government should appoint some person to receive action against themselves, and defend them in an ordinary court of law. I therefore move the following resolution :-

Whereas, the Government have assumed the position and receive the emoluments as common carriers over Public Works owned by the Dominion,—

It is therefore the opinion of this Board that a law should be enacted, legalizing suits to be brought against them for loss or damage of life and property, in the name of the party or parties having jurisdiction over their works on behalf of the Government: and a judgment against such agents shall be assumed as against themselves.

Mr. ROBT. MARSHALL seconded the motion, remarking that a similar law was in force before Confederation, and it was only right that the Dominion Government should now grant the same privilege to the public doing business with them on the railways.

Motion carried.

#### RAILWAY BRIDGES OVER NAVIGABLE RIVERS.

Mr. H. McLENNAN (Montreal), moved the following resolution :---

That, in the opinion of this Board, the construction of railway bridges over our navigable streams, such as the Detroit and St. Clair Rivers, or over the St. Lawrence, except at high level, so as to permit the ordinary inland vessels to pass under them without obstruction, proves a serious obstruction to the inland-river-transport of the country, and ought not to be permitted; and that a Committee of three members be appointed to press upon the Government this and other questions relating to the navigation of our inland waters, the Committee to consist of Mr. McGregor, and the mover and seconder.

At the present time the Governor-General in Council has power to grant to a company the privilege of bridging the Detroit River. Those

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who are conversant with transportation from the upper lakes, are aware of the very great difficulty sailing vessels encounter in passing between the piers already constructed. This difficulty would be very largely increased by any such obstruction as proposed. There likewise now exists a similar privilege for the bridging of the River St. Lawrence at the Coteau du Lac; and unless the attention of the Government is called to it, it is to be feared an order in Council may be issued, permitting such an obstruction to be erected over the St. Lawrence. It is not intended by this resolution, to imply any antagonism between the different modes of transportation. At Detroit, the railway interests have under consideration-in the event of their being refused the right to build a bridge-a project for the construction of a tunnel, which is a very proper mode of crossing at that point. The same remark will apply to the proposed bridge at Coteau du Lac. It is not expected that such an injury should be done to the railway now in course of construction, as to prevent its making connection across the St. Lawrence River; but in doing that, they should not be allowed to so obstruct navigation, as to imperil life and property at that point, where the current is rapid, and where it would be impossible for a steamer to avoid collision, if the bridge should happen, by accident or oversight, not to be open at the instant of the steamer's approach. It is to provide against such a danger, that it is proposed to bring the matter to the attention of the Government.

Mr. SYLVESTER NEELON (St. Catherine's): In seconding the resolution. I regard the matter as of great importance, not only to the shipping trade, but to the whole travelling public. I think that four-fifths of the grain and flour taken to Montreal pass down the Detroit River. Only those who are acquainted with the number of vessels passing down that stream, could form any idea of the difficulty and danger that would be occasioned by the proposed obstruction. During the season of 1872, there were no less than 27,000 vessels passed through, carrying nine millions of tons; in other words, during the seven or eight months of navigation, there is a vessel passing a given point in that river every twelve minutes, night and day. That being the case, it is evident that the river should not be bridged. Doing so, would be the means of increasing the transportation by railways, and the consumer would be the sufferer in the long run. Besides this, it should be remembered that our trade is increasing from 15 to 20 per cent. each year; and, no doubt before long, we will find vessels passing along that river, at the rate of one every six minutes. Now, if the river is allowed to be bridged at two places as contemplated- at Detroit and at the Lime Kilns-it is evident that before long it will also be bridged at Sarnia and Mooretown. It is easy to conceive what delays and damages to the shipping would be occasioned by these bridges. We should, at the very outset, take every possible means of urging upon the Government to withhold the privilege for which they are asked, and which they have the power to grant. It would be inconsistent in us, to say the least, to spend large sums in improving our canals and harbors, and at the same time allow such obstructions on our navigable rivers as are proposed.

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Mr. WM. McGREGOR (Windsor), said the matter was one of special interest to the people of his town, where they were constantly crossing to and fro. The river was very narrow at Windsor, and there were often as many as 70 or 60 vessels at that point at one time. He had seen as many as five or six tug boats each towing eight or ten vessels down the stream at one time, and an equal number coming up. If these vessels were hindered by the opening of draw gates, there would certainly be great danger to life and property, especially as the current ran there at the rate of about three miles an hour. He had witnessed a trial, made by Commissioners appointed by the American authorities, to enquire into the propriety of allowing bridges to be built across the Detroit River. Stakes were put down in the river at the same distance apart as it was supposed the abutments of a bridge would be, and in four trials he saw the stake pulled up by the last vessel. In this connection it was well to remember, how easily cars can be ferried across the river. The Great Western and Michigan Central, ferry across 700 cars each way daily ; and they have capacity for ferrying 1,000 cars. If it were necessary to go beyond that, they could supply more ferry boats.

Mr. WM. ROBINSON (Galt), referred to the Great Western bridge across the Desjardins Canal, and to the fact that navigation between Dundas and Hamilton was completely stopped. He strongly disapproved of allowing the Detroit or St. Lawrence Rivers to be bridged.

Dr. L. S. OILLE (St. Catherine's), referred to the Act of the Dominion Parliament, granting power to the Canada Southern Railway Company to build a bridge across the River St. Clair. In the preamble of the Act it was declared, that this bridge was for the public advantage of Canada. That, he considered, was a mis-statement of a very gross kind. It would be hardly possible for Parliament to pass an Act which would be less for the public advantage than that one. He hoped this resolution would be carried unanimously; further, that the Executive Council would give the subject their most earnest consideration, and use all the influence at their command, in pressing upon the Government the importance of preventing the obstruction of the great water highways of the country, which, in his opinion, were of ten-fold more importance to the country than the railways.

Motion carried .

#### WITHDRAWAL OF AMERICAN DELEGATES.

Capt. DORR (Buffalo): We are now desirous of withdrawing from this Board, where we have experienced so much courtesy and hospitality at your hands. We wish to express our thanks to you, and through you, to your Government also, for the kindness we have received since we came here. We can only say we hope your labors will be fruitful of a great deal of good, and that we may often meet on similar occasions, both on this side and on our side of the line. I would extend to you a welcome to the Buffalo Board of Trade; and if any of you pay us a visit, we shall be happy 14

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to show the hospitalities of our city. We cannot hope to compete with you in that respect, but we will do the best we can. (Applause.)

# INTER-PROVINCIAL TELEGRAPHIC COMMUNICATION.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.): I wish to call the attention of this Board to the inconvenience under which we in Prince Edward Island labor, respecting telegraphic communication with the other Provinces. The New York and Newfoundland Telegraph Company have a monopoly of the cable business across the Straits, and their rates have been such as to almost prohibit telegraphing altogether. As the matter will shortly be brought before the Dominion Government by the Government of Prince Edward Island, as well as the question of laying lines along the railroad now under construction, I think it would be advisable for this Board to pass the following resolution, which I beg leave to submit :---

Whereas, Telegraphic communication throughout this Dominion is of the utmost importance to the mercantile community,

And Whereas, Prince Edward Island, in consequence of the monopoly enjoyed by the New York, Newfoundland and London Telegraph Company, cannot participate in the uniform and moderate Tariff enjoyed by the other Provinces;

Therefore *Resolved*, That in the opinion of this Board, such arrangements should be made by the Government, as will secure a Tariff in accordance with other parts of the Dominion.

Motion carried.

# APPOINTMENT OF AVERAGE ADJUSTERS.

Mr. WM. DARLING (Montreal): The motion I am now about to offer, is only a repetition of the one passed last year. But as nothing has been done, and the matter is one of considerable importance, it is necessary that it should again be brought up. I therefore beg leave to move:

"That it is desirable that the Boards of Trade and Chambers of Commerce of St. John, N.B.; Halifax, N.S.; Quebec and Montreal, Quebec; Toronto, Hamilton and Kingston, Ont., be empowered by Parliament to appoint average adjusters for those ports; and that the Executive Council prepare a memorial 'o Parliament asking that this may be done."

The motion was seconded by Mr. THOS. WHITE, Jr., and carried.

THE PRESENT STATE OF OUR TRADE WITH THE WEST INDIES.

Mr. A. WOODS (Quebec), submitted the following paper :

When it was definitely ascertained in 1866 that our trade relations with the United States would be materially altered in consequence of the termination of the Reciprocity Treaty; that the market which had taken a large proportion of our agricultural products would hereafter be less accessible, in consequence of imposition of customs duties —the necessity of endeavoring to open other markets where such products were required, and at the same time extend the commerce of the country, very properly suggested itself to the Government of the day. A Commission was appointed, which visited the British and Foreign West Indies and Brazil, obtained a considerable mass of valuable information, with encouraging assurances of co-operation on the part of the authorities of the several places visited, all of which was summarized and submitted in the form of a Report, afterwards published. This Report is the only result of a scheme apparently so fruitful in consequences to the Dominion.

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The West Indies produce a large surplus of what are with us leading articles of import, while we produce a large surplus of articles which are of prime necessity with them. We require their sugar, molasses, coffee, spices, &c., &c., while they require our flour, lard, peas, meals, cheese, lumber, petroleum, ice, &c., the respective countries producing these articles in such abundance, makes them the cheapest and best markets in which to purchase.

Such being the relative position of the Tropics and our Northern Dominion, the question naturally suggests itself, Why have we heretofore enjoyed so little of a trade, for the prosecution of which our country is so well adapted? The answer is simple. The geographical position of the United States gave that country exceptional advantages, which being aided by the immense development of resources, easily enabled its energetic and enterprising members to take a leading position in pushing the trade with the West India Islands, while our comparatively sparsely settled, and, to a great extent, agricultural country, could do but little in competing. Later the Reciprocity Treaty of '54, by opening the United States market to our products, and drawing our surplus in that direction, enabled that country to maintain its advantage. Since the abrogation of the Treaty, the trade of our country has been largely stimulated by the execution of extensive public works, which, with the great impetus given to our internal trade by Confederation, and perfect free trade betwixt the several Provinces of the Dominion, has largely occupied the attention, and given scope to the energies of our merchants. We cannot but think that the time has more than fully come when a resolute effort should be made to obtain a portion of the trade of the Tropics, and thereby afford a market for the products of our forests, our agriculture, our waters, and our oil regions, as well as for some of our rapidly growing manufactures.

The following table shows our present trade with the British and Foreign West Indies, as compiled from returns for 1872—last year not having yet been made up.

Our exports to the British and Foreign West Indies were as follows :----

| -                    |             |     |        |           |
|----------------------|-------------|-----|--------|-----------|
| Flour                | 433 br      | ls  | valued | \$2,834   |
| Meal                 | 1,886 "     |     | 66     | 7,009     |
| Lard                 | 2,246 hd    | g   | 66     | 331       |
| Butter               | 320,691 lbs | 3   | 66     | 60,571    |
| Cheese               | 14,901 "    |     | 64     | 2,000     |
| Beef                 | 56 cw       | t   | 44     | 584       |
| Bread and Biscuit    |             |     | 66     | 413       |
| Hams and Pork        |             |     | 46     | 2,395     |
| Lumber               |             |     | 44     | 713,604   |
| Coal                 | 52,681 tor  | 1S  | 66     | 115,657   |
| Shooks, No           | 975,090     |     | 66     | 595,782   |
| Petroleum            | 210 brl     | 8   | 66     | 52        |
| Sewing Machines, No  | 433         |     | 46     | 5,204     |
| Fish                 |             |     | 66     | 2,267,335 |
| Ale, Beer and Porter | 4,880 gal   | lls | 66     | 1,697     |
| Other articles       |             |     | 66     | 169,267   |
| Total                |             |     | -      |           |

Our imports from the British and Foreign West Indies for the same period, entered for consumption, has been as follows (imports via United States included) :----

| Molasses       | 27,824,905 galls.<br>552,200 lbs. | <br>valued | 57.807      |  |
|----------------|-----------------------------------|------------|-------------|--|
| Rum            | 161,012 galls.                    | 66         | 66,314      |  |
| Sugar (brown)  | 21,966,301 lbs.                   | <br>"      | 1,134,770   |  |
| Other articles | -                                 | <br>**     | 368,407     |  |
| Total          |                                   | <br>1      | \$2,174,932 |  |

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From a table compiled by the Commission appointed to inquire into this trade, we find that in the year ending June, '64, there were exported to the British West Indies by the United States, articles, being the produce or manufacture of the latter country, to the value of \$34,543,037, and which "are or can be produced or manufactured in Canada," while the imports by the United States from the same countries for the same period were to the extent of \$43,396,467.

When we remember that the average total imports by the British and Foreign West Indies are in round figures valued at about \$200,000,000, and their exports at near \$230,000,000 annually, the fact that the portion of the trade participated in by this Dominion is small indeed, must strike any person conversant with our natural resources. Inhabited by a population of about 4,750,000, who must import the particular articles of which our country produces so large a surplus, it would appear wise on our part to adopt every means which would tend to open communication, facilitate the means of transport, and adopt such fiscal regulations as would allow trade to find its natural channel.

In any negotiations which may be thought desirable, or any means which it may be deemed proper to adopt, the importance of including the Foreign, particularly the Spanish, West Indies, should not be lost sight of, as Cuba alone does over half of the whole volume of trade of which the totals are above given.

There can be no doubt but that a large quantity of Canadian products find a market in the Tropics through the hands of the U. S. shippers. One instance of this will illustrate the truth. During the past two or three years large quantities of match splints, manufactured in Quebec, have been shipped to New Haven, New York and other American centres, where they have been dipped and afterwards shipped to Barbadoes and other West Indian Islands. Thus the U. S. manufacturer procures the bulk of his raw material here, pays inland R. R. freight, Customs duty of 35 per cent., completes the manufacture of the article, employing labor at 100 per cent. higher than with us, and then ships to the places named at a profit.

Wooden-ware, shingles, staves, box shooks, starch, sewing machines, biscuits, boots and shoes, as well as many other manufactures, besides the leading staples of the farm the dairy, the oil wells and fisheries, can be shipped from the Dominion to the West Indies at prices to compete with any country.

To show how this trade has slipped from us it may be noted that box shooks, which at one time were shipped in quantity from Quebec, and later on from St. John, have latterly, to a large extent, been shipped from New York, in consequence of the greater facilities for procuring freight room at the latter port. Box shooks are now shipped from Canada to New York in canal boats, and there stored, and afterwards shipped to the West Indies. One recent instance is known of a Quebec house having shipped a quantity of this article to Portland, where they were purchased for New York acceptance and thence forwarded. At first sight it might be supposed that the position of the United States geographically gives that country an exceptional advantage. We find the distance from New York to Barbadoes is about 1,500 miles, and from Quebec, 2,300. The completion of the Baie Verte Canal will materially lessen the distance. But even as it is, the difference is more apparent than real, and is more than made up by our being nearer the great centre of production from whence the supplies necessary for the Tropics are obtained. Lumber, in its variety of manufactures, as well as the great bulk of the other articles which we have already noted, can be put on board a sea-going vessel at the Port of Quebec much cheaper than at New York. By utilizing our unrivalled line of interior water communication with the West, we can lay down its products in the markets of the West Indies on better terms than can the United States, where they have to make use of long interior lines of railroad and canal communication before reaching a shipping port.

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Our imports from the British and Foreign West Indies are, as we have seen, on a very small scale, yet even this does not all come direct by the St. Lawrence, but helps in part to build up United States forwarders. Then the balance which we require of West India goods are purchased in Britain and the United States. There can be no good reasons why this should continue. The rapid progress of the Dominion during the past few years, the immense development of its trade, its increase of wealth as indicated by the increase of banking capital, the acknowledged status of its mercantile marine, should all encourage our merchants to save the profits of the middle men, and purchase in the great centre of production.

We find that the import and export trade of the Provinces now forming the Dominion was in 1850, \$29,703,497. For the past year it is estimated from reliable data to have been \$217,197,096, while during the six years of Confederation the increase has been eighty per cent. With such a past to look back on, and a yet more hopeful future to look forward to, we need have no hesitancy or fear that we will maintain our position in the race of progress, and if not distance, at least be able to keep abreast with our, in some respects, more favored competitors.

#### I would therefore ask leave to move, seconded by Mr. A. Joseph,

That this Board would earnestly represent to Government the desirability of procuring increased facilities for direct trade with the British and Foreign West Indies, and would respectfully suggest as some of the necessary steps to the attainment of this object,

*First.*—That Government grant such subsidy for carrying mails as may, with **a**mounts which may be granted by the other Governments interested, procure regular fortnightly steam communication for the conveyance of passengers, mails and freight between Quebec or Montreal and Barbadoes or other central points in the West Indies, and—pending the completion of the Intercolonial Railway—from Portland, Halifax or Boston in winter.

Second — That it would be desirable to make concessions to the British and Foreign West Indies by the modification reciprocally of duties at present levied on the products of these countries, so far as possible—to remove trade obstructions—and grant such facilities as may procure in return like concessions on their part, with a view to more intimate and extended trade relations.

Mr. Woods followed up his motion with the subjoined remarks: We all remember that in 1866 Government appointed a commission, with a view to make such enquiries as were thought necessary, in order to ascertain what trade could be done with the British and Foreign West Indies. The Commissioners made an able report; but, since that time, no action has been taken. Canada is now in a much better position to take hold of this trade than before. The great difficulty at that time, in the way of our prosecuting it, was to get regular assorted cargoes. The country has grown very largely since then, and I am satisfied that that difficulty would be experienced no longer. We could supply the West Indies with the products of these northern regions, and they would find it as advantageous to send their products to our ports as to any other on the Atlantic. To show you how this trade has slipped out of the hands of our mercantile community, I might give you an instance which was related to me, the other day, by a Quebec merchant and manufacturer. Large quantities of match splints are manufactured in Quebec. The bulk of them are exported to New Haven and New York, there dipped and completed, and then forwarded to the West Indies. The natural consequence is, that the con-

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sumers have to pay the additional charges incurred by the matches being sent through the United States, and which they would not incur if they were sent direct from Quebec. A gentleman, the other evening, told us of the trade that is being done from St. John, N.B., to the West Indies in boxshooks. I was glad to hear that there were nearly half a million dollars' worth of that staple article shipped from that port yearly. I may state, though it seems extraordinary, that box-shooks are at the present time shipped in canal boats to New York city, there stored, and, after the charges having been paid, exported to our West India possessions. If this trade can be done in this way, there is no reason why it cannot be done direct from our own ports.

Mr. ADAM BROWN (Hamilton) suggested to the mover of the resolution the insertion of the word "Boston." From an Ontario point of view, he rejoiced that this motion had been brought forward, and would be delighted to see the views expressed in the paper which had been submitted, carried into execution. At the same time, if a subsidy were to be given for service between this Dominion and the West Indies in the winter months, the interests of Ontario would be well served by making Boston a point of destination.

Mr. Woods accepted that suggestion.

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Hon. G. W. HOWLAN (Charlottetown, P.E.I.) said he was exceedingly glad to see a move made in the direction indicated by Mr. Woods. He referred to what had been done in Prince Edward Island, with a similar object in view, and expressed his opinion that a line of steamers plying between ports in the Dominion and the United States could do a profitable business.

Mr. WM. ROBINSON (Galt) was inclined to think that this resolution was scarcely consistent with the one passed yesterday; and suggested the addition of the words, "such articles not being produced in Canada."

Mr. H. MCLENNAN (Montreal) suggested that the subsidy should be specified as being for the carrying of the mails; otherwise it might open the way for applications to the Government, seeking aid to all sorts of enterprises. He presumed it would meet Mr. Robinson's view if the resolution was so worded as to ask for reciprocal trade relations with the West Indies. If, therefore, the resolution were amended in these two respects, so that it would express that the subsidy was for the mail service, and that it was desirable to negotiate a Reciprocity Treaty with the United States—it would certainly receive his support.

Mr. WM. DARLING (Montreal) agreed that the remarks of Mr. Mc-Lennan were entitled to a good deal of weight. It was proper enough to grant a subsidy for carrying the mails; but to ask for any subsidy for the ordinary purposes of trade, would open a wide door to all sorts of embarrassing applications to the Government. With regard to reciprocal trade with the West Indies, that was a different matter from reciprocal trade with the United States, because the products of these possessions are among the articles most heavily taxed on coming into this Dominion. sug frei

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Mr. WOODS: I have no objection to adopting Mr. McLennan's first suggestion, which can be done by striking out the words, "passengers and freight." The second objection might be met by adding the words, "or obtain reciprocal relations with the West Indies."

Mr. WM. OSBORNE (Galt): I do not understand why we could not have reciprocity with the West Indies, in the same way as with the United States. If we obtain reciprocity with the latter, we will have to make an alteration in our tariff, as well as if we were obtaining reciprocity with the West Indies.

Mr. DARLING : We should not ask for things that we cannot expect to get.

Mr. THOS. WHITE, Jr., (Montreal): I hope we will ask for it. I hold the opinion that we can manage our trade relations with any country as we think proper; and I am quite sure the Imperial Government will not interfere with us. If it is found to be to the advantage of the Dominion to enter into arrangements with the West Indies, by which we give special advantages to their imports, I am perfectly satisfied the Imperial Government would at once endorse the arrangement.

The resolution was then carried.

#### SCARCITY OF SILVER CHANGE.

Mr. RICHARD O'NEILL (Port Hope) moved the following resolution, seconded by Mr. WM. FORD (Kingston):

That in the opinion of this Board, it would be a great accommodation to the Trade and Banking interests of this country, if the Government would issue a further quantity of Silver and Copper Coin, as the amount at present in circulation is not sufficient for the trade, and that the Council of this Board memorialize the Government for a further issue of such coin.

Mr. A. ROBERTSON (Montreal) said there was plenty of silver in Montreal.

Mr. O'NEILL said he had been assured by a bank president that such was not case.

Mr. A. JOSEPH (Quebec) said they had too much in Quebec; it was a nuisance.

Mr. WM. McGREGOR (Windsor) said they also had plenty of it in Windsor, and he would undertake to ship Mr. O'Neill as much of it as he wanted.

Mr. P. GARNEAU (Quebec) also objected to the resolution as unnecessary. They had plenty of silver in Quebec.

Mr. F. T. NEWBERY (Charlottetown, P.E.I.) said they found it very scarce indeed in Prince Edward Island.

Mr. W. J. KEAYS (Sarnia) said that in his town they could not get enough of silver change from the banks, and suggested that the reason why it was so plentiful at Windsor, was because there were a number of

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ferries crossing the river there every day, and fares, &c., were paid chiefly in silver.

Mr. O'NEILL said that in his town, and in neighboring towns, it was almost impossible last year to get small silver. He had introduced the resolution with no other object than to meet a felt public want.

The motion was then put and declared lost.

#### FREE POSTAL DELIVERY IN CITIES.

Mr. WM. THOMSON (Toronto) moved, seconded by Mr. W. B. HAMIL-TON, (Toronto) the following resolution :---

That inasmuch as the free delivery of letters and newspapers in cities and towns has had the attention and received the favorable consideration of Boards of Trade;

That inasmuch as the delays occasioned by personal visits daily to the Post Offices, and at very considerable expense to the various communities, should be obviated;

Be it resolved, That it be a request from this Board to the Government to take this matter into their favorable consideration.

#### Motion carried.

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# COMMITTEE ON INSURANCE.

The PRESIDENT announced the names of the Committee he had appointed to confer on the subject of Fire Insurance policies in accordance with the resolution passed by the Board, as follows: Messrs. Drummond (Montreal), Keays (Sarnia), Marshall (St. John, N.B.,) and Gillespie (Toronto).

#### RESOLUTIONS OF THANKS.

Mr. W. F. FINDLAY (Hamilton) moved, seconded by Mr. A. JOSEPH (Quebec).

*Resolved*, That the thanks of this Board are due and are hereby tendered to the Dominion Telegraph Company for their kindness in supplying the members with franked message forms, during the present sittings of the Board.

#### Carried.

Mr. THOS. WHITE, Jr., moved, seconded by Mr. H. McLENNAN:

That the members of this Board cannot separate without expressing the great pleasure they have derived from the presence of delegates from the National Board of Trade of the United States, and for their kindness in taking part in the deliberations of the Board.

#### Carried.

Mr. THOS. WHITE, Jr., moved, seconded by Mr. W. W. OGILVIE:

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 acts of kind attention.

Carried.

Mr. WM. HARTY moved, seconded by Mr. H. McLENNAN :

That the thanks of this Board are due and are hereby tendered to the Members of the Dominion Administration for the entertainment given to the Members of the Board last evening.

Carried.

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Mr. THOS. WHITE, Jr., moved, seconded by Mr. W. W. OGILVIE :

That at future sessions of the Board, it be a rule, in all cases, of limitation of speakers within certain time, that the said rule shall apply equally to written papers as to oral addresses, it being understood that in such cases the gentleman who prepared the paper shall have the right to hand it to the official reporter, to be included in the report of the proceedings.

Carried.

#### CONCLUSION.

The PRESIDENT: Gentlemen, I am happy to say that we have disposed of the whole of our programme, and I have now to offer you my sincere thanks for the assistance you have so kindly given me in carrying out my duties as your presiding officer,—and also to express my gratification at the manner in which the subjects brought before the Board have been discussed. I now declare the Fourth Annual Meeting of this Board adjourned, to meet again, some day in July next, at St. John, N.B.

On motion of Hon. Mr. HOWLAN, the President vacated the chair, and it was taken by the First Vice-President, Mr. C. H. FAIRWEATHER.

Mr. H. McLENNAN then said: Mr. Chairman, I have always experienced much pleasure in attending the meetings of this Board. I return home, each time, impressed with a sense of the courtesy and consideration with which the various subjects brought before the Board are discussed. A realization of the importance of these meetings has been growing upon me; and I go back this time still more convinced of the value of our deliberations, and of the weight of responsibility resting upon us. I feel that the courtesy, tact and firmness with which our President has presided over this meeting is most creditable to Young Canada, and that "Canada First" will, in the future, be able to take care of itself (cheers). I move, therefore, a vote of thanks to our President.

Mr. ROBT. MARSHALL seconded the motion, which was carried amid loud applause.

Mr. W. H. HOWLAND (the President): I can say but little in reply to your kind vote of thanks; I assure you that I feel deeply your appreciation of my efforts, and let me add that, in whatever position I may be placed, I shall always recognize it to be my duty not only to look after the special interests I may have in charge, but, under all circumstances and in all cases, to have regard to the interests of Canada first. (Loud cheers.)

The Board then adjourned, to meet again in St. John, N.B., on such day in July next, as may be fixed by the Executive Council.

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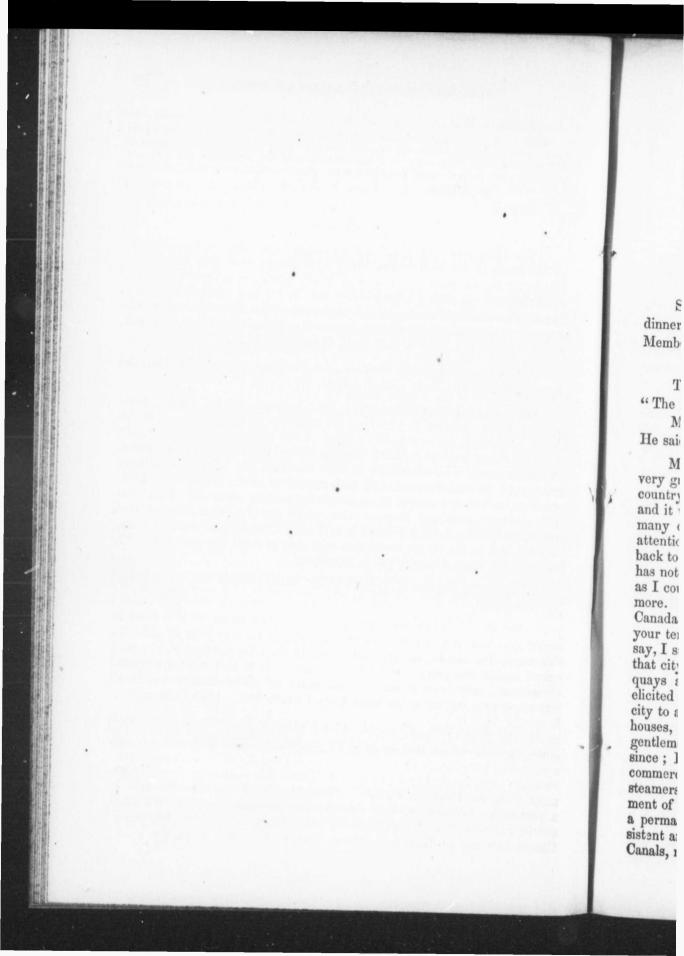
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# APPENDIX.

# THE DINNER.

Subjoined are some of the more important speeches delivered at the dinner, given to the Members of the Board, on Thursday evening, by the Members of the Dominion Government.

MR. GEORGE L. BUSBY, OF PHILADELPHIA.

The Chairman, Hon. L. S. HUNTINGTON, having proposed the toast of "The President of the United States,"

Mr. BUSBY, of Philadelphia, at the request of the chair, responded. He said :---

MR. CHAIRMAN AND GENTLEMEN,-My colleagues and myself have very great pleasure in acknowledging the courtesy you have paid to our country, in the toast you have just honored, of our Chief Magistrate ; and it would be very ungrateful in us not to say, that we are under a great many obligations during our stay here, for the very kind and courteous attention we have received at all hands. I am certain we shall all go back to our homes with very pleasant memories of our visit to Canada. It has not been my good fortune to have had so large an experience of Canada as I could have wished. What I have seen of it, makes me desire to see more. Within the last six years, with the exception of that portion of Canada in the immediate vicinity of Niagara, I have seen very little of your territory. About that time, however, I visited Montreal, and I must say, I saw there very much to surprise and please me in the appearance of that city. Its solidity was very attractive to me. Its vast massive stone quays and docks, which are without a parallel in any part of America, elicited my special admiration. I found much in the architecture of the city to admire, and I saw, on passing along Sherbrooke Street, magnificent houses, evidencing by their appearance that they were the abodes of gentlemen of wealth and culture. I have kept Montreal in my eye ever since; I have noted the progress she is making, and the growth of her commercial prestige; and I can understand from the fleets of vessels and steamers that reach her docks, how interested she must be in the enlargement of the St. Lawrence Canals. (Hear, hear.) I must say that were I a permanent resident on this side the St. Lawrence, I should be a consistent and persistent advocate of the enlargement of the St. Lawrence Canals, now and all the time. (Hear, hear.) I passed down the river

from Montreal to Quebec, and was delighted with the quaint appearance of that, the only walled town in America. And now, at the request of the President of the U.S. National Board of Trade to come here, I have yielded, being largely influenced by the pleasant memories of my previous visit, and being specially desirous of seeing the seat of Government of this new nation. (Hear, hear.) As I have always approved of the principle of consolidation as applied to our country, so I had a natural sympathy with the efforts to carry out the same principle in the Dominion of Canadanow a vast empire extending from sea to sea. I have been very much pleased with the picturesque group of buildings where your Parliament sits, which, I think, are a credit alike to the taste of the people, and to the architect who drew the plan. Passing into the interior of the building, I have had the pleasure of attending the sessions of the Dominion Board of Trade held there, and have paid considerable attention to their proceedings. I was pleased to see them exhibit such a thorough knowledge of the subjects they treated, and especially to see that they stood in very close relations to their own Government. (Hear, hear.) When a man sees a piece of machinery running in perfect order, he naturally appreciates it. So when I come here, and find that every gentleman whose name was down upon the list of members of the Dominion Board of Trade, was, so far as I know, present—in fact, I understand the number present rather exceeded the number on the list,—and when I find that the Government are also in active sympathy with that body, I cannot but say, "Well done, gentlemen ; this is exactly right." (Cheers.) Now, we have arrived at this state of affairs on both sides the line; by a very logical and natural process. It has been found almost impossible, I believe, on one side as well as the other, to secure the attention of men of mercantile pursuits to the affairs of political life. In consequence of their own large operations, they feel averse to turning aside to politics; and the best way to supply the loss of this material in Parliament, is to constitute a Board of Trade representing the entire mercantile community, which shall be able to enlighten Parliament and Government upon questions of commercial importance. This is what we have been laboring to do in our country. I am obliged to admit that I really think, from my own observation, you have reached a little nearer the desired consummation than we have done. I took special interest this afternoon in the debate upon the Reciprocity Treaty. I said nothing at the time, because enough had been said, and well said, by the other delegates from the United States. But if I was silent, it was not that I was not in entire sympathy with the project. (Hear, hear.) There is one feeling of which I am very conscious at the present time, and it is this: that I do not know how to understand that we are not one and the same people. There I see before me gentlemen very much like those I see at home, governed by the same impulses, speaking the same nervous English tongue; as a Board of Trade, asking for the same things that we do. having a great virgin territory as we have, and discussing the questions of a trans-continental Pacific Railway, the enlargement of your canals, and protection to domestic industry. I may say, with reference to this latter question, that I am in most hearty accord with the gentlemen here who support

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the affirmative of that question, because, being a native-born Philadelphian, I should be a very heretic if I held any other views. I was born in that faith, cradled in it; it has become bone of my bone, and flesh of my flesh; and I find in the parable of the ten talents, Scriptural warrant for my (Cheers and laughter.) I do not intend to deliver you a lecture faith. on this topic ; but I will give you a reason for the faith of a Philadelphian in that doctrine. When New York State had constructed her Erie Canal, the City of Philadelphia found herself shut off from the shipping trade. Under these circumstances we turned to our mountains; we extracted from them their iron and coal; and as we could not have extensive shipping, we determined to have extensive and diversified manufactures. In this we have succeeded to this extent : that we have now about nine thousand manufacturing establishments in Philadelphia (cheers), employing very nearly two hundred thousand souls; the capital invested in them, amounts to between two and three hundred million dollars, and their annual products amount to four or five hundred million dollars. As the result of all this, we are beginning to turn our attention seaward, for, gentlemen, if Great Britain were not a manufacturing nation, she could not be the maritime nation she is. It is her manufactures that have given her that external commerce; and we in Philadelphia are so far following in her path, that we have sent out the first American steamship line since the last ten or a dozen years—and this we have done even in advance of New York. I feel bound to mention this fact, because in the discussion this afternoon it seemed to be forgotten, and we all like to get all the credit we deserve. In conclusion, gentlemen, allow me to say, that I am entirely in favor of a Reciprocity Treaty. I believe in our being one people; I believe in the English-speaking race; I have faith in the Anglo-Saxon blood. As we are all of one family, let us live together in peace (cheers); and whatsoever can promote peace and good-will between us, must have the approval of every right-minded man on the north or south of the St. Lawrence. That that peace and good-will shall be perpetuated until the last syllable is recorded on earth, is my sincere hope. (Loud cheers).

Capt. DORR, of Buffalo, also, in answer to repeated calls from the audience, briefly responded to the toast.

# SPEECH BY THE CHAIRMAN, HON. L. S. HUNTINGTON.

The CHAIRMAN, in proposing "The Dominion Board of Trade," said :

GENTLEMEN,—I ask for a bumper to the toast of the evening, which I am now about to propose. I ask you, also, to pardon me if I somewhat differ from the course which I have hitherto pursued, and occupy a minute or two in discussing a subject cognate to the toast I shall shortly have the honor to propose to you. We are assembled to do honor to a body of mercantile gentlemen, who are the representative men of those who hold the commercial interests of this country in their hands—a body of men of great importance to Canada, and whom I do not intend to lecture, because, being in some sense our guests, it would not be proper for me to do so—a body

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of men who have not always done their duty as they now show symptoms of doing, and who have not always applied themselves to the study of the great questions which concern the Dominion of Canada. I am sorry to believe that, in times past, some of the misfortunes which have attended the commercial relations of this country have resulted from the fact, that mercantile men have not taken broad and generous views of the great principles which should govern the commerce of a country. We have found dry goods men taking a dry goods view ; we have found manufacturers of iron taking the iron view ;- the difficulty in our young country has been, to make them see beyond the walls of their own counting-houses. It is because I see in the organization of the Dominion Board of Trade an augury of better things,-because I see a disposition among the merchants of this country to cultivate a commercial public opinion, that I welcome the efforts you are making. I hope we are not too sanguine, in believing that the Dominion Board of Trade will shortly place itself in the position-if it has not already done so, and which I do not deny-of being distinctly the representative of the commercial interests of the country ; that it will be able to speak with a voice so authoritative, that no man can refute it. One of the mistakes—I am not going to talk politics to-night; I shall not tell you that the Premier has told me to be careful not to talk politics (laughter)-but one of the mistakes of the mercantile community has been, to turn up its nose at the politics of this country. One of the errors of the wealthy and respectable of every city in this Dominion has been, to regard with aversion, if not contempt, the civic responsibilities resting upon them. They sneer at their Aldermen, but they do not themselves go in to do the When I sat last night, listening to the discussions of the Board of work. Trade,—and let me say, just here, that I heard some doctrines which I believe to be heresies, and which, humble as I am, I think I could have successfully refuted—when I heard the discussions carried on so ably, I said, "Why do these men hold themselves aloof from the public affairs of the country ?" (Hear, hear.) "Why do they assume that all politicians are merely pullers of wires ?" "Why don't they understand that the public service of the country is a noble service, and that if the country is to be a noble country, it must have the services of its best men?" "Why do they not enter into the general arena, and do their duty in relation to the public affairs of the country ?" It is not because I think it is of immense importance that the views enunciated last night, or the night before, should be adopted. But it is because I see, through the instrumentality of this Board, a disposition among the commercial men to take up and discuss the great questions upon which the future of this country depends, that I am proud to hope the commercial men of this country will do in the future, what I am not willing to admit they have done in the past, namely, to take their fair share of responsibility in the guidance of its public affairs (hear, hear). It is because I entertain this hope that I have great pleasure in proposing to you the toast I am about to offer; and having been guilty of the offence of lecturing our guests, I am now willing to atone for it by every means in my power. But let me repeat, gentlemen, that if you understand-as I believe you are beginning to understand-the great duties

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which your position imposes upon you, we shall see multitudes of you coming into public life, and aiding us in the great task we have to perform; and it is because I recognize in the Dominion Board of Trade the means of cultivating this spirit in the commercial community, that I have more than ordinary pleasure in submitting the toast I have the honor now to propose. And in submitting that toast, I have also the further honor of connecting it with the name of a—may I say young,—I think I may say that—of a young gentleman of whom we are all proud, and who has had the advantage over us politicians, in that he has been able to pursue his commercial pursuits, and at the same time make a reputation as a political man, of which he may well be proud—a reputation which, I am sure, you are all proud to acknowledge, in the position in which he stands to-night. (Cheers.) Gentlemen, I give you "The Dominion Board of Trade," coupled with the name of Mr. Howland.

#### MR. HOWLAND'S SPEECH.

Mr. W. H. HOWLAND, President of the Dominion Board of Trade, said :--

Mr. CHAIRMAN AND GENTLEMEN,-You, Sir, have made it more difficult for me to reply to-night than I expected. Feeling as I do so highly the compliment the Government of Canada have paid us, it was certainly making the cup overflow, for our worthy chairman to put on the top of that, so very high a compliment to myself. I think I could have managed more easily to have told you, as representing my brother members, what we all feel, if Mr. Huntington had not done so; but I can carry the personal gratification of having his good opinion. I may say, gentlemen, that I take the compliment paid us by the gentlemen composing the Administration of this country, as being paid not only to the Dominion Board of Trade, but to the great commercial community of this country, who, I think, can be credited in a large measure, with the great advance in wealth and prosperity, which this country has made within the last ten years. (Cheers.) I think it is only fair that we should pass the complement over to our constituents, and I am satisfied all my brother members take this view. In regard to the position which the Dominion Board of Trade is beginning to assume in the eyes of the people in general, I may say we date rather further back than Mr. Huntington would lead us to suppose. A member of the late Government told me to-day, that he was spoken to rather seriously by his colleagues, for giving such great weight to the decisions of the Dominion Board of Trade; and whatever our political opinions may be, I may say of the present Government, that they have shown themselves thoroughly progressive, and are bound to follow up the wishes and desires of the commercial community. (Cheers.) I think that whatever weight we have as a Board of Trade, arises from this simple fact : It is in the nature of people in general, to look to the motives which persons have in doing a certain thing, and if they can ascertain that these motives are not selfish, they are inclined to give a great deal more weight to the opinions expressed. And when they see what I may

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call our unpaid Parliament, coming here at their own expense, they certainly must think that we have some sort of patriotic and unselfish object in thus meeting together. If they find that what we do, is done with the view of advancing the general interests of the country, then I may say we fairly earn any credit or honor we may receive at their hands. (Cheers.) And I think that in some matters, the Government can take our opinions with very considerable advantage. They will find us a body composed of men of all political parties, who do not, as is frequently done in Parliament, discuss questions from one political standpoint or the other, or with reference to the position of one party or the other, but without political bias of any kind. It is worth something to a Government, to thus have a touchstone of public sentiment, upon which they can to some extent rely. There is another matter in which this Board of Trade may be of service to the Government, and that is, with respect to our relations with the United States. For years we have been working quietly, without in any way affecting the dignity of the country, nor involving it in any negotiations which might be troublesome, but doing what we could, to bring about that state of feeling among the merchants of the United States, which is necessary before we can have free trade relations between the two countries. And I can say to-day, that we have arrived at that point, when the National Board of Trade, as one man, admit, that as their Government had been the cause of the abrogation of the former Reciprocity Treaty, it was their duty to take the initiative in securing a new one, (cheers,) thus enabling our Government to meet those advances, and negociate a Treaty, in a way that they could not have done by direct advances themselves. The Dominion Board may, I think, claim that it has done some service to the country in this respect; and while willing to give credit to our politicians for completing the work, the country will in the future, I think, render the Boards of Trade on both sides, some credit for patriotism and industry, in laying the foundation for them to work upon. (Cheers.) I have very little more to say, except to thank the honorable gentlemen who have given us this dinner, for the very distinguished manner in which they have treated us. I can assure them, it will send us all to our homes, feeling that when we meet again, we must be more careful of what decisions we come to, on account of the position which this, to some extent, gives us; and that we must endeavor at every subsequent meeting, to more and more deserve such honors as have been given us to-night. (Loud cheers.)

# THE NATIONAL BOARD OF TRADE.

The CHAIRMAN having proposed "The National Board of Trade of the United States,"

Mr. WM. P. MCLAREN (Milwaukee) was called upon to respond. After adverting to some circumstances connected with the selection of the American delegation, and mentioning that another gentleman more able to respond on an occasion like this, had first been selected, but being unable to come, their President had requested him to fill his place, he said :--- are plish thin we imp acco time we : anotl I an vear a be you ( who : of ou merc bring I can desir at th recipi ble f that consi fore, must exten very them. recipr not of would be dise Conve for the Canad one wl much honor United heartil

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## OF THE DOMINION BOARD OF TRADE.

I believe that the Boards of Trade of Canada and the United States are doing a great work. People sometimes ask us, "What do you accomplish ? What is the practical result of your meetings ?" They seem to think that because we are not legislators we can do nothing. But though we are not legislators, we are, I believe, able to prepare the way for important legislation on commercial matters. It is in this respect we are accomplishing some public good. And further, by the interchange of sentiments at these meetings, between representative men from both countries, we aid in cultivating a better commercial feeling with regard to one another, which cannot fail to redound to the advantage of both countries. I am sure the gentlemen who have come here from the United States. year after year, go away with a better appreciation of your country, with a better appreciation of your prosperity, and of the independent position you occupy; and, on the other hand, I think those gentlemen from Canada who attend our meetings, come to understand better the spirit and temper of our mercantile community. All this will, I believe, advance the commercial interests of both countries, and will, I am convinced, also aid in bringing about better commercial relations between them. On that point, I can only assure you that it was almost, if not entirely, the unanimous desire of our National Board, that it was our duty as well as our interest, at the earliest possible moment to take some steps towards obtaining reciprocal relations with Canada. (Cheers.) I do not believe it is possible for Congress this session to bring in a bill, and have it receive that consideration which it would require; and I beg of you not to consider, that because no immediate action may be taken, we have, therefore, accomplished nothing. You must have patience in this matter. You must remember that whilst your country is comparatively narrow, ours extends hundreds of miles south, and a large portion of our merchants have very little direct interest in this question; so we have to impress upon them, that it is in the interest of the whole country that we should have reciprocal relations with Canada. (Cheers.) I believe we can show that not only would no part of our country lose by it, but that as a whole it would gain by it. But all this is a matter of time : and I beg of you not to be discouraged if we do not move as fast as you would like. At the Detroit Convention in 1865, one of the United States representatives went there for the purpose of urging upon the delegates to withdraw reciprocity from Canada, in order to force her into annexation to the United States. Any one who looks back upon the nine years since that time, must see how very much he was mistaken. (Cheers). Mr. Chairman, I thank you for the honor you have done us, in drinking the toast of the National Board of the United States; and I can assure you we sincerely appreciate it, and heartily wish you all prosperity, (Loud applause).

## THE PREMIER'S SPEECH.

Mr. HOWLAND having proposed "Her Majesty's Ministers,"

Hon. A. MACKENZIE rose amid enthusiastic applause, and said : I need not say. Mr. Howland and gentlemen, how much pleasure Her Majesty's • 15

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Ministers have in welcoming the Dominion Board of Trade to this city. My colleague has already expressed the pleasure we have felt in hearing so able, influential, and intelligent a body of gentlemen in this city. But, Sir, whether we shall long be Her Majesty's Ministers or not, will depend very much upon whether we carry out, in our legislation, the national will (hear, hear). I need hardly say, that we shall always be delighted to carry out the views of the Dominion Board of Trade (cheers)-when they happen to be right (loud cheers and laughter). I am sure, Sir, that I need not say, that whether we shall agree entirely with the views that we heard so eloquently expressed last night, no one could have been present without deriving a great deal of satisfaction and information from the expression of the views of the commercial gentlemen then present. I am sure that we shall, at all events, learn a great deal from what we have heard, as well as from personal intercourse with the members'; and I assure you we feel it to be not only a real pleasure, but a very great advantage to us as an Administration, to have so many commercial men amongst us just preceding the meeting of Parliament. I am deeply conscious of the responsibility which has been spoken of by my friend, Mr. Howland, in proposing this toast; and I am also conscious that the prosperity of the country depends, to some extent, upon the legislation which the Ministry may initiate. But, at the same time, I am always consoled by the knowledge, that in this country, and in all countries speaking the English tongue, as well as in some other countries, the people are able to govern themselves very much as they wish, even though the Government should fail to perform its functions properly. It is one of the characteristics of our people that a government may do some mischief for a season ; but no Government can long exist that fails to carry out the well-understood wishes of the people (hear, hear). Through our municipal institutions and such voluntary associations as this Board of Trade, the country is governed imperceptibly almost, to a very much greater extent than we generally have any idea of. Now, Sir, there was one remark that fell from Mr. McLaren which I wish to advert to. He says that a certain course was resolved upon by the United States with the idea—which was, to some extent, prevalent—that they would be able, by their legislation, to force this country into annexation to the United States. But I need not inform Mr. McLaren and the other American delegates present-for they must, I am sure, be all conscious of it-that it is an established fact, that there are to be two nationalities upon this continent. (Loud applause.) I do not think, myself, that it is desirable there should be any more (laughter); and if they can stretch themselves to the South and take possession of that country in a legitimate way, and improve it, it will be to the advantage of humanity as well as to this continent. They have, no doubt, made an attempt to stretch themselves to the North, but we hope to freeze them out there some day. (Laughter.) It will be the ambition of this Government, as it must be of its successor, to develope the vast country that we possess. We hear much, Mr. Chairman, of the Pacific Railway. We hear much of your policy and mine in relation to that matter. That policy will be very fully developed before many weeks, But I may say it is the policy, at all events, of this Government,

#### OF THE DOMINION BOARD OF TRADE.

and it must be also that of its successors, succeed they when they mayand I hope they will not succeed us very rapidly (laughter)-it will be our ambition, I say, to open up the country and settle our vast territories, which we hope will attract a large share of the immigration, that is at present chiefly flowing into the United States from the old settled countries of Europe. And it is our policy-it always has been the policy of the party with which I am allied-to develope that magnificent natural highway, which we possess in the River St. Lawrence, from its source to the ocean. (Cheers.) Our friends from the Western States who are present. may depend upon it, that no effort will be wanting on our part which energy and money can secure—and we have some money even in this poor country (laughter)-to have that highway made all that our commercial men can desire, at a comparatively early day. (Cheers.) And when that highway is completed, instead of there being any talk about our joining the nationality to the south, perhaps a slice of that nationality may wish to join us. (Cheers and laughter.) At all events, we will so carry their trade, we will so permeate our neighbors with an idea of our own importance, that we will make them very nearly as much Canadian as we are ourselves. (Cheers.) I sometimes tell a little anecdote to illustrate what I consider our national spirit. Mr. McLaren told us he was a Scotchman, and I dare say those who heard him speak will readily believe him. He will know that there are a couple of small islands at the mouth of the Clyde. These two islands form a parochial district; and one of the quaint clergymen who occupied the pulpit for a number of years, in praying one day as usual for the prosperity of the nation, did it in this wise : He prayed that the Lord would bless the greater and the lesser Cumbray -two small islands of about a hundred acres each-and the adjacent islands of Great Britain and Ireland. (Loud laughter.) We do not, need not, Mr. Chairman, enter upon our prayers for the prosperity of this country in that spirit, because our country is as big as theirs (hear, hear); and we hope some day to have a population if not so great as theirs, one, at all events, that will command a large degree of the respect, and exercise a large amount of the influence, political and national, that goes to promote the civilization of the world. (Cheers.) We hope, Sir, when that day shall come, that the spirit of fraternal intercourse which at present exists between our neighbors and ourselves, shall prevail to a still greater degree; and that we shall mutually learn, that free institutions are not confined to any political system, and are not to be interfered with by any mere national barrier; that we shall fully understand each other; that the questions that have disturbed our relations shall all have disappeared; that we shall be able to prove in Canada, that a country may be democratic without being republican, and that a country may be free while it owes allegiance to a beneficent sovereign. (Loud cheers.) It has always been a matter of great regret to me in reading the history of the United States, that unwise legislation, and a tyrannical disposition on the part of a British oligarchy, should have driven the thirteen colonies into rebellion, alienating forever from British rule and British connection that fair portion of this continent. But we are not responsible in our day for the blunders of our ancestors;

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## PROCEEDINGS AT FOURTH ANNUAL MEETING

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and we can only say, that if they now choose to come back again, we will apologize for the blunders of our ancestors, and guarantee that nothing of the kind should ever occur again. (Cheers and laughter.) The gentleman from Philadelphia who addressed us to-night, spoke of the progress made by our Canadian cities, especially in Montreal. I would say to the Montreal gentlemen present, that they must remember they have a great task before them in this country-the same task that the merchants of New York have in relation to the United States; the same duties the people of Chicago and Milwaukee have in regard to the Western States. The people of Montreal have a great deal in their power. They possess the key to the commerce of the whole Western country; and it will be their duty, acting as true commercial men, as farseeing politicians, to make that provision for the Western trade, which they must perceive will pour upon them in such a volume, that they may not be able, unless they exert themselves, to provide accommodation for it. I have always looked with serious apprehension upon the somewhat leth- . argic state of our commercial men in reference to matters that devolve chiefly upon them, and I trust the public spirit of the two great cities on the St. Lawrence-Quebec and Montreal-will not be wanting, and that the merchants will show by their efforts, that they fully realize the responsibility devolving upon them. I will say nothing to-night, Mr. Chairman, about the various views of protection and free trade which we heard discussed last night-nothing further, at least, than this, that I myself am a believer in free trade and free intercourse of every kind, to the utmost that is consistent with the national welfare and the national interests. (Cheers.) We are all controlled, Mr. Chairman, to some extent in our personal aspirations, by the necessities of the country; and we are controlled, I am bound to say, to some extent in this country, by what I consider the erroneous fiscal system of the United States,-my friend from Philadelphia to the contrary notwithstanding. But we all have a tolerably fair knowledge of what the necessities and wants of Canada are at the present moment; and one thing I am exceedingly anxious should be fully understood, which is, that in this country much more depends upon individual effort than can possibly depend upon any action by Parliament. (Hear, hear.) It is one of the glories of our race that they are self-dependent, that every one strikes out a course for himself,-that we never look to the Government for anything we can do ourselves; and we are sometimes content to say, that if the Government does not do any harm, the nation will set itself right. This is the spirit in which we must all work on this continent; and I am quite sure that if that spirit of individualism, which prevails so largely in the mother country,-and which is a characteristic also of the people of this country,-is understood and fully carried out, our trade will naturally come to that particular level which is necessary to promote our welfare as a people. But, Sir, we occupy on this continent a peculiar position. We have the free trade country of Great Britain as the country with which we are connected; we have to the south of us a protectionist country; and we ourselves have deliberately adopted a policy, which I found after all

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## OF THE DOMINION BOARD OF TRADE.

was the policy that met with favor last night, namely, that our tariff should be graded according to the scale of our necessities. (Cheers.) I fear, Mr. Chairman, that I am trespassing too much upon your time. ("No, no," and "go on.") I am quite aware that in giving the toast of the Administration, it is given entirely irrespective of political or party views. I am glad to know that in this country, as in England, whatever administration is in power, it commands the support of every loyal man. (Cheers.) We all assume that the Government for the time being has in its care the interests of the country, and it is the duty of every loyal citizen to give it that support which he can, under our system of party government. We quite understand that no Government can be exempt from attack; nor is it desirable that it should be exempt. To be sure, the attack may be injudicious, it may be unjust; but these things are inseparable from a free expression of opinion. You have heard, Mr. Chairman, that you and I, and some other gentlemen in my Government, have had serious quarrels lately; and I dare say that you, as well as I, first heard of it through the newspapers. (Laughter.) That sort of thing we may expect; but our duty as an Administration is, to endeavor to promote the interests of the country—to do the greatest possible good to the greatest possible number. (Hear, hear.) I can only say, that when the commercial men of the country assemble here again a year henceas I trust they will do-I hope they will find that, in the interval, we have made some progress; that we have done something to develope the trade and resources of this great country. (Cheers). I am glad to know that at this moment the entire country, from the eastern coast of Cape Breton to the western coast of Vancouver Island, is heartily united in sentiment and feeling; and though there may be political differences, as there are and should be, yet throughout the whole Dominion there exists but one feeling, one earnest desire to build up a strong northern nation on this continent, to promote a strong national feeling that will make us proud to speak of Canada as our home (cheers). My friend, Mr. Howland, is, I believe, the reputed head of a party that, he says, is destined to kill all the old parties-the party of "Canada First." (Cheers and laughter.) Well, whatever Mr. Howland's view and whatever his prospects may be, we can all heartily appreciate the generous motto he has chosen of "Canada First." (Cheers.) I believe that every one of us will be glad to put Canada first-that is, first of all on this continent-always going hand in hand with the great mother country to which we are (Applause.) I will not, Mr. Chairman, say so much attached. anything further, but simply on behalf of the Administration, thank you very heartily-thank the gentlemen of the Board of Trade of Canada and of the United States, for having joined together to drink the health of the Administration. We receive it from our American friends as a compliment to the country; and we hope their advent here will prove another bond in that union which we trust in a commercial sense, will become stronger and stronger; and that they will depart with the conviction, from what they have seen of Canada, that the idea which some of our neighbors still I believe entertain, that if reciprocity is withheld we shall fall into their arms,

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is a delusion (hear, hear). We desire reciprocity simply because we desire freedom of trade between the two countries; but we have been able. during the nine or ten years that have elapsed since the Reciprocity Treaty was abrogated, to give an exhibit of our strength and power as a commercial people, which must have astonished the whole world (hear, hear). But I have no doubt that with freer relations with our neighbors we could still more develope our strength in that direction. Our trade and theirs, in a great measure, seeks the ocean; and it is of immense importance to us as a people that there should be a free route to the ocean—that we should " pass through their territory; and they pass through ours, without any restrictions that can possibly be avoided. This is what we desire, and it is what I am bound to say, from all I have heard of late, is the desire of a vast majority of the people of the northern States. I have no doubt that the practical discussions and the intercourse we have had with each other lately, will tend to develope that feeling, until it shall reach its fruition in the restoration of these relations which existed, I believe so beneficially to both countries, in former years. Again I thank you, gentlemen, on behalf of the Administration, for the toast of their health. (Loud applause)

Brief speeches were also made by Hon. Mr. Dorion, Minister of Justice; Hon Mr. Scott, Secretary of State; Hon. Mr. Letellier de St. Just, Minister of Agriculture; Hon. Mr. Smith, Minister of Marine and Fisheries; and Hon. Mr. Cartwright, Minister of Finance.

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## 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, St. John, N.B., Chamber of Commerce, and the following Constitution is adopted :—

#### ARTICLE I.

SECTION 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 wote, then connected with the body claiming representation, and which may present or may have a copy of its charter on file in this Board.

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#### 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 *viva 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, four (or more) Vice-Presidents, (that is to say, one from each of the Provinces represented at any annual meeting,) 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 last business in order at each annual meeting. 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 shall be located at the City of Montreal.

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.

SECTION 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. shall the P. deten bodie S the E Coun S tuent object S the da By-la

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#### ARTICLE VI.

SECTION 1.—The Annual General Meeting of the "DOMINION BOARD OF TRADE" shall be held on the third Tuesday in January of each year (or such other day as the President and Executive Council may determine), 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 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.

SECTION 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.

SECTION 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.

SECTION 1.—Any constituent body charged with 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.

SECTION 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

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<sup>\*</sup> At the First Annual Meeting of the Dominion Board of Trade, held in 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.

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.

SECTION 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 choose 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 meeeting, 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<sup>®</sup>President, Vice-President, or Chairman, shall preserve order, and shall decide all questions of order, subject to appeal to the Board.

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Rule VI.—The President, Vice-President, or Chairman, may vote with the other members on all questions,—and any question on which there is an 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 chosen 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.

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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. Absei Act i Addr Addr Affili Agen Agric Amei Amei Annt

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