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CORRESPONDENCE

BETWEEN THE

GOVERNOR-GENERAL OF CANADA AND THE SECRETARY
OF STATE FOR THE COLONIAL DEPARTMENT

UPON THE OPERATION OF THE
NAVIGATION LAWS.

Presented to both Houses of Parliament by Command of Her Majesty.

JULY, 1848.

LONDON:

PRINTED BY WILLIAM CLOWES AND SONS, STAMFORD STREET,
FOR HER MAJESTY'S STATIONERY OFFICE.

1848.

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CORRESPONDENCE

UPON THE

OPERATION OF THE NAVIGATION LAWS.

CANADA.

No. 1.

(No. 54.)

No. 1.

COPY of a DESPATCH from Governor-General the Right Hon. the Earl of
ELGIN AND KINCARDINE to Earl GREY.

Government House, Montreal, May 12, 1848.

(Received May 31, 1848.)

MY LORD,

THE Memorandum of my Executive Council on the subject of the Navigation Laws, as affecting the trade of the St. Lawrence, which I have the honour to enclose herewith, was this day placed in my hands. As the subject to which it relates is of much importance, I transmit it without delay, being fully assured that the statements which it contains will receive your Lordship's best consideration.

I have, &c.,

(Signed)

ELGIN AND KINCARDINE.

The Right Hon. the Earl Grey,
&c. &c. &c.

Enclosure in No. 1.

Encl. in No. 1.

To His Excellency the Right Honourable the Earl of ELGIN, Governor-General of
British North America, &c. &c.

MAY IT PLEASE YOUR EXCELLENCY,

THE Committee of the Executive Council feeling great anxiety on the subject of contemplated proposals for the amelioration of the Navigation Laws, as applicable to this colony, and also respecting the navigation of the St. Lawrence River, proposed to be thrown open to American vessels, both which subjects have received careful consideration of the Legislative Assembly, and on which a great unanimity of opinion appears to prevail in this colony, are desirous of expressing their views to your Excellency for the consideration of Her Majesty's Government.

So long as it was a part of the policy of the empire to give a preference to colonial products in the markets of the United Kingdom, the monopoly of the carrying-trade was with great consistency and justice given to British shipping. The advantage to the colonists in the British market, afforded by means of protecting duties, generally enabled them to overlook the disadvantage of having the markets of the United States closed to them by duties levied in that country in favour of native productions; of having all competition in the import and export carrying-trade excluded from their ports; of being forced to employ British ships, making a voyage from England without freight, in carrying the heavy exports of the country to market, the voyage to England, necessarily bearing the expense of the voyage to Canada; while foreign vessels which might have resorted to the ports of Canada, were excluded from taking the products of the country to the British market, and consequently had only the profits of one voyage to pay the expenses of two. The advantage and disadvantage of this system of protection and monopoly alternated according to circumstances, but on the whole, the colony, while her products were protected in the British market, did not complain of the monopoly in favour of British shipping, which seemed to be an essential point in the policy of the trade of the empire.

The country of Canada at all times laboured under a disadvantage, as compared with the more southern portions of America, in having her ports closed by the ice during a considerable part of the year. The shipping ports are also at a great distance from the open sea, and the navigation, after entering the Gulf of St. Lawrence, was liable to be tedious, and at the early and late periods of the season dangerous. Freights and insurances were thereby enhanced, and it was not always that the high protecting duties of the British Corn Laws placed Canadians on as favourable a footing as their American neighbours.

To counterbalance these natural disadvantages, the river St. Lawrence afforded a splendid inland navigation from the interior, superior to that by the Mississippi, because of the climate through which the articles of export had to pass, and superior to the long and comparatively narrow navigation of the Erie Canal, unavoidably tedious and expensive.

The enterprize and energies of the colony have been for a long time almost exclusively

* This Despatch has been already laid before the House of Commons, in answer to an Address, dated 1 June, 1848, Sessional Papers, House of Commons, No. 405, of 1848.

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directed to the important objects of improving the internal navigation of the St. Lawrence from Lake Erie to Quebec, so as to place it in a state of cheapness and efficiency which would make that route to a port of embarkation for a sea voyage advantageous beyond all comparison with the internal communications of the United States, and by that means to counterbalance the more difficult and expensive sea navigation. The Government and Legislature of the colony have also endeavoured to make the navigation below Quebec safe and easy by means of numerous lighthouses well and expensively kept up. These efforts, though beyond the means and resources of a small and new community, have been successful. The Welland Canal, between Lakes Erie and Ontario, has been put in full operation, though not quite completed, at an expense of nearly 1,500,000*l.* The works on the St. Lawrence between Kingston and Montreal, have likewise been opened, forming a series of magnificent canals, by means of which the rapids of the Great River are conquered at the expense of nearly 1,500,000*l.*, and thus steam-boats and vessels of great burden are enabled to pass up and down the river cheaply, safely, and rapidly. Sixty-five thousand pounds have been expended in an endeavour to deepen Lake St. Peter, between Montreal and Quebec, for the purpose of enabling the largest ships to proceed to the former port; and thus by a series of undertakings which would do honour to the enterprize and industry of a nation, it was hoped for the colony that she would have been enabled, not merely to rival, but to surpass the enterprising and active people of the neighbouring States, and to create amongst her inhabitants a corresponding degree of commercial greatness and prosperity.

This, in the view of the projectors of the public works in Canada, as well as in the opinion of men of the best judgment in the northern states of America, was far from being a question of merely theoretical rivalry. It was always considered questionable whether the import and export trade of Canada would in itself make the tolls arising from the canals sufficient to remunerate the public treasury for the great expenditure. But while it was manifestly essential to the agricultural and mercantile prosperity of the country that the means of access to the sea should be improved, it was supposed that the superiority of the line of communication would induce the passage of American trade down and up our canals so as make them remunerative and profitable.

This supposition has been realized in the case of the Welland Canal. Since the opening of that work, the Americans have been permitted the free navigation of the canal through the Canadian territory, and as that canal is a short communication between the two great lakes, admitting the passage of large vessels, and as it has the effect of substituting a hundred miles of lake navigation in these vessels for boat navigation on the Erie canal, the Welland is used extensively for the American trade, which instead of entering the American Erie canal at Buffalo, proceeds down Lake Ontario to Oswego, and there is transferred to the boat navigation of the Erie canal for transport to New York. Thus a large portion of the revenue from the Welland canal is paid by the American trade, arising from a free navigation of a part of the internal waters of Canada, and thus the western portion of Canada enjoys the inestimable benefit of a navigation supported to a great extent by foreign commerce.

The superiority of the Canadian over the American line of communication may be exemplified by the following rate of cost of transport from Cleveland in the State of Ohio on Lake Erie to New York, taking the cheapest line through the Canadian Welland Canal, and the rate of transport to Montreal from the same port on Lake Erie down the St. Lawrence.

The rate to New York being on each barrel of flour, in currency	s.	d.
To Montreal	4	6
	2	9
	<hr/>	
	1	9

This difference being in favour of the Canadian inland navigation over the American.

If the products of the western country of the United States could be transported to the sea more cheaply through Canada than through the American territory, there can be no question but the Canadian route would be preferred, and the Canadian canals would engross the carrying-trade of the north-western States of America. The possession of even a portion of this trade would place this country in a state of financial prosperity.

But if, on the other hand, the advantage of this perfect inland navigation is more than counterbalanced by the rate of freight from Quebec and Montreal, the people of Western Canada having no protection in the English market, by using the Canadian line of communication, will send their whole produce by way of New York, as well as import all foreign articles of consumption by the same route, and thus, not only will the vast expenditure upon the internal navigation of Canada be wasted, and the debt incurred thereby become a hopeless burden, but the trade of the commercial cities of Montreal and Quebec, which was rapidly rising into importance, must be completely ruined.

While the province enjoyed protection in the British market, this unhappy result could not have arrived, because the protection was generally sufficient to prevent the owners from divesting the Canadian produce of its British character, and it could not become available for the home market of America unless upon payment of heavy duty. Even with regard to American produce, the provision in the Corn Law which enabled American wheat and flour to enjoy the same protection as Canadian upon being exported through Canada, on payment of 3*s.* sterling per quarter duty in the province, was, at most times, a sufficient inducement for many Americans to make shipments to Montreal, as well as for Canadians to make

purchases in the United States; but the protection being now removed, the question is one of mere cheapness of transport, and, taking the average of the last four years, the cheapness of freights will be found very much in favour of New York over Montreal. The freight on a barrel of flour from New York and Montreal respectively to Liverpool in these years, may be stated as follows:—

	Montreal.		New York.	
	s.	d.	s.	d.
1844	4	6	1	8
1845	4	8	2	0
1846	5	1½	2	6½
1847	6	0	2	0
Average	5	1	2	1

Showing an advantage to New York of 3s. sterling per barrel, and if there be deducted from this the advantage which Canada enjoys in internal navigation, amounting to 1s. 6d. sterling, there will still remain in favour of New York 1s. 6d. on each barrel of flour, quite sufficient to turn the whole export trade into that channel.

As the United States now admit the transit of Canadian produce through their territory, the only disadvantage it encounters at New York is the necessity which arises under the Imperial Act 8 and 9 Vict., c. 88, s. 4, which would seem to forbid its being imported into England in foreign ships; but as freight in British from New York to England is no higher than the freight in American ships, this restriction would seem to have no appreciable influence on the question of transmission through Canada or the United States.

The consequence of this state of circumstances is no longer a matter of apprehension; its reality is severely felt in Montreal and the eastern portions of Canada. For some time past the import trade of Western Canada, which by means of protecting duties in favour of British ships and British goods, was forced to come by the St. Lawrence, has been changing its direction, and Montreal, which supplied the whole western country, is being deserted by the western merchants. The new Customs Law of the Province, while it equalizes duties, and thus enables the consumer to purchase in the cheapest market, vastly increases the evil to the former importing cities, and a very large proportion of the export trade of Canada has this year taken the direction of New York. Hence arises the present suffering, and a feeling of serious apprehension for the future, lest the great public works of the St. Lawrence should be unused and unprofitable, and the commercial connexion which existed for so many years between Western and Eastern Canada should be altogether cut off.

The people of Canada are not inclined, by a system of protection, to force their own trade in any particular channel; following the example of the mother country, they have been compelled, in a great measure, to adopt the maxims of free trade, which have lately prevailed in England. As regards the carrying-trade of the North-western American States, the Canadians can have no means of obtaining its passage through their territory, but by superior advantages in the way of cheapness of transit. They have done everything for this purpose which great enterprize and expenditure could do. They have succeeded, so far as their means could succeed, and they possess now a line of communication more rapid and more cheap from the interior to the sea-port, than any existing in the United States. The whole question then is confined to the comparative advantages of shipment from Quebec or Montreal, or New York. If these ports can be nearly equalized in respect to freights to England, Canada will have succeeded; if the disparity continues as it now exists, all the efforts of Canada will have been unavailing.

It is represented that the high rate of freight between Montreal and the United Kingdom is owing to the limited number of ships employed in the import trade of Canada. In the spring and in the latter end of the summer, the ships composing what are called the spring and fall fleets arrive; these are good ships, and so long as they are in port wanting freight the rate is comparatively moderate; but in the interval, being the middle of summer, when most of the western produce arrives for shipment, an inferior class of ships only offer, which not only deliver their cargoes in bad condition, but charge exorbitant freights, according to the quantity of produce for shipment. The rate of freight is represented to have fluctuated in Montreal in the same season, between 3s. 6d. and 7s. 6d. per barrel; and it is said also, that the higher rate, that is to say, from 6s. to 7s. 6d. per barrel, has been paid in Montreal, at the same time that freight has been offered to be borne by foreign ships at New York as low as from 1s. to 1s. 6d. per barrel; at this time, an offer of 1s. 6d. per barrel extra would have brought any number of ships round from the American sea-ports, but the Navigation Laws interposed to the ruin of the owners of the produce. This fluctuation and extravagant rate of freight, and the employment of inferior vessels, could not have occurred were the Canadian merchant able to look for ships amongst those in the American ports seeking freight to Europe; the latter having made their outward profitable voyage could afford to carry Canadian produce at a lower rate than ships which came out in ballast, and there would be no opportunity of exacting extortionate freights from the shipper, who now is without remedy.

During the temporary suspension of the Navigation Laws last year, 22 ships arrived from Bremen, at the port of Montreal, loaded with emigrants intended for the United States, who chose the route through Canada for its greater facility and cheapness. These ships were enabled to take cargoes for the United Kingdom; and were the same facilities continued,

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there can be no doubt but the great German emigration to the United States would be directed through Canada. The number of passengers from Bremen to New York last year was 67,142. If 200 ships employed in the same trade were to come to the Canadian ports, it is easy to see what an effect their coming would have upon the rate of freights to England. This is but one instance of many which might be expected, were foreign vessels permitted to resort to the Canadian ports. The ships are admirably adapted to the carriage of wheat and flour, and the competition produced by their presence would not only tend to equalize the freights from Canada to those from the United States, but the ships would deliver their cargoes in good condition, and the shippers would avoid the damages occasioned by the use of inferior vessels, which are thought not to be over estimated at five per cent. in the average on shipments of produce from Canada.

The American merchants of the West are no doubt anxious to avail themselves of the facilities afforded by the River St. Lawrence. Were their vessels permitted to come down to Montreal and Quebec, there to meet American or foreign ships to take their freight to Europe or elsewhere, it is thought that a most extensive and profitable commerce through Canada would immediately follow. The American vessels now confined to the navigation of the lakes and upper part of the river, would then be enabled to come to a port of embarkation for sea, without transshipment of cargo. It is confidently anticipated that a great portion of the importations for the North-western portion of the United States would take place through the same channel; and thus, instead of the lower ports of Canada being deserted, they would at once assume the position, as commercial depôts, to which their location upon the great river outlet of Northern America seems to entitle them. The great works of the St. Lawrence, instead of being idle and unproductive, through the means of protective regulations which produce no benefit in any quarter, would then become a means of enriching a country which the expense of their construction has now exhausted.

Connected with this subject of the free navigation of the St. Lawrence west of Quebec, which the Americans are desirous to procure, is a corresponding desire on the part of the Canadian farmers to avail themselves of the American home market, whenever it affords superior prices to those derived from exportation to Europe. The price of wheat and flour in the Eastern States intended for home consumption, is often much higher than the price in Canada for exportation; when this happens to be the case, it would be an immense advantage to the Canadian agriculturist, could he export his produce for consumption in the United States. This, however, he is prevented from doing, by a protecting duty of a quarter of a dollar a bushel upon wheat. Efforts have been made in the United States to abolish this duty, but the advocates of its abolition have been defeated by the cry for protection on the part of American farmers, and met also by a difficulty as to the "most favoured nation clause," in treaties with foreign powers, which might make a relaxation in favour of Canada, require a like favour to all nations with whom such treaties existed. It is thought, that if the free navigation of the St. Lawrence were offered to the American Government, in return for the abolition of the protecting duty, the one measure to be co-existent with the other, the American Legislature, upon that consideration, would be induced to abolish the protective duty; while the abolishment being a matter of reciprocal treaty, all difficulty arising from the arrangement as to the commercial relations of the United States with foreign countries might be avoided. Thus, two objects in which Canada is deeply interested, might be obtained at once, through the interest which Americans feel in one; and there is reason to believe that this is not a mere supposition, but that it has been the opinion of leading men in the United States, who are the advocates of free trade principles, and who think that popular objections to the admission of Canadian wheat on the same terms that American wheat is admitted into England, would be obviated by permitting to American vessels the free navigation of the River St. Lawrence above Quebec. The present advisers of your Excellency in the government of this colony, have in their places in the Provincial Parliament, and amongst their fellow-subjects generally, expressed the views above set forth. The Legislature has been almost unanimous in entertaining them; and the steps supposed to be in contemplation by Her Majesty's Government relating to trade and navigation in Canada, are expected with great hope of important beneficial results by Her Majesty's Canadian subjects; seeing that Her Majesty's Government propose to introduce changes in the law, which perhaps may be already considered and settled by Her Majesty's Ministers, it may be thought unnecessary and superfluous for the present Executive Council to make any further representation. The memorandum drawn up by the Inspector-General with the approval of his colleagues, and transmitted by your Excellency, has shown to Her Majesty's Government that the present Executive Council concur in the opinions expressed by the Legislature; and this representation is made to your Excellency more with the view of obviating any possible objections arising from the absence of such a document than in the notion that at this time the measures in progress can for the present occasion be materially modified by renewed importunity on the part of the colony. It is not improbable, however, that in the progress of any measures proposed by Her Majesty's Government, opposition will be made by those who think themselves interested in preserving the remnant of protection afforded by the Navigation Laws; and it may be satisfactory to the Government to have the assurance that this protection is merely nominal for any beneficial purpose, and to know that to Canada its effects is found already to be practically and extensively mischievous. If the trade is to continue to be drawn from Canadian waters to the canals and ports of the United States, British shipowners will have to compete with foreigners in the ports of that country; if they can do this successfully there, they can do so in the Canadian ports; if not, it is evident that under present circumstances the trade of Canada cannot afford to maintain a monopoly produced by law; and if the supposed protection is only to operate to the desertion

of the cities and sea-ports of this country, without serving the interests of the shipowners of England, it is hoped that the useless restrictions, so irreconcilable with the withdrawal of protective duties in favour of Canadian produce, will be at once removed.

That a great portion of the exportable produce of Western Canada, probably by far the greater part, is at this moment on its way to the ports of the United States; that little is expected in Montreal; that the canals constructed on the St. Lawrence are almost idle; that the importing ships coming to Montreal this season are without their usual full freights; that the principal importations into Western Canada are now through the United States; that the trade of the city of Montreal is, in consequence, rapidly decreasing, notwithstanding a rapid increase in the consumption and importation into Canada of the articles formerly imported altogether through that port; and that the opening of the Canadian sea-ports to the vessels of all nations, permitting the produce of the colony to be sent to the United Kingdom in these vessels without distinction, and the permitting the use of the River St. Lawrence above Quebec to Americans, would probably not only restore trade to its original channel, but cause an increase in the commerce and revenues of Canada beyond former precedent,—are facts which the Executive Council of Canada wish to present to the consideration of Her Majesty's Ministers, in the hope of strengthening their hands in bringing about the expected changes. The Committee of Council beg to be understood as not recommending to Her Majesty's Government, changes in the law relating to the navigation of the River St. Lawrence above Quebec, which would give any right to foreigners to the use of the waters of Canada, but rather that Her Majesty's Government may obtain from Parliament the power of negotiating from time to time on the subject, and of making the use of the navigation a matter of treaty and regulation; preserving the sovereignty of the territory and the power to resume its exclusive use at the conclusion of any agreement, and the power of putting an end to any agreement on the subject, upon convenient notice perfectly unimpaired.

The Committee, in coming to these conclusions on the present comparison of advantages between the means of transit from the interior of this continent to Europe, have not thought it necessary to prepare more elaborate statistical details. The average rates of transport and freight have been furnished by Mr. William Bristow, a merchant of this city, a gentleman of great intelligence, and well acquainted with the subject; his views may be said to represent fairly those of the mercantile body of Canada generally. The Committee have endeavoured in this Minute to embody the opinions entertained in this country, in which they concur, in the confidence that Her Majesty's Government only desire to know what is for the benefit of the colony, as a sufficient ground for any reasonable concession which may be claimed by Her Majesty's subjects here; a confidence which it is their dutiful endeavour to preserve as widely prevailing throughout America as Her Majesty's dominion happily extends.

Your Excellency will perceive, that in mentioning the export trade of Canada, the Committee have not included the timber exportation, as that trade, though extensive, is neither materially affected, nor does it materially influence the commerce thought to depend upon the proposed ameliorations; under any circumstances, the Committee suppose the great export of timber from Quebec will probably be carried on in British ships specially employed in that branch of trade. In the way of furnishing ships, which would produce competition in freights outward from Canada, the timber trade has hitherto only provided upon emergency vessels not employed in the import trade, and not fit for any export but that of timber, and this often at exorbitant rates, consequent upon change of purpose in their voyages, these voyages being, from the character of the ships, in almost all cases single; that is to say, the vessels coming out in ballast, and bearing the whole expense of the outward voyage upon the freight to the ports in the United Kingdom which these ships are intended to supply with Canadian timber.

(Signed) J. LESLIE, P.C.

MEMORANDUM.

THE Inspector-General respectfully submits to the Governor-General, that it is advisable that his Excellency should communicate with Her Majesty's Government on the subject of reciprocal free trade between Canada and the United States of America. The Imperial Parliament has adopted the principle of free trade in corn and other products of the soil; the effect of this policy will be, that in future the manufacturing districts in the Eastern States of the American Union will frequently be the best market for the agricultural products of Canada. It cannot be desired by any friend to British connexion, that the Canadian people should find themselves excluded from the best market for their products by the operation of high if not prohibitory duties. There is good reason to believe that some influential American statesmen are strongly in favour of admitting the products of the Canadian soil free of duty, provided the Provincial Legislature is prepared to admit the products of the United States on the same terms. In Canada, public opinion is decidedly in favour of the adoption of such a policy, but as no diplomatic relations exist between the two countries, it is necessary that the negotiations for carrying it into effect should be conducted by Her Majesty's Imperial Government. As no injury can be inflicted on British interests by such an arrangement, it may be hoped that Her Majesty's Government will endeavour to carry out the wishes of the entire Canadian population; and as an equally strong opinion is entertained, that for the interests of Canada, and with a view of preserving the trade by the St. Lawrence, it is necessary that the navigation of that river should be thrown open to all nations; and as such a policy would be not less advantageous to the United States than to Canada, it seems highly probable that a most advantageous commercial treaty could be effected between the two countries. The basis of

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such a treaty should be the free navigation of the St. Lawrence, and the reciprocal free admission of all articles of food into Canada and the United States. The importance of giving immediate attention to this subject cannot be over-estimated. The Canadian Legislature confidently expects that the Administration will be able to show, at the next session, that no exertions have been spared on their part to effect an object so much desired by the people. Should Her Majesty's Government see fit to empower the Minister at Washington to open negotiations with a view of giving effect to the measures herein recommended, it is most respectfully suggested, that the Minister might be empowered to communicate freely with the Governor-General of Canada on the subject, which is the more necessary, as the consent of the Canadian Parliament to any measures determined on would be required.

The Inspector-General would respectfully state, in conclusion, that great dissatisfaction will be felt in Canada, unless the Administration is prepared to show, at the next session of the Provincial Parliament, that it has used its best endeavours to obtain the concurrence of the Imperial Government and of the United States, to measures which are universally desired by the Canadian people.

(No. 71.)

No. 2.

No. 2.

COPY of a DESPATCH from Governor-General the Right Hon. the Earl of
ELGIN AND KINCARDINE to Earl GREY.

MY LORD,

Montreal, May 31, 1848.

(Received June 22, 1848.)

I HAVE the honour to transmit herewith a Memorial from the Board of Trade to the Queen, on the subject of the Navigation Laws, for the purpose of being laid at the foot of the Throne; and similar Memorials addressed to the two Houses of the Imperial Parliament, which I request your Lordship will take the necessary steps to have presented. I also enclose a copy of the letter from the Secretary of the Board of Trade, requesting me to forward these Memorials, and of the reply which I directed to be made thereto.

May 29.

I have, &c.,

(Signed)

ELGIN AND KINCARDINE.

To the Right Hon. Earl Grey,
&c. &c. &c.

Encl. in No. 2.

Enclosure in No. 2.

SIR,

Office of the Board of Trade,
Montreal, May 29, 1848.

I HAVE the honour to enclose you Memorials from the Montreal Board of Trade to the three Branches of the Imperial Legislature on the subject of the Navigation Laws; and I am to request you will be so good as to submit them to his Excellency the Governor-General, with the prayer of the Board, that he will be pleased to forward the same by next packet to the Colonial Secretary, for presentation to Her Majesty the Queen, and the two Houses of Parliament.

I have, &c.,

The Hon. R. B. Sullivan,
Provincial Secretary.

(Signed) F. A. WILLSON, Secretary.

TO HER MOST GRACIOUS MAJESTY THE QUEEN.

The Memorial of the Montreal Board of Trade.

HUMBLY SHEWETH,

THAT the British Navigation Laws, and the laws affecting the navigation of the St. Lawrence, are, under the system of free trade adopted by the Imperial Government, felt to be peculiarly burdensome and detrimental to the interests of this colony.

That, during the continuance of the former colonial system, when the products of Canada were largely protected in the markets of Great Britain, the privileges conceded by the Navigation Laws to the shipping interest were not made a subject of complaint by the colonists; but now that the Imperial Government seem to regard the former colonial system as detrimental to the general interests of the empire, and to have resolved on a course of commercial policy whereby a very small measure of protection is left to the colony, justice would seem to require that the restrictions imposed by these laws should at once be removed.

That the general effect of these laws has undoubtedly been to enhance the cost of freight on the imports and exports of Canada, to fetter the inter-colonial and foreign trade, and to restrain the traffic on the St. Lawrence, disadvantages, however, which were fully compensated under the former fostering commercial policy of England.

That, in consequence of the change in that policy, the longer duration of these laws will jeopardize the trade of the St. Lawrence, and render it very doubtful whether that river will

continue to be the great highway for the commerce of Canada; and, should this apprehension be realized, it is manifest to your memorialists that a commercial union of the most intimate character will be produced between the United States and this colony, the inevitable result of which would be to dissolve the ties which connect her with the mother country, a consummation your memorialists would deeply deplore.

That the apprehension of the diversion of the trade from the St. Lawrence is not based on vague and unsubstantial grounds will abundantly appear from the following considerations:— For a considerable time past New York has gradually been attracting Canadian commerce. The favourable position of that city as a shipping port, and the comparatively low rates of freight and insurance which there prevail on shipments to England, give her a great advantage over the ports of the St. Lawrence; and should the bill now before Congress become law, which provides for the repeal of the duties on Canadian produce, it can hardly be doubted, that unless the most decisive measures be taken to render the St. Lawrence route the cheaper and the more desirable of the two, the great bulk of the exports of Canada will find their way, *via* Oswego and Buffalo, to New York for shipment to Great Britain. On the other hand, the removal of the Canadian differential duties, or, in other words, the equalization of duties on goods, whether imported by sea or across the frontier, from the United States, consequent on the change in the commercial policy of England, has had the effect of driving the Canadian merchant to New York for his purchases of commodities, instead of to Montreal, whither it has been his practice heretofore to resort, this effect being accelerated and increased by the judicious legislation of the American Congress, which is leaving no stone unturned to attract and secure so rich a prize as the commerce of Canada.

That, on these and other grounds, your memorialists have no hesitation in expressing it as their decided conviction, that unless the protective system be again resorted to, or some other remedial measures be devised, New York must inevitably become the great emporium for Canadian business, and, as an inevitable consequence, that the traffic of the St. Lawrence will be to a great extent destroyed.

That amongst the most prominent of these remedial measures would appear to your memorialists to be the throwing open the St. Lawrence to the flags of all nations, and the repealing of those sections of the British Navigation Act which apply to the British possessions.

That a salutary competition would be thereby insured on its waters; sea-going freights would be reduced to the level of such freights at New York, making allowance for the difference of cost of the voyage; the expense of inland navigation would be cheapened, and the citizens of the United States would be induced to make the St. Lawrence the outlet for their produce, thereby conferring on Canada the benefit of a transit trade of great and growing importance.

That in the present position of affairs in this colony, the repeal of the Navigation Laws, so far as they affect Canada, could scarcely prove an injury to the British ship-owner; for, if the result of these laws be to concentrate the import and export trade of Canada in New York (and that this will be the result your memorialists do not entertain the slightest doubt), it is obvious the question simply amounts to this—Will the British shipowner allow the foreigner to compete with him in the St. Lawrence, or will he compel himself to compete with the foreigner in the ports of the United States?

That in the opinion of your memorialists, the objection which has been urged against the repeal of the laws in question, on political grounds, is not entitled to greater weight. Nothing will so soon predispose the people of Canada to sympathise with their American neighbours, as that identity of interests which the present intimate trading relations springing up betwixt the two countries are so fitting to promote; and nothing, on the contrary, will contribute so much to maintain the loyalty and attachment of the people to the Parent State, as the preservation of their old channels of commerce, and direct intercourse with her markets by the waters of the St. Lawrence.

That the grounds, therefore, on which your memorialists more particularly rest the prayer of this memorial, are as follows:—

1stly. That as Canada now enjoys but a remnant of protection in England, she should be released from any restrictions for the benefit of the British shipowner.

2ndly. That without the free navigation of the St. Lawrence, and a repeal of the Navigation Laws, so far as the British colonies are concerned, there is reason to apprehend that New York will become the great emporium of the trade of Canada, and that thus, a community of interests, commercial and political, will be created with the United States.

3rdly. That in such an event the repeal of those laws cannot materially injure the British shipowner, the question simply being, whether competition for the trade shall take place in the harbours of the United States, or in the river St. Lawrence.

Lastly. That the repeal of these laws will have the tendency to perpetuate and not to destroy the relations that exist betwixt Canada and the mother country.

Wherefore your Memorialists humbly pray Your Majesty will be graciously pleased to take the subject into Your Majesty's serious consideration, and to grant such relief in the premises as in your wisdom may seem meet.

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

I have, &c.,

PETER MCGILL,

Frederick A. Willson, Secretary,

President of the Montreal Board of Trade.

Montreal, May 26, 1848.

CANADA.

To the Honourable the KNIGHTS, CITIZENS, and BURGESSES of GREAT BRITAIN and IRELAND,
in Parliament assembled :

The Memorial of the Montreal Board of Trade.

HUMBLY SHEWETH,

THAT the British Navigation Laws, and the laws affecting the navigation of the St. Lawrence are, under the system of free trade adopted by the Imperial Government, felt to be peculiarly burdensome and detrimental to the interests of this colony.

That during the continuance of the former colonial system, when the products of Canada were largely protected in the markets of Great Britain, the privileges conceded by the Navigation Laws to the shipping interest were not made a subject of complaint by the colonists, but now that the Imperial Government seem to regard the former colonial system as detrimental to the general interests of the empire, and to have resolved on a course of commercial policy whereby a very small measure of protection is left to the colony, justice would seem to require that the restrictions imposed by those laws should at once be removed.

That the general effect of those laws has undoubtedly been to enhance the cost of freight on the imports and exports of Canada, to fetter the inter-colonial and foreign trade, and to restrain the traffic on the St. Lawrence, disadvantages, however, which were fully compensated under the former fostering commercial policy of England.

That in consequence of the change in that policy, the longer duration of these laws will jeopardize the trade of the St. Lawrence, and render it very doubtful whether that river will continue to be the great highway for the commerce of Canada; and should this apprehension be realized, it is manifest to your memorialists that a commercial union of a most intimate character will be produced between the United States and this colony, the inevitable result of which would be to dissolve the ties which connect her with the mother country, a consummation your memorialists would deeply deplore.

That this apprehension of the diversion of the trade from the St. Lawrence is not based on vague and unsubstantial grounds, will abundantly appear from the following considerations. For a considerable time past New York has gradually been attracting Canadian commerce. The favourable position of that city as a shipping port, and the comparatively low freights and rates of insurance which there prevail on shipments to England, give her a great advantage over the ports of the St. Lawrence; and should the Bill now before Congress become law which provides for the repeal of the duties on Canadian produce, it can hardly be doubted, that unless the most decisive measures are taken to render the St. Lawrence route the cheaper, and more desirable of the two, the great bulk of the exports of Canada will find their way *via* Oswego and Buffalo to New York, for shipment to England. On the other hand, the removal of the Canadian differential duties, or in other words, the equalization of duties on goods whether imported by sea or across the frontier, from the United States, consequent upon the change in the commercial policy of Great Britain, has had the effect of driving the Canadian merchant to New York for his purchases of commodities instead of to Montreal, whither it has been his practice heretofore to resort, this effect being accelerated and increased by the judicious legislation of the American Congress, which is leaving no stone unturned to attract and secure so rich a prize as the commerce of Canada.

That on these and other grounds your memorialists have no hesitation in expressing it as their decided conviction that unless the protective system be again resorted to, or some other remedial measures be devised, New York must inevitably become the great emporium for Canadian business, and as a certain consequence that the traffic of the St. Lawrence will be to a great extent destroyed.

That amongst the most prominent of these remedial measures would appear to your memorialists to be the throwing open the St. Lawrence to the flags of all nations, and the repealing of those sections of the British Navigation Act which apply to the British possessions.

That a salutary competition would be thereby insured on its waters, sea-going freights would be reduced to the level of such freights at New York, making allowance for the difference of cost of the voyage, the expense of inland navigation would be cheapened, and the citizens of the United States would be induced to make the St. Lawrence the outlet for their produce, thereby conferring on Canada the benefit of a transit trade of great and growing importance.

That in the present position of affairs in this colony, the repeal of the navigation laws so far as they affect this colony, could scarcely prove injurious to the British ship-owner; for, if the result of these laws be to concentrate the import and export trade of Canada in New York, (and that this will be the result your memorialists do not entertain the slightest doubt,) it is obvious the question simply amounts to this—Will the British ship-owner allow the foreigner to compete with him in the St. Lawrence, or will he compel himself to compete with the foreigner in the ports of the United States?

That in the opinion of your memorialists the objection which has been urged against the repeal of the laws in question on political grounds, is not entitled to greater weight. Nothing will so soon predispose the people of Canada to sympathize with their American neighbours, as that identity of interests which the present intimate trading relations springing up betwixt the two countries are so fitting to promote; and nothing on the contrary will contribute so much to maintain the loyalty and attachment of the people to the parent state as the preservation of their old channels of commerce, and direct intercourse with her markets by the waters of the St. Lawrence.

That the grounds therefore on which your memorialists particularly rest the prayer of this memorial are as follows:—

1stly, That as Canada now enjoys but a remnant of protection in England, she should be released from any restrictions for the benefit of the British ship-owner.

2ndly, That without the free navigation of the St. Lawrence, and a repeal of the navigation laws, so far as the British colonies are concerned, there is reason to apprehend that New York will become the great emporium of the trade of Canada, and that thus a unity of interests, commercial and political, will be created with the United States.

3rdly, That in such an event, the repeal of those laws cannot materially injure the British ship-owner; the question simply being whether the competition for the trade shall take place in the harbours of the United States or in the river St. Lawrence.

Lastly, that the repeal of these laws will have a tendency to perpetuate, and not to destroy the relations that exist betwixt Canada and the mother country.

Wherefore your memorialists humbly pray, that your Honourable House will be pleased to take the subject into your favourable consideration, and to grant such relief in the premises as in your wisdom may seem meet.

And your memorialists as in duty bound will ever pray.

PETER MCGILL, President of the Montreal Board of Trade.

Frederick A. Willson, Secretary,
Montreal, 26th May, 1848.

To the Honourable The LORDS SPIRITUAL and TEMPORAL of GREAT BRITAIN and IRELAND,
in Parliament assembled.

The Memorial of the Montreal Board of Trade,

HUMBLY SHEWETH,

THAT the British Navigation Laws, and the laws affecting the navigation of the St. Lawrence are, under the system of free trade adopted by the Imperial Government, felt to be peculiarly burdensome and detrimental to the interests of this Colony.

That during the continuance of the former colonial system, when the products of Canada were largely protected in the markets of Great Britain, the privileges conceded by the navigation laws to the shipping interest were not made a subject of complaint by the colonists, but now that the Imperial Government seem to regard the former colonial system as detrimental to the general interests of the empire, and to have resolved on a course of commercial policy whereby a very small measure of protection is left to the colony, justice would seem to require that the restrictions imposed by these laws should at once be removed.

That the general effect of these laws has undoubtedly been to enhance the cost of freight on the imports and exports of Canada; to fetter the intercolonial and foreign trade; and to restrain the traffic on the St. Lawrence—disadvantages, however, which were fully compensated under the former fostering commercial policy of England.

That in consequence of the change in that policy the longer duration of these laws will jeopardize the trade of the St. Lawrence, and render it very doubtful whether that river will continue to be the great highway for the commerce of Canada; and, should this apprehension be realized, it is manifest to your memorialists that a commercial union of a most intimate character will be produced between the United States and this colony, the inevitable result of which would be to dissolve the ties which connect her with the mother country, a consummation your memorialists would deeply deplore.

That this apprehension of the diversion of the trade from the St. Lawrence is not based on vague and unsubstantial grounds will abundantly appear from the following considerations:—For a considerable time past New York has been gradually attracting Canadian commerce. The favourable position of that city as a shipping port, and the comparatively low rates of freights and insurance which there prevail on shipments to England, give her a great advantage over the ports of the St. Lawrence; and should the Bill now before Congress become law, which provides for the repeal of the duties on Canadian produce, it can hardly be doubted that unless the most decisive measures be taken to render the St. Lawrence route the cheaper and more desirable of the two, the great bulk of the exports of Canada will find their way *via* Oswego and Buffalo, to New York, for shipment to Great Britain; on the other hand, the removal of the Canadian differential duties, or, in other words, the equalization of duties on goods, whether imported by sea, or across the frontier from the United States, consequent on the change in the commercial policy of England, has had the effect of driving the Canadian merchant to New York for his purchases of commodities, instead of to Montreal, whither it has been his practice heretofore to resort; this effect being accelerated and increased by the judicious legislation of the American Congress, which is leaving no stone unturned to attract and secure so rich a prize as the commerce of Canada.

That on these, and other grounds, your memorialists have no hesitation in expressing it as their decided conviction that unless the protective system be again resorted to, or some other remedial measures be devised, New York must inevitably become the great emporium of Canadian business, and as a certain consequence that the traffic of the St. Lawrence will be, to a great extent, destroyed.

That amongst the most prominent of these remedial measures would appear to your memorialists to be, the throwing open the St. Lawrence to the flags of all nations, and the repealing of those sections of the British Navigation Act which apply to the British possessions.

That a salutary competition would be thereby insured on its waters; sea-going freights would be reduced to the level of such freights at New York, making allowance for the differ-

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ence of cost in the voyage; the expense of inland navigation would be cheapened, and the citizens of the United States would be induced to make the St. Lawrence the outlet for their produce, thereby conferring on Canada the benefit of a transit trade of great and growing importance.

That in the present position of affairs in this colony, the repeal of the Navigation Laws, so far as they affect Canada, could scarcely prove injurious to the British shipowner; for if the result of these laws be to concentrate the imports and exports of Canada in New York (and that this will be the result your memorialists do not entertain the slightest doubt), it is obvious the question simply amounts to this,—Will the British shipowner allow the foreigner to compete with him in the St. Lawrence, or will he compel himself to compete with the foreigner in the ports of the United States.

That in the opinion of your memorialists, the objection which has been urged against the repeal of the laws in question on political grounds, is not entitled to greater weight. Nothing will so soon predispose the people of Canada to sympathise with their American neighbours as that identity of interests which the present intimate trading relations springing up betwixt the two countries are so fitting to promote; and nothing on the contrary will contribute to maintain the loyalty and attachment of the people to the Parent State, as the preservation of their old channels of commerce, and direct intercourse with her markets by the waters of the St. Lawrence.

That the grounds, therefore, on which your memorialists more particularly rest the prayer of their memorial are as follow:—

1stly. That as Canada now enjoys but a remnant of protection in England, she should be released from any restrictions for the benefit of the British shipowner.

2ndly. That without the free navigation of the St. Lawrence, and a repeal of the British Navigation Laws so far as the British Colonies are concerned, there is reason to apprehend that New York will become the great emporium of the trade of Canada, and that thus a unity of interests, commercial and political, will be created with the United States.

3rdly. That in such an event, the repeal of those laws cannot materially injure the British shipowner, the question simply being, whether competition for the trade shall take place in the harbours of the United States or in the River St. Lawrence.

Lastly. That the repeal of these laws will have the tendency to perpetuate, and not to destroy, the relations that exist betwixt Canada and the mother country.

Wherefore your memorialists humbly pray that your Honourable House will be pleased to take the subject into your serious consideration, and to grant such relief in the premises as in your wisdom may seem meet.

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

PETER MCGILL,

President of the Montreal Board of Trade.

Frederick A. Willson, Secretary, Montreal,
26th May, 1848.

SIR,

Secretary's Office, Montreal, 29th May, 1848.

I HAVE the honour to acknowledge the receipt of your letter of this day, enclosing memorials from the Board of Trade of Montreal, addressed to Her Most Gracious Majesty the Queen, and the two Houses of the Imperial Parliament respectively, on the subject of the Navigation Laws and of the free navigation of the River St. Lawrence, which, on the part of the Board of Trade, you request may be transmitted to Her Majesty's Secretary of State for the Colonies, to be laid before Her Majesty and Lords and Commons of the United Kingdom.

Immediately on the receipt of your communication, I had the honour to lay the same, with its enclosures, before the Governor-General, and I am commanded to inform you, that the memorials of the Board shall be forthwith forwarded to her Majesty's Colonial Secretary.

I am further commanded to state, for the information of the Board of Trade, that the subject of these memorials has for some time engaged the attention of his Excellency, and that his Excellency has communicated the views of this Government to Her Majesty's Colonial Secretary. The opinions expressed in these communications, as to the expediency of relieving this country from any restrictions imposed upon its commerce, are strengthened by the representations of the Board of Trade; and his Excellency entertains strong hopes that the liberal and generous policy of the Imperial Government towards this colony will be further exemplified in the measures which his Excellency believes are under consideration in England.

His Excellency commands me to say, that feeling very strongly that he has not used mere words of form or compliment, in attributing liberality and generosity to the policy of the empire towards this province, he observes with regret an expression in the memorials which the Board of Trade has requested him to forward, to the effect, that should the River St. Lawrence not continue to be the great highway for the commerce of Canada, a commercial union of the most intimate character will be produced between the United States of America and this colony, the inevitable result of which would be to dissolve the ties which connect the latter with the mother country.

That this expression should be used at a time when the only remaining protection existing in England is afforded to Canadian trade, and after so many demonstrations of the disinterested desire, on the part of the Imperial Government, to make the connexion of Canada with the empire beneficial to the colony, is a ground of surprise and disappointment to his Excellency. If the observations of the Board were correct, there could have been no necessity for making it

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a prominent argument with a Government only desirous to benefit the province by the connexion which is apparently threatened; and, if it be not correct to assert that the allegiance and attachment of Her Majesty's faithful and loyal subjects of Canada depends upon the successful competition of one route of commerce with another, it is peculiarly unfortunate that, in forwarding to the Imperial Government memorials, recommending measures in which his Excellency takes at least as lively an interest as the memorialists, he should be forced, in justice to the Canadian subjects of Her Majesty, to express his dissent from a proposition contained in the Memorials, in which he cannot believe the people of Canada could, under any circumstances, be induced to concur.

F. A. Willson, Esq., Secretary Montreal Board of Trade, I have, &c.,
&c. &c. &c. (Signed) R. B. SULLIVAN.

No. 3.

No. 3.

COPY of a DESPATCH from Earl GREY to the Right Hon. the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing-street, July 3, 1848.

I HAVE received your Lordship's Despatch of the 31st May, No. 71, transmitting a memorial from the Board of Trade at Montreal to the Queen, on the subject of the Navigation Laws, and similar memorials from the same body to the two Houses of the Imperial Parliament. I have also received copies of the correspondence between your Lordship and the Secretary to the Board of Trade, on the occasion of those memorials being forwarded to you.

Having laid before the Queen the memorial addressed to her, I have to direct your Lordship to inform the memorialists, that Her Majesty has been pleased to receive the same very graciously. Your Lordship will further inform the Board of Trade, that it is contrary to the usage of the Houses of Parliament in this country, to receive documents addressed to them as "memorials;" and that I have, therefore, been prevented taking the necessary measures for communicating the original memorials to the respective Houses, in the formal manner desired by the Board of Trade. Copies of them will, however, be included in the papers on this subject, which are on the point of being presented to both Houses of Parliament, by the command of Her Majesty.

I have perused with much satisfaction, the answer which your Lordship directed to be returned to the letter of the Secretary to the Montreal Board of Trade, and highly approve the observations which you thought proper to make on that occasion.

The Earl of Elgin and Kilmcardine, I have, &c.,
&c. &c. &c. (Signed) GREY.

(No. 77.)

No. 4.

No. 4.

COPY of a DESPATCH from Governor-General the Right Honourable the Earl of ELGIN AND KINCARDINE to Earl GREY.

Government House, Montreal,
June 13, 1848.

MY LORD,

(Received July 6, 1848.)

I HAVE the honour to transmit herewith, for presentation to Her Majesty, a petition to the Queen from the Board of Trade of the city of Quebec, praying for the removal of all restrictions which the Navigation Laws impose on the free navigation of the River St. Lawrence, and on the free carriage of goods by sea to and from the United Kingdom and its possessions abroad, and Canada.

The declaration which this petition contains, that the petitioners firmly believe that the merchants, shipowners, and ship-builders of Canada have no cause to fear the competition of foreigners on fair and equal terms, in either external or internal navigation, is highly important, and will not fail, emanating from such a quarter, to be appreciated by your Lordship.

The Right Hon. Earl Grey, I have, &c.,
&c. &c. &c. (Signed) ELGIN AND KINCARDINE.

CANADA.

Encl. in No. 4.

Enclosure in No. 4.

TO THE QUEEN'S MOST EXCELLENT MAJESTY.

The Petition of the Quebec Board of Trade.

HUMBLY SHOWETH,

THAT a chain of ship canals, connecting the navigable waters of the river St. Lawrence and the great lakes of Canada, is now completed, whereby the produce of the most fertile parts of this province and of the western states of the American Union may be transported to the ocean cheaper than by any other route.

That these canals have been constructed at an immense expenditure of capital, raised under the liberal guarantee of the Imperial Government, and in connection with similar improvements in the United States, open up an uninterrupted inland navigation from Quebec to New Orleans (a distance of more than four thousand miles), with ramifications extending far into all the intervening territory.

That, in the opinion of Your Majesty's petitioners, all that is now wanting to render the St. Lawrence the outlet, and Quebec the depôt, of a large portion of the vast and varied productions of the fertile regions rendered accessible by this unequalled internal navigation, is, to throw it open, without restriction, to the ships and vessels of all nations, allowing them, during the pleasure of Your Majesty, freely to carry to the ports of this province the produce of any other country, and to take thence cargoes, as well to the United Kingdom and its possessions as to any other part of the world, which, it is greatly to be feared, nay, almost certain, that unless changes such as these be speedily made in the laws which regulate the navigation of the province within and without, the large expenditure above referred to will be nearly useless, and the people burdened with a heavy and unproductive debt to little or no purpose, with the additional mortification of seeing escape them, and diverted into other channels, those advantages and means of lasting prosperity which nature and art have combined to place fairly within their reach.

That Your Majesty's petitioners firmly believe that the merchants, shipowners, and ship-builders of Canada have no cause to fear the competition of foreigners, on fair and equal terms, in either external or internal navigation. In the former they already successfully compete with their neighbours even in their own ports; and, in the latter, Your Majesty's petitioners feel persuaded that such competition would lead to still more favourable results, drawing forth the latent energies of these classes, and causing to be developed, and more fully applied than now, the natural resources of the country, which, in the facilities they afford for ship-building and inland navigation, are nowhere surpassed.

Wherefore Your Majesty's petitioners humbly pray that Your Majesty, taking the premises into Your Royal consideration, may be graciously pleased to recommend to Parliament to remove all restrictions that now exist to the free navigation of the river St. Lawrence, with the canals and lakes connected therewith, or which prevent the free carriage of goods by sea to and from the United Kingdom and its possessions abroad, so far as this colony is concerned, subject to such control by Your Majesty in Council as may be necessary.

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

The Quebec Board of Trade,

(Signed) By JAMES DEAN, President, duly authorised.

No. 5.

(No. 248.)

No. 5.

COPY of a DESPATCH from Earl GREY to Governor-General the Right Hon. the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing-street, July 7, 1848.

I HAVE to acknowledge the receipt of your Lordship's Despatch, No. 77, of the 13th June, transmitting a petition to the Queen from the Board of Trade at Quebec, praying Her Majesty to recommend to Parliament the removal of all restrictions to the free navigation of the River St. Lawrence, and the free carriage of goods by sea to and from the United Kingdom and its possessions abroad, so far as Canada is concerned; and I have to direct your Lordship to inform the petitioners that their petition having been duly laid before the Queen, Her Majesty was pleased to receive it very graciously.

I have, &c.,

The Earl of Elgin and Kincardine,
&c. &c. &c.

(Signed) GREY.

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No. 6.

(No. 81.)

No. 6.

COPY of a DESPATCH from Governor-General the Right Hon. the Earl of
ELGIN AND KINCARDINE to Earl Grey.

Government House, Montreal,
June 15, 1848.

(Received July 6, 1848.)

MR LORD,

A RUMOUR has reached this province that the measure for the amendment of the Navigation Laws, the introduction of which has been hailed with such unanimous acclamations here, may yet be lost in its progress through Parliament. It is my duty to represent to your Lordship that this report has produced a very painful feeling. The Canadian farmer is a supplicant at present to the Imperial Legislature, not for favour, but for justice; and strong as is his affection for the mother country and her institutions, he cannot reconcile it to his sense of right, that after being deprived of all protection for his produce in her markets, he should be subjected to a hostile discriminating duty in the guise of a law for the protection of navigation.

2. That the British shipowner should be unwilling to permit foreigners to share the trade of the St. Lawrence, is not unnatural; but there is too much reason to fear, that if the present system be persevered in, the bulk of the produce of Canada will find its way to New York and Portland, where even under existing laws it may be shipped to England indifferently in American or British bottoms. I shall not insist on the manifold inconveniences and hazards to which such a state of things would inevitably lead. It is enough for the present purpose to observe, that it would render the monopoly promised to the British shipowner illusory.

3. On the other hand, if the natural and acquired advantages of the navigation of the St. Lawrence were to receive their full development under a system of low freights and charges produced by the removal of restriction, it is probable that not only the produce of Canada, but a large portion of that of the Western States of the Union will find its way to Quebec and Montreal. Of this vast and increasing trade, it is hardly possible to doubt that British shipping, with the aid of long established commercial connection, will engross a considerable share.

4. I cannot employ language which is too forcible in representing to your Lordship the anxiety which I feel, conscious as I am of the responsibility attaching to the high trust which Her Majesty has confided to me, that the liberal policy of Her Majesty's Government on the subject of the Navigation Laws, should receive the sanction of Parliament. The people of Canada are animated with the best dispositions towards England; they are satisfied that the constitution of their forefathers, of which they now clearly see that it is the intention of the Imperial Government that they shall enjoy without qualification or reserve the full privileges, affords them at least as large a measure of substantial liberty and social happiness as any form of Government which the wit or ingenuity of man has devised. I am confident that if the wise and generous policy lately adopted towards Canada, is persevered in, the connexion between this province and the mother country may yet be rendered profitable to both in a far greater degree than has been the case heretofore. I should deeply grieve, therefore, if in an attempt which must, I am disposed to believe, in so far as the Saint Lawrence is concerned, prove futile, to secure a monopoly for a useful and exemplary class of our fellow-subjects, provisions were suffered to remain on the British statute book which would seem to bring the material interests of the colonists and the promptings of duty and affection into opposition.

I have, &c.,

(Signed)

ELGIN AND KINCARDINE.

The Right Hon. the Earl Grey,

&c.

&c.

&c.

CANADA.

No. 7.

(No. 249.)

No. 7.

COPY of a DESPATCH from Earl GREY to Governor-General the Right Hon. the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing-street, July 7, 1848.

I HAVE to acknowledge the receipt of your Lordship's Despatch of the 15th June, No. 81, reporting the apprehension which is generally entertained in Canada, lest the proposed measure for the amendment of the Navigation Laws should not ultimately receive the sanction of Parliament.

I hasten to assure your Lordship, that Her Majesty's Servants are fully sensible of the extreme importance to Canada of the measure which is now under the consideration of the Legislature, and that they entertain a confident hope that it will pass into a law.

I have, &c.,

The Earl of Elgin and Kincardine,
&c. &c. &c.

(Signed) GREY.

No. 8.

(No. 82.)

No. 8.

COPY of a DESPATCH from Governor-General the Right Hon. the Earl of ELGIN AND KINCARDINE to Earl GREY.

Government House, Montreal,
June 15, 1848.

(Received July 6, 1848.)

MY LORD,

I HAVE the honour to transmit herewith, for the purpose of being presented, addresses to Her Majesty the Queen and the two Houses of the Imperial Parliament, on the subject of the Navigation Laws, adopted at a public meeting, held on the 13th instant, of the inhabitants of Montreal.

I have, &c.,

(Signed) ELGIN AND KINCARDINE.

The Right Hon. Earl Grey,
&c. &c. &c.

Encl. in No. 8.

Enclosure in No. 8.

TO HER MAJESTY VICTORIA, QUEEN OF GREAT BRITAIN AND IRELAND, &c. &c.

MAY IT PLEASE YOUR MAJESTY,

WE, your Majesty's loyal subjects, the citizens of Montreal, in the province of Canada, in public meeting assembled,

DO MOST HUMBLY REPRESENT,

That, in the opinion of your petitioners, all protection being shortly to be withdrawn from Canadian grain and flour in the British markets, it has become a matter of absolute necessity to the future prosperity of Canada, to endeavour to obtain, without delay, from the Imperial Authorities the abrogation, so far as regards this colony, of the restrictive policy of the British Navigation Laws, and the removal of every obstruction in the free navigation of the St. Lawrence by foreign vessels.

That the restriction under which the colonist has hitherto been placed of employing British or colonial craft exclusively for the transport of his produce from one Canadian port to another, or from Canada to any part of the British dominions, has, in the peculiar circumstances of this province, greatly enhanced the cost of freight, and thus operated as a heavy tax on the producer; and, although it was not objected to so long as it was deemed the equivalent for advantages enjoyed by him over the foreigner in British markets, yet now that those advantages have been materially reduced, and in some instances entirely removed, or are on the eve of being so, the continuance of such restrictions would be viewed by your petitioners as an excessive hardship.

That the permanent abrogation of the Navigation Laws would highly conduce to the welfare of Canada, and assist in the developement of its resources, is clearly evinced by the new branches of commerce which sprang up simultaneously with their temporary suspension last year, but which have altogether ceased with their revival, numerous foreign vessels having during that brief period of suspension arrived, loaded with foreign emigrants, who availed themselves of the St. Lawrence as the most convenient route to their destination, whereby the rates of ocean freights were reduced, the revenue from public works increased, and every class of the community benefited.

That there is the strongest ground for apprehension, should the British Navigation Laws continue in force after the protection to Canadian grain and flour in Great Britain is with-

drawn, that the bulk of the produce, both of the Western States and of Canada West, will be sent to ports of the United States for shipment, notwithstanding the superior advantages in economy of transport which the internal communications of Canada possess, but which are fully counterbalanced by the greater cheapness of ocean freight in the United States, arising in part from the competition there between British and foreign shipping; and that the Navigation Laws will thus be rendered inoperative as regards their main object—that of protection to British shipping—whilst they will exercise a most baneful influence alike over that portion of our revenue derived from public works, and over the interest of every individual connected with the internal or external commerce of the country.

That, moved by the foregoing and other considerations, your petitioners hail with the most lively satisfaction the prospect of the immediate repeal, so far as it regards this colony, of the British Navigation Laws, and that they especially approve of that part of the measure introduced by the Right Hon. Mr. Labouchere in the House of Commons, which confers on the Legislature of this province the power of regulating, as it may deem most to the advantage of the country, the coasting and internal trade—a boon which your petitioners gratefully acknowledge as a fresh manifestation of the desire to govern this country in accordance with “the well-understood wishes and interests of the people.”

Wherefore your petitioners most humbly pray,

That Your Majesty will be pleased to take the foregoing representations into your favourable consideration, and to grant the prayer of your petitioners for the immediate repeal of the Navigation Laws, and the opening of the river St. Lawrence to the ships of every nation.

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

(Signed) Jos. BOURSET, Mayor of the city of Montreal,
and Chairman of the meeting.

Montreal, 13th June, 1848.

[Similar petitions addressed to the two Houses of the Imperial Parliament.]

(No. 250.)

No. 9.

No. 9.

COPY of a DESPATCH from Earl GREY to Governor-General the Right
Hon. the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing-street, July 7, 1848.

I HAVE received and laid before the Queen the address to Her Majesty from the inhabitants of Montreal, on the subject of the Navigation Laws, which was adopted at a public meeting held in that city, on the 13th June, and transmitted to me in your Lordship's Despatch of the 15th of that month; and I have to instruct your Lordship to inform the petitioners that Her Majesty has been pleased to receive their petition very graciously.

Your Lordship will further state that the petitions to the two Houses of Parliament, which also accompanied your Despatch, will be presented immediately.

I have, &c.,

The Earl of Elgin and Kincardine,
&c. &c. &c.

(Signed) GREY.

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