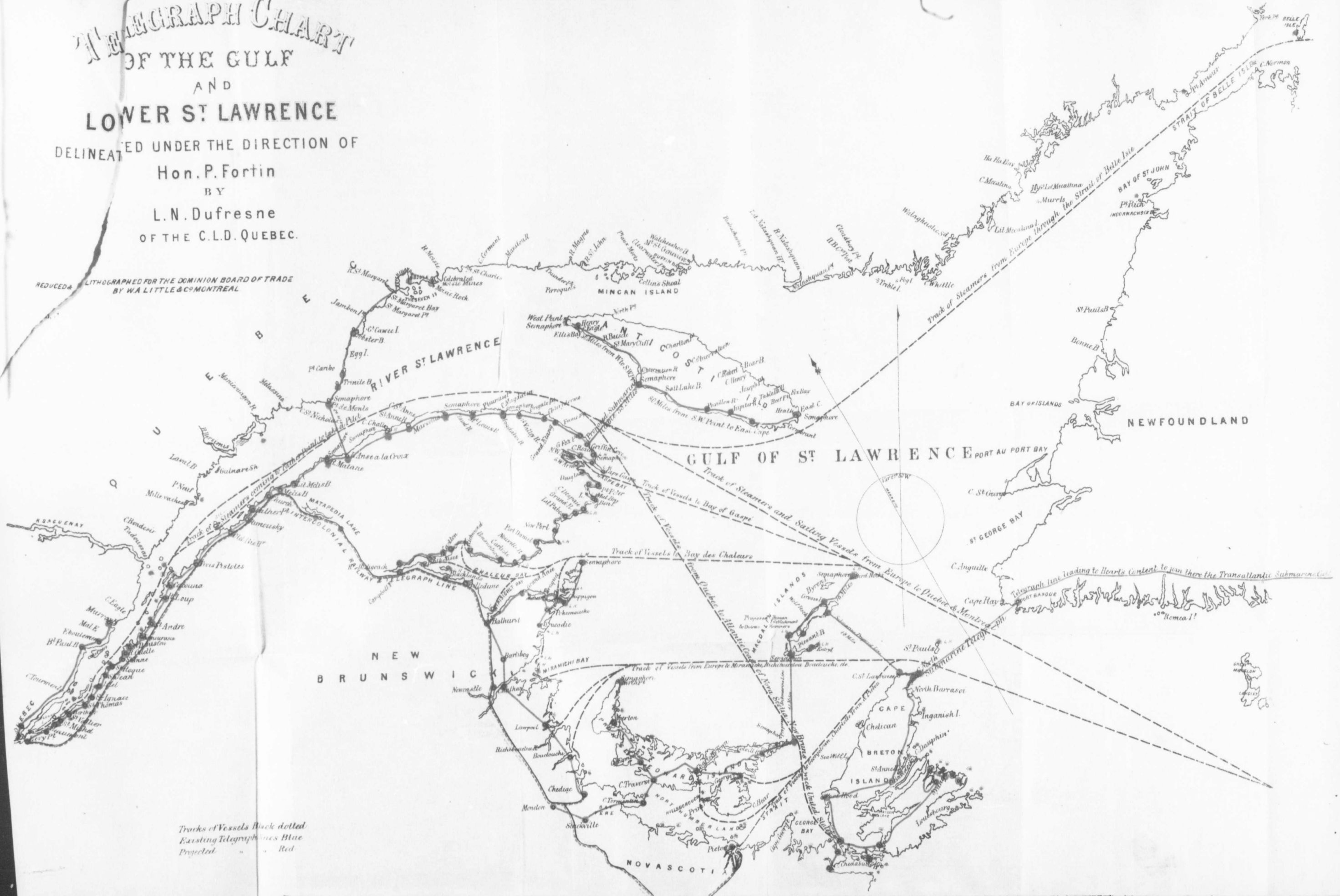




# TELEGRAPH CHART OF THE GULF AND LOWER ST. LAWRENCE

DELINEATED UNDER THE DIRECTION OF  
Hon. P. Fortin  
BY  
L. N. Dufresne  
OF THE C. L. D. QUEBEC.

REDUCED LITHOGRAPHED FOR THE DOMINION BOARD OF TRADE  
BY WA LITTLE & CO MONTREAL



Tracks of Vessels Black dotted  
Existing Telegraphs Blue  
Projected " " Red

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*R. W. Elliot  
Toronto*

PROCEEDINGS

AT THE

SIXTH ANNUAL MEETING

OF THE

DOMINION BOARD OF TRADE

HELD AT OTTAWA,

On 18th, 19th, 20th and 21st JANUARY, 1876.

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MONTREAL:

THE MONTREAL HERALD PRINTING AND PUBLISHING COMPANY.

1876.

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OFFICE-BEARERS OF THE DOMINION BOARD OF TRADE,  
FOR 1876.

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*President :*

ANDREW ROBERTSON, Esq., MONTREAL, QUE.

*Vice-Presidents :*

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A. JOSEPH, Esq., QUEBEC, QUE.  
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*Treasurer :*

C. H. GOULD, Esq. MONTREAL.

*Secretary :*

WM. J. PATTERSON, Esq. MONTREAL.

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## PREFATORY NOTICE.

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I have pleasure in presenting the Official Report of Proceedings at the SIXTH ANNUAL MEETING of the DOMINION BOARD OF TRADE. The discussions, which are recorded at length, seemed to demand more than ordinary care in reproducing them; and the Board will accept the assurance, that I have exerted myself to the utmost, not only to expedite publication, but also by diligent oversight to make the speeches easily recognizable.

I beg here to acknowledge my obligation to the Phonographic Reporter, Mr. G. C. Holland, of Ottawa, who expeditiously furnished the MS., which has been used in giving the debates;—and to my Assistant, Mr. Wm. J. B. Patterson, for what I can fairly and impartially say has been inestimable aid. Mention must also be made of the assiduity of the Printer, who has contributed greatly to the speedy issue of the Report,—notwithstanding that its length is very considerably greater than was stipulated for in the time-clause of his contract.

The accompanying lithographic copy of Hon. Dr. Fortin's plan of proposed telegraphic communication between the mainland and the Islands in the Gulf of St. Lawrence, is the result of assistance rendered by parties in the Cities of Quebec and Montreal,—who were of opinion that it would add vividness to the description given by Mr. T. H. Grant,—which see on pp. 67-71. The reader's attention is also requested to Dr. Fortin's interesting explanatory communication, printed in Appendix No. II.

WM. J. PATTERSON,  
*Secretary.*

MONTREAL, 18th February, 1876.

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### CORRECTION.

On page 93, line 5 from top, *for* 800, *read* 1,300. The correct rendering of the sentence is:—"While the Red River of the North is navigable for 1,300 miles, and adapted to steamboats."



LIST OF BOARDS AND DELEGATES.

Place.	Organization.	No. of Members.	Names of Delegates.
Belleville, Ont . . . . .	Board of Trade . . . . .	15	George Neilson Z. R. Everitt
Fredericton, N. B. . . . .	Do. . . . .	80	James Tibbetts F. P. Thompson
Halifax, N. S. . . . .	Chamber of Commerce . . . . .	90	Hon. Robert Boak* John T. Wythe
Hamilton, Ont . . . . .	Board of Trade . . . . .	93	Adam Brown James Stewart
Kingston, Ont . . . . .	Do. . . . .	60	W. R. Mingaye Robert Marshall
King's County, N. B. . . . .	Do. . . . .	82	James Domville, M.P.* Alfred Markham*
Levis, Que . . . . .	Do. . . . .	70	L. J. Desjardins
London, Ont . . . . .	Do. . . . .	60	Frederick Rowland* Alexander Johnston*
Do . . . . .	Chamber of Commerce . . . . .	81	John Walker J. B. Laing* John Cameron* Thomas White, Jr. Thomas Cramp
Montreal, Que. . . . .	Board of Trade . . . . .	405	Hon. John Young John McLennan* William Darling George A. Drummond* Andrew Robertson Hugh McLennan
Do. . . . .	Corn Exchange . . . . .	246	W. W. Ogilvie Robert Spratt Robert Archer James Lord
Ottawa, Ont . . . . .	Board of Trade . . . . .	82	Hon. James Skead Francis Olemow William Pennoek
Do. . . . .	Ontario and Quebec Timber and Lumber Association . . . . .	40	W. G. Perley Jas. McLaren, (Buckingham) R. R. Dobell
Quebec, Que. . . . .	Board of Trade . . . . .	160	Henry Dinning A. Joseph T. H. Grant
Stratford, Ont . . . . .	Do. . . . .	18	Walter Marshall
St. John, N. B. . . . .	Do. . . . .	153	Chas. H. Fairweather W. C. Watson
St. Johns, Que. . . . .	Do. . . . .	53	J. A. Harding Joseph E. Clements
Toronto, Ont. . . . .	Do. . . . .	120	W. H. Howland William Thomson William Elliott
Do. . . . .	Corn Exchange . . . . .	80	S. W. Farrell
Do. . . . .	Manufacturers' Association of Ontario . . . . .	150	Wm. Lukes, (Newmarket) Hugh P. Savigney Moses Staunton

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

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SUBJECTS FOR DISCUSSION at the Sixth Annual Meeting of the Dominion Board of Trade, to be held in Ottawa, on Tuesday, 18th January, 1876, and following days.

I.—Special Reports.

<i>Subjects.</i>	<i>Board or Chamber Proposing.</i>	<i>Recommendations and Resolutions.</i>
I. AMENDMENTS TO CONSTITUTION.	EXECUTIVE COUNCIL.	Report of the Special Committee, appointed at Fifth Annual Meeting.
UNIFORM POLICIES OF INSURANCE.	“ “	Report of the Special Committee on Uniformity of Conditions in Insurance Policies, appointed at Fifth Annual Meeting.

II.—International Questions.

II. RECIPROCITY.	LONDON, ONT. CHAMBER OF COMMERCE.	That it is desirable that Reciprocity with the United States, on a fair basis, be obtained.
III. RECIPROCAL USE OF CANALS.	OTTAWA BOARD OF TRADE.	That the Dominion Government be memorialized to secure the rights of Canadian vessel-owners respecting the use of American Canals,—notably the Champlain Canal.
IV. THE COASTING TRADE.	QUEBEC BOARD OF TRADE.	That there are now two American Companies carrying on a Coasting Trade between Ports in the United States and Ports in the Dominion of Canada, which is felt to be detrimental to the interests of our carrying and general trade,—and that the Dominion Government be petitioned to adopt such measures as will prevent its continuance, inasmuch as the same privileges are not allowed by the United States Government.
V. FOREIGN TRADE.	KINGSTON BOARD OF TRADE.	What would be the best mode of developing our trade relations with foreign countries?

III.—Transportation, &c.

VI. TRANSPORTATION.	MONTREAL BOARD OF TRADE.	The question of Transportation in relation (1) to the trade of the Western and North-Western States; and (2) to the settlement and prospective trade of the North-Western Territories of the Dominion.
VII. BILLS OF LADING.	ST. JOHN, N.B. BOARD OF TRADE.	The best means of modifying the objectionable clauses now existing in Bills of Lading per Ocean-going Steamers.
VIII. RIGHTS AND LIABILITIES OF COMMON CARRIERS.	MONTREAL BOARD OF TRADE.	That the Executive Council of the Dominion Board of Trade be, and hereby is, instructed to continue to urge the Government in favour of the passage of an Act to clearly define the respective rights and liabilities of Common Carriers by land and water, as well as what constitutes delivery of goods by vessels arriving in ports of the Dominion.
IX. AVERAGE ADJUSTERS.	MONTREAL BOARD OF TRADE.	That the Executive Council of the Dominion Board of Trade be, and hereby is, instructed to further press upon Government the importance of enacting a law for the establishment and regulation of the Office of Average Adjusters at the principal Ports of the Dominion.
X. PREFERENTIAL RAILWAY FREIGHTS.	TORONTO CORN EXCHANGE.	Preferential rates of Freight by Railway Companies on American produce to the neglect of local points. Also, preferential rates to private individuals.

## IV.—Questions Relating to the Tariff, &amp;c.

Subjects.	Board or Chamber Proposing.	Recommendations and Resolutions.
XI. READJUSTMENT OF THE TARIFF.	ST. CATHERINES BOARD OF TRADE.	That this Board endorses the policy of incidental protection to home productions by means of Customs Duties, and thinks that the Canadian Tariff should be so readjusted at the next session of Parliament, as to more fully carry this principle into effect, and so afford effective relief, more particularly from the practice of "slaughtering" American Goods, now so prevalent in this country.
XII. REMODELLING OF THE TARIFF.	HAMILTON BOARD OF TRADE.	A change in the Tariff on <i>national grounds</i> , so as the better to encourage native industry.
XIII. TEA AND COFFEE DUTIES.	HAMILTON BOARD OF TRADE.	Consideration of the present duties on Tea and Coffee.
XIV. PROPOSED BONUS.	KINGSTON BOARD OF TRADE.	This Board recommends, in lieu of impost duty, that any Company erecting Smelting Works shall be allowed a bonus per ton on Pig, Railroad or other irons manufactured by them from native ore.
XV. DRAWBACKS.	KINGSTON BOARD OF TRADE.	That the Government should allow a return of duties paid on Raw Articles, refined or manufactured here, when said articles are exported.

## V.—Insolvency Legislation.

XVI. ACCOUNTANT IN BANKRUPTCY.	MONTREAL BOARD OF TRADE.	The necessity for establishing the office of Accountant in Bankruptcy, by amending the Insolvent Act to that effect.
XVII. EXTRADITION OF DEBTORS.	TORONTO BOARD OF TRADE.	The extension of the International Treaty with the United States to secure the return of Fraudulent debtors, and those guilty of breach of trust, who have taken valuable property.
XVIII. EXTRADITION TREATY.	HAMILTON BOARD OF TRADE.	The enlargement of the Extradition Treaty.

## VI.—Pilotage, Unseaworthy Ships, &amp;c.

XIX. THE PILOTAGE LAW.	QUEBEC BOARD OF TRADE.	That the present Act, which declares that pilotage shall not be deemed compulsory, although the payment of Pilotage Dues is so, causes great injustice to ship-owners, with respect to collisions occurring by the fault of pilots; therefore it is desirable that pilotage be by law declared compulsory.
XX. UNSEAWORTHY SHIPS.	QUEBEC BOARD OF TRADE.	The bearing of recent legislation in England with reference to unseaworthy ships, upon Canadian Shipping:— That the Dominion Government be urged to take such measures as they may deem best, to prevent the undue interference of British Board of Trade Surveyors with Canadian shipping.
XXI. INSPECTORS OF STEAMERS.	LEVIS, QUE. BOARD OF TRADE.	The advisability of nominating Inspectors to inspect the hulls of all the steamers navigating the waters of the Dominion.

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VII.—*Banking, Stamp Duties, Excise, Taxation, &c.*

<i>Subjects.</i>	<i>Board or Chamber Proposing</i>	<i>Recommendations and Resolutions.</i>
XXII. INSPECTORS OF BANKS.	LEVIS, QUE., BOARD OF TRADE.	Advisability of the nomination of Inspectors to investigate the affairs of the Chartered Banks in the Dominion, whenever deemed necessary.
XXIII. BANKING.	KINGSTON BOARD OF TRADE.	This Board is of opinion that our Banking System should be reconsidered with regard to the Reserves, Circulation and Inspection.
XXIV. THE STAMP ACT.	TORONTO BOARD OF TRADE	Repeal of the Stamp Act so far as it relates to Bills of Exchange and Promissory Notes.
XXV. WEIGHTS AND MEASURES.	HAMILTON BOARD OF TRADE.	The propriety of amending the present law respecting Weights and Measures, and the collection of Excise Duty on the Wine-gallon instead of the Imperial gallon.
XXVI. TAXATION OF GRAIN.	TORONTO CORN EXCHANGE.	Taxation of Grain.
XXVII. TAXATION OF VESSELS.	TORONTO CORN EXCHANGE.	Taxation of Vessels.
XXVIII. SHIPBUILDING MATERIALS.	LEVIS, QUE., BOARD OF TRADE.	Abolition of the duties on shipbuilding materials.
XXIX. DIFFERENTIAL DUTY ON SHIPS.	QUEBEC BOARD OF TRADE.	The differential duty imposed on Canadian-built ships by the French Government.

VIII.—*Canadian Lloyds, Navigation, &c.*

XXX. A CANADIAN LLOYDS.	QUEBEC BOARD OF TRADE.	The desirability of at once establishing a Canadian Lloyds for the survey and registration of Canadian Ships.
XXXI. LLOYDS CLASSIFICATION.	TORONTO CORN EXCHANGE.	Extension of Lloyds' classification of Vessels on the Upper Lakes.
XXXII. WINTER NAVIGATION.	LEVIS, QUE., BOARD OF TRADE.	The winter navigation of the River St. Lawrence.
XXXIII. EXTENSION OF TELEGRAPH SYSTEM.	QUEBEC BOARD OF TRADE.	That in the Marine and Shipping interests of the Dominion it is of the highest importance that Submarine Telegraph Cables should be extended from the main land in Nova Scotia, New Brunswick, or Gaspé, or from the Island of Cape Breton, to the Islands in the Gulf of St. Lawrence, say Anticosti, the Magdalen Islands, and Bird Rocks, and to the main land on the North Shore and Belle Isle; and that a petition be sent to the Dominion Government urging its immediate construction at the public expense, or a liberal grant of money to aid its construction and maintenance.
XXXIV. REGULATIONS FOR MASTERS.	KINGSTON BOARD OF TRADE.	Amendments compelling all captains of vessels to hand in their cargo books to the Custom Houses where they have taken out reports and licenses for the season. These returns are essential for statistical purposes.

*IX.—Inspection, &c*

<i>Subjects.</i>	<i>Board or Chamber Proposing.</i>	<i>Recommendations and Resolutions.</i>
XXXV. COMPULSORY INSPECTION.	OTTAWA BOARD OF TRADE.	The necessity of taking such steps as may be considered calculated to make the provisions of the Inspection Act compulsory.
XXXVI. GRAIN STANDARDS.	TORONTO CORN EXCHANGE.	To enforce uniform standards of grain throughout the Dominion.
XXXVII. WEIGHERS OF GRAIN.	TORONTO CORN EXCHANGE.	That it is advisable to have regular weighmasters appointed by Government in every town and city in the Dominion, whose duty it will be to weigh grain by the car-load and cargo.
XXXVIII. INSPECTOR OF MINERALS.	MONTREAL BOARD OF TRADE.	The importance of the Dominion Government establishing the office of Inspector of Minerals.

*X.—Miscellaneous.*

XXXIX. COMBINATIONS OF LABOURING MEN.	QUEBEC BOARD OF TRADE.	That the incorporation of societies of working men is undesirable, inasmuch as under color of benevolent objects, arbitrary and tyrannical rules are often adopted, injuring employers and employed, traneling the progress of trade, placing the skilled and the unskilled workmen on one level, and interfering with freedom of contract.
XL. PACKING CERTAIN ARTICLES.	OTTAWA BOARD OF TRADE.	Such steps should be taken as may result in the Packers of Raisins, etc., putting actual weights therein, and the branding of such actual weights upon the packages.

WM. J. PATTERSON,  
*Secretary.*

MONTREAL, 5th January, 1876.

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# PROCEEDINGS.

RAILWAY COMMITTEE ROOM,  
OTTAWA, *January 18, 1876.*

The Sixth Annual Meeting of the Dominion Board of Trade was opened at Ten o'clock A M., the President, C. H. FAIRWEATHER, Esq., in the Chair. After calling the meeting to order, he announced the first matter to be the reading of the minutes.

Mr. ADAM BROWN (Hamilton) moved, seconded by Mr. ANDREW ROBERTSON (Montreal),

"That the Minutes of Annual Meeting held at Ottawa, in January, 1875, be taken as read and confirmed."

Motion carried.

## REPORT OF EXECUTIVE COUNCIL.

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

*To the REPRESENTATIVES constituting the*

### DOMINION BOARD OF TRADE:—

The Executive Council have pleasure in presenting to the Sixth Annual Meeting a summary of proceedings since January, 1875. While the Council have noted on previous occasions the promptness with which the full report of proceedings at the annual meetings was prepared and printed, they have to note more than usual celerity in producing the report for last year. The requisite number of copies were forwarded to each affiliated organization—one copy being also sent, as is customary, to each member of the Dominion Parliament at the beginning of the session. As soon as possible, after the adjournment in January, the various Petitions, Memorials, Resolutions, &c., ordered to be presented to His Excellency the Governor-General in Council, and to Parliament, were transmitted, and acknowledgments, for the most part, received. They included the following:—

- Memorials.* — On Inspection of Insurance Companies, and deposits by Insurance Companies with Government.  
 Inspection of Fish.  
 Against Governmental appointment of Inspectors under the General Inspection Law.  
 Wrecks in Canadian waters.  
 Deck-loads.  
 Winter Navigation of Lower St. Lawrence.  
 Duties and Liabilities of Common Carriers.  
 Tonnage Dues.

- Resolutions* — Department of Commerce.  
 Tribunals of Commerce.  
 Inquiry into Marine Disasters.  
 Stamp Duties.  
 Excessive Rates charged by Express Companies.  
 Disallowed Bills of Exchange.  
 Duties on Ship-building Materials.  
 Deepening the Welland Canal.  
 Customs Regulations.  
 Average Adjusters.  
 Exemptions from Municipal Taxation.

- Reports.* — Inaccuracies of Official Statistics.  
 Uniformity in Conditions of Insurance Policies.

CORRESPONDENCE WITH GOVERNMENT.

As has been already mentioned, acknowledgements of the foregoing were received from most of the Departments of the Government to which they were severally forwarded. But it was subsequently thought desirable that information should be obtained as to what action had been taken, if any, for the purpose of reporting the same to this meeting. Consequently letters were again respectfully addressed to the Departments, in September, similar in character to the following :

OFFICE DOMINION BOARD OF TRADE,

MONTREAL, 27th September, 1875.

The Honorable the Secretary of State for Canada,  
 OTTAWA.

SIR,

I am directed by the President and Council of the Dominion Board of Trade to refer you to communications addressed to your Department, relating to matters of importance arising out of the discussions held at the Fifth Annual Meeting of that body, in January last, at Ottawa. For facility of reference, I will enumerate them as follows:—February 3rd, a *Petition*, with accompanying letter, on the subject of "Inspection of Fish," suggesting certain amendments; February 22nd, a *Letter* on Resolutions referring to a "Department of Commerce," and "Tribunals of Commerce;" March 1st, a *Memorial* and letter, on the subject of "Insurance Inspectors in the Dominion;" and, on the same date, a *Memorial* respecting the "Winter Navigation of the Lower St. Lawrence." To each of the foregoing your Department "acknowledged receipt" on the dates February 4th, March 12th, March 2nd, and March 31st, respectively.

As it is customary with the Council of this Board to present a review of the year's business to each annual gathering of Delegates, they have directed me, in view of the preparations they are making for their next meeting, to endeavour very respectfully

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to ascertain what and how far definite action has been taken respecting those questions above mentioned.

Any information you may be able to afford the Council in this connection will be much appreciated.

I have the honor to be, Sir,

Your obedient servant,

(Signed) WM. J. PATTERSON,

Secretary.

From the Honorable the Premier, Minister of Public Works, a reply upon the matters to which his attention was called, was received as follows:—

OTTAWA, September 28th, 1875.

SIR,

I am instructed by the Minister of Public Works to acknowledge the receipt of your letter of the 27th inst., in which you say you are directed to refer him to certain previous communications from the Dominion Board of Trade, "and to ascertain what definite action has been taken respecting those questions."

These communications you say are:

1st. Your letter of February 22nd, calling attention to the subject of a "Department of Commerce," and to the "lack of Official Agricultural Returns."

2nd. Your letter of March 16th, regarding the "excessive charges and anomalies of Express Companies."

I am directed to inform you in reply that while the Government will gladly receive any suggestions the Dominion Board of Trade may see fit to favor them with on subjects requiring legislation, and will be prepared to give such suggestions all the weight they are entitled to, information as to the "definite action" proposed on those subjects can only be communicated to Parliament.

I have the honor to be, Sir,

Your obedient servant,

WM. BUCKINGHAM,

Secretary to Minister.

WM. J. PATTERSON, Esq.,

Secretary Dominion Board of Trade, Montreal.

From the Honorable the Secretary of State for Canada, the following reply was received:—

OTTAWA, 7th October, 1875.

SIR,

I am directed to acknowledge the receipt of your letter of the 28th ult., making enquiry as to the action taken by the Government, in reference to certain Memorials of the Dominion Board of Trade therein enumerated, and to inform you in reply as follows:

1st. As regards the Memorial relating to the Inspection of Fish, it being one asking for an amendment of an Act of Parliament, no action can be taken upon it until the meeting of the Legislature.

2nd. The letter and resolutions referring to a Department of Commerce, and Tribunals of Commerce, are now under the consideration of the Honorable the Minister of Justice.

3rd. The Memorial on the subject of Insurance Inspectors in the Dominion has

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been acted on, a Superintendent of Insurance having been appointed under the Act of last session.

4th. The Memorial respecting the winter navigation of the Lower St. Lawrence, is now under the consideration of the Department of Marine and Fisheries.

I have the honor to be, Sir,

Your obedient servant,

EDOUARD J. LANGEVIN,

*Under Secretary of State.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

The inquiry addressed to the Honorable the Minister of Customs, referred to "Customs Regulations," and elicited the following:—

*CUSTOMS DEPARTMENT,*

*OTTAWA, 6th October, 1875.*

SIR,

I have the honor to acknowledge receipt of your letter of 27th ultimo, referring to a former communication of February last, on the subject of needed Customs Regulations, and requesting information, to be laid before the Dominion Board of Trade, as to what has been done.

As the best means of conveying the information requested, I hand you enclosed a copy each of the following documents, viz:

New Regulations for Slaughtering and Curing Imported Swine in Bond, 7th May, 1875.

New Warehouse Regulations, 14th June, 1875.

Instructions for Officers of Her Majesty's Customs, 14th June, 1875, including Regulations for ex-warehousing goods for removal and export.

I have the honor to be, Sir,

Your obedient servant,

J. JOHNSON,

*Commissioner of Customs.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

The Honorable the Minister of Marine and Fisheries was addressed on the subjects: "Inquiry into Marine Disasters," "Wrecks in Canadian Waters," "Deck Loads," "Winter Navigation of the Lower St. Lawrence," and "Canadian Tonnage in United States Ports." The following replies were received:—

*OTTAWA, 9th October, 1875.*

SIR,—

I am directed by the Minister of Marine to acknowledge receipt of your letter of the 27th ultimo, referring to certain communications addressed to this Department by the Dominion Board of Trade, relating to matters of importance arising out of the discussions held at the annual meeting of that body in January last; and in reply, I am desired by the Minister to inform you with reference to the recommendation of the Board, that a public enquiry should take place immediately after all shipwrecks or serious accidents in Canadian waters, and that the Department of Marine should be authorized by law to institute such enquiry when necessary, without waiting for the authority of the Governor in Council, that the Government do not consider it neces-

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WM. J. P.



sary at present to recommend any alteration in the law in this respect, as no practical inconvenience or difficulty that this Department is aware of, has hitherto been experienced under the operation of the present law.

2. With reference to the request of the Board that steam fog whistles be established at the principal points and headlands in Canadian waters, in the regular route followed by navigators of the great lakes, I am desired by the Minister of Marine to inform you that the Government is fully aware of the importance of this suggestion, and that the subject will receive most careful consideration. In the meantime, this Department has already erected three fog-bells worked by Machinery on these coasts.

3. With reference to the request of the Board, that the Canadian Government take the necessary steps to bring the question of establishing fog whistles at dangerous points in United States waters on the great lakes, in the ordinary route followed by vessels of both countries, to the notice of the Government at Washington, I am to inform you that the Department has been advised, that the United States Government have already erected a number of fog whistles, syrens and fog trumpets on the coasts of the great lakes, and it is probable, if they are found to be useful and advantageous to shipping, that more will be provided at places requiring them. The Department is informed that there are already twelve or thirteen steam fog whistles or syrens, four fog bells worked by machinery, and one fog horn in these waters.

4. With reference to the request of the Board, that the Canadian Government take measures towards securing a convention with the Government of the United States, making the law of the two countries with respect to Deck Loads uniform, in accordance with the suggestion of the Royal Commission on unseaworthy ships, I am desired by the Minister of Marine to inform you, that the Government of Canada will bring this subject under the notice of the Imperial Government at an early date.

The Minister desires to convey to the Board, through you, his thanks for suggestions so valuable on subjects affecting so deeply the interests and commerce of Canada.

I have the honor to be, Sir,

Your most obedient servant,

WM. SMITH,

*Deputy Minister of Marine, &c.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

OTTAWA, 21st October, 1875.

SIR,

With reference to the Memorial of the Dominion Board of Trade, dated 6th March, 1875, stating that in some ports of the United States, a Certificate of Registration in Canada is not accepted, but re-registration is demanded, and a fee of twenty dollars is exacted therefor, vessels being in some of the ports of the United States measured differently from what they are in the Dominion, I will feel obliged by your informing me, at your convenience, of the particulars of any cases which have come to the knowledge of the Dominion Board of Trade, in which the officers of the United States Government have refused to accept the Certificate of Registration in Canada, as evidence of the tonnage of the vessels, and of the amount paid in each case, in order that further enquiry may be made on the subject.

I am, Sir,

Your most obedient servant,

WM. SMITH,

*Deputy Minister of Marine, &c.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

OTTAWA, 23rd October, 1875.

SIR,

Referring to your letter of the 1st March last, enclosing a Memorial from the Executive Council of the Dominion Board of Trade, respecting winter navigation of the Lower St. Lawrence, and your letter of the 27th ultimo, referring to this Memorial, I have the honor to inform you by direction of the Minister of Marine and Fisheries, that while the Government is fully aware of the advantages of securing winter navigation on the Lower St. Lawrence, if it could be accomplished as at present advised, they do not feel justified in recommending Parliament to vote the sum which would be necessary to try the experiment.

I have the honor to be, Sir,

Your most obedient servant,

WM. SMITH,

*Deputy Minister of Marine, &c.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

The Honorable The Minister of Justice replied to the inquiry respecting "Tribunals of Commerce, or Arbitration Courts," as follows:—

OTTAWA, 11th October, 1875.

SIR,—

With reference to your letter to the Minister of Justice, dated 27th ultimo, enquiring what or how far definite action has been taken respecting the suggestion made by the Board of Trade, as to legislation upon the subject of Tribunals of Commerce or Arbitration Courts, I am directed by the Minister to say that no action was taken on the subject during the last session of Parliament. No action can be taken on it until the next session. Whether any such action will be taken or not, is a matter which will receive the consideration of the Government before the session.

I am, Sir,

Your obedient servant,

H. BERNARD,

*Deputy Minister of Justice.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

The communications addressed to the Honorable The Minister of Finance were on the subjects: "Repeal of Stamp Duties," "Abolition of Duties on Shipbuilding Materials," and the "Undesirability of exempting Government property from municipal taxation." The reply received was as follows:—

OTTAWA, December 18th, 1875.

SIR,—

In reply to your letter of the 17th instant, calling my attention to certain resolutions passed by the Dominion Board of Trade, and requesting to be informed what definite action has been taken respecting the questions above mentioned, I have to inform you that it is not customary for the Government to enter into discussion on questions of this nature, though all communications addressed to the Government will receive due consideration at their hands.

Your obedient servant,

R. J. CARTWRIGHT,

*Minister of Finance.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*who  
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The thanks of the Dominion Board of Trade are due to the several Ministers who promptly and courteously responded to the request of the Executive Council, for the generally gratifying information they have kindly communicated.

THE CENSUS OF THE DOMINION.

It will be recollected that the question of a "Department of Commerce" in the Dominion Government, received some consideration at the annual meeting held in January, 1875, reference being made to the importance of effecting arrangements for accurate and comprehensive statistics relating to commerce and agriculture, as well as for promptness of publication.

The third volume of the Census of 1871 was issued early last summer, a forecast of part of its contents appearing in the Trade and Navigation Returns laid before Parliament a short time previously. It seems that a question of considerable importance is involved, so far, at least, as the results showing cereal productions of the Dominion are concerned,—the attention of your Executive Council having been requested to the matter by the Council of the Montreal Board of Trade. The question might have been given notice of in the usual way in the Official Programme; but, as it is one rather for careful *inquiry*, than for oral *discussion*, it has been decided to repeat here a statement furnished to the Executive Council, from a late number of the Report on Trade and Commerce of Montreal,—as follows:

In the Trade Report of 1873, will be found this remark, "So imperfect is the statistical information respecting agriculture in Canada, that it is impossible to provide a correct estimate of the extent of acreage under cultivation. But there is no question that it is increasing rapidly; while the wheat acreage in Great Britain appears to be lessening, and grass-growing taking its place, partly because of the decreasing agricultural population."

The conclusion here drawn was based upon the figures in the following statement, which shows the estimated yield of cereals in the Dominion of Canada in the years 1851, 1861, and 1868,—the figures for 1868 being taken from the British Agricultural Returns:

	1851.	1861.	1868.	1871.
Wheat .....	bush. 15,756,493	27,540,215	36,365,000	16,300,000
Maize .....	" 2,090,089	2,621,050	3,400,000	3,800,000
Peas .....	" 4,543,487	12,691,636	.....	.....
Beans .....	" 41,169	72,066	.....	.....
Barley .....	" 1,120,218	5,365,078	.....	11,400,000
Rye .....	" 643,851	1,940,754	6,800,000	1,000,000
Oats .....	" 20,369,247	41,783,799	51,600,000	42,400,000
Buckwheat .....	" 1,112,347	2,654,915	.....	3,700,000

The figures for 1871 are added from the census for that year, and were published the first time in the Trade and Navigation returns for 1874, negating the theory that the cereal production of Canada was steadily increasing. It is a matter of sincere regret that more reliable information concerning the grain production and movement of produce in Canada has not heretofore been obtained. The above statement is manifestly incorrect; either the return for 1861 was grossly exaggerated, or the yield in 1871 is understated. We incline to the latter belief, as the area under cultivation has largely increased during the decade. The Commissioner of Customs refers to the inaccuracy of the returns in the following terms: "There has been much enquiry made by different persons respecting the transactions in grain, both foreign and domestic, and I therefore beg to remark, that owing to the fact of all kinds of grain being free of duty, and the peculiar nature of the transactions therein, it is a matter of great difficulty to keep up correctly the necessary distinction between the foreign and domestic article. It is also matter of regret that the statistics required hitherto

by this Department have not embraced a more extended specification, the only items hitherto required being 'Wheat and Indian Corn,' while all other grains are grouped together. I propose to require, after the 1st July next, that 'Barley and Oats' be separately shown."

A discussion on the question took place in the Senate this year, when the Minister of Agriculture, in answer to the question "whether the statement that the annual production of wheat is only 16,300,000 bushels, and why it shows so great a falling off from the estimated yield in 1861," said, "the question was one of speculation, since our statistics had not been very creditable to us, but there were several things which might account for the apparent change in the volume of our products. As to wheat, much of the land of Ontario had been exhausted by successive crops of the same grain, by over-cropping and the neglect of a proper rotation. There were also the ravages of the fly." The statement of the yield of wheat in Ontario does not support these assertions, since that of 1871 was the largest for many years, and the yield of 1874 was deficient, not by reason of any of the causes mentioned by the Minister of Agriculture, but because of the unusual severity of spring frosts after the snow had disappeared, which destroyed the plant in some places, and very much injured it in others.

Reference is made to this matter for the purpose of drawing attention to the necessity which exists for a more careful and accurate compilation of the returns relating to the cereal production of Canada.

Upon the question of a Department of Commerce, the Government of the United States have already taken the initiative, having established a "Bureau of Inland Commerce," under the sanction of the Treasury Department. The scope and aims of the office, as set forth in the law which gives it existence, are thus described:—"Statistics and facts relating to commerce with foreign nations, and among the several States; the railroad systems of this and other countries; the construction and operation of railroads; the actual cost of such construction and operation of railroads; the actual cost of transporting freight and passengers on railroads, and on canals and rivers, and other navigable waters of the United States; the charges imposed for such transportation of freight and passengers, and the tonnage transported."

#### STATE OF THE COUNTRY—OFFICIAL PROGRAMME.

Since last annual meeting, and particularly during the latter half of the year just closed, great commercial depression was experienced, and consequent financial stringency. It is quite unnecessary for your Council to dwell at any length here upon the causes which have been so disastrous to the manufacturing and trading interests, for the Official Programme indicates that all the questions involved will be brought prominently before you for discussion. It would appear, however, in view of some recent bank suspensions, and the revelations following an examination of their affairs and mode of conducting business, that it may be expedient to press on the notice of the Government the necessity for more stringent regulations in the matter of bank returns and inspection.

On the question of Government Deposits in Banks, the Council desire to recall the remarks made by the President last year in his opening address, as recorded in the published report of proceedings, urging the importance to the Government of adopting the Treasury System, in order to prevent these monies being used in a manner likely to affect injuriously the business interests of the country.

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## TRANSPORTATION—CANAL ENLARGEMENT.

An important notice,—“Transportation,”—is given in the Official Programme by the Montreal Board of Trade, and in connection therewith the Canal question bears an important relation. The enlargement of the Welland Canal is now progressing, for a depth of 12 feet of water—the increase to be subsequently made to 14 feet. The enlargement of the Lachine Canal is also in progress.

It is most earnestly hoped that work on the other Canals of the St. Lawrence will also be immediately entered upon, especially upon the Willamsburg Canal, the shallowness of which is greatly detrimental to trade. The capacity of the Canal System for through traffic is, of course, restricted to that of the shallowest part. It is believed that when the capacity of the St. Lawrence Route and its Canals is uniformly enlarged, a great increase of traffic westward and eastward will be the result.

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

The Annual Meeting of the National Board of Trade was held at Philadelphia, Pa., in the month of June last. Invitations were duly extended to the Council of this Board, but owing to various obstacles the gentlemen appointed were unable to fulfil the engagement, only your Secretary (Mr. Patterson), being present. At that meeting the question of Reciprocal Trade Relations with Canada was brought forward, and the following resolution adopted without discussion:—

“That Congress be memorialized and urged to authorize the early appointment, by the President of the United States, of a Commission of not less than five (5) merchants and business men, familiar with the subject, to confer, on the part of the United States, with a like Commission on the part of the Dominion of Canada, on the subject of a treaty for reciprocal trade and commercial relations between the United States and the Dominion of Canada; said joint commission to be authorized, on the part of their respective Governments to suggest and recommend the details of provisions for such treaty, subject to the concurrence of the respective Governments, of the United States, the Dominion of Canada, and of Great Britain.”

Upon the question of Bills of Lading, a report was presented by a Special Committee, as follows:—

*Whereas*, Your Committee are of the opinion that abuses have grown up by the incorporation in Bills of Lading, and railroad receipts, of conditions whereby the responsibilities under the common law of carriers are sought to be evaded; therefore,

*Resolved*, That the Executive Council of the National Board of Trade be requested to recommend to its various constituent bodies concerted action,—

*First*,—In opposition to any Bill of Lading, or railroad receipt whatever, containing or assuming to impose conditions other than recognized as in force under the common law, as defined by judicial decisions.

*Second*,—That when more than one negotiable Bill of Lading is issued, the first shall be stamped or printed “Original;” the second, “Duplicate;” the third, if any be issued, “Triplicate;” the fourth, if any be issued, “Quadruplicate;” while the bill for the shipper, if issued, or for the captain, if issued, shall be stamped or printed, “Not Negotiable.”

*Third*,—That carriers issuing such Bills of Lading shall engage not to deliver the merchandise designated, except on surrender of the original bill of lading, or on the duplicate, under proper restrictions, in cases of loss or destruction of the original.

*Resolved*,—That the Board reaffirms its declaration that all inland carriers should be required to deliver the quantity, by weight, of bulk grain shipped.

*Resolved*,—That the Executive Council be requested to consider and report to the National Board of Trade, at its next meeting, what, if any, legislation, whether State or National, is needed, or can be secured to accomplish the purpose of defining the rights and duties of all carriers, whether marine or inland, and of restricting the terms and conditions of all bills of lading, and railroad receipts, in accordance with the principles of the common law.

*Resolved*,—That the Executive Council be authorized, if in its judgment expedient, to submit to Congress, at its next session, such recommendations as may be advisable to promote the object of these resolutions.

A communication has been received from the Secretary of the U. S. National Board (Charles Randolph, Esq.), enclosing copies of the proposed new form of Inland Bills of Lading, referred to in the foregoing resolutions, with a request that they be submitted to this Board for consideration.

A most cordial invitation was extended to the National Board of Trade to send a delegation to this Sixth Annual Meeting; and your Council is informed that President Fraley has made ample arrangements for that purpose. You will, as usual, extend a most cordial welcome to the United States representatives.

ASSOCIATION OF CHAMBERS OF COMMERCE OF GREAT BRITAIN.

The Executive Council appointed John Kerry, Esq., of Montreal, and R. S. DeVeber, Esq., of St. John, N. B., to represent the Dominion Board at the annual meeting of the Associated Chambers of Commerce of the United Kingdom, which was held at Leeds in September last. Most unfortunately, however, both gentlemen were unexpectedly prevented, by business engagements in England, from being present. In response to an invitation transmitted to Sampson S. Lloyd, Esq., M. P., Chairman of the Association, that gentleman has replied as follows:—

BIRMINGHAM, *December 3, 1875.*

WM. J. PATTERSON, Esq.,

*Secretary Dominion Board of Trade, Montreal.*

DEAR SIR,

Your letter of November 12 has only just reached me. I have directed that your kind invitation to members of the Association of Chambers of Commerce, to visit your annual meeting at Ottawa, should be specially mentioned by circular to every member of our body. It is an object of great personal desire with me to draw closer so far as my little influence extends, intercourse and friendly feeling between your body and our own, as well as between the Dominion and the Mother Country. I dare not, however, feel confident that any member of our body will be found able, at this season, to comply with your kind invitation; the journey is a considerable one, and the engagements of our members keep them much at home. Should nobody be able to go, I trust and believe you will not interpret their absence as indicating lack of courtesy or of appreciation of the kindness of your invitation.

I remain, yours truly,

(Signed),

SAMPSON S. LLOYD,

*Chairman.*

While the Council have to regret that Henry Fry, Esq., of Quebec, will be absent from the meetings at Ottawa, they have pleasure in informing you that they have

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accredited him as your Representative to the Annual Meeting of the Associated Chambers of Commerce, which assembles in London next month.

## TRADE RELATIONS WITH FRANCE.

Reference was made in last year's report to certain correspondence which had been opened up between the Council and M. Farrenc, of Paris, and the "Comite Central des Chambres Syndicales," respecting the advisability and best means of establishing direct trade relations between France and Canada. During the Spring of 1875 that correspondence was continued; and one of the chief suggestions, made through M. Farrenc was, in brief, as follows:—

"The establishment of a Joint Stock Commission Office to receive and execute orders in Paris for Canadian account, and in Montreal for French account; the parties or company opening and carrying on such office guaranteeing all transactions, and depositing securities for the protection of its correspondents, in the Bank of Montreal, and in the Bank of France respectively. A tariff of *Commissions* to be mutually agreed upon—such commissions to be paid only on orders actually executed; no charge for mere transmission of orders—but *one-half* the amount of commissions on each hand to be paid into a joint fund, which will be equally divided in the end."

With reference to that suggestion, the following reply was sent to Paris:—

MONTREAL, 30th April, 1875.

M. FARRENC:

DEAR SIR,—The letter of M. Havré, addressed to you at Paris, under date 16th January, and placed in my hands by the courtesy of Mr. Barbeau of this city; also yours to me, of 17th March, recapitulating the matter of M. Havré's communication, were received in due course. The subject was of such a nature as to render it imperative to secure for it special consideration; and accordingly it was submitted to a special meeting of the Executive Council of this Board, held a day or two ago.

I am now to acquaint you that the Executive Council deem it of the utmost importance that more intimate relations should be established between the Dominion of Canada and France, as well as other countries in Continental Europe. I am to remark, however, that neither the Dominion Board of Trade, nor the Local Boards or Chambers affiliated with it, have any official jurisdiction, and are not acknowledged as public institutions in the same sense as is the Board of Trade in Great Britain, which is really an executive part of the Government.

The Constitution of the Dominion Board, and of the Local Boards and Chambers affiliated with it, are, therefore, restricted to the consideration of questions of *general policy* and trade relations,—the discussions at general and special meetings being embodied in full reports, which are extensively circulated,—results, so far as any practical (or ordinary) applications are concerned, being left entirely to the individual enterprise of the mercantile classes themselves.

Whether the establishing of such an International Bureau (or Agency) would, in the meantime, be practicable, is of course for merchants to determine, and, perhaps, the simplest and most direct way for them to arrive at an intelligent conclusion, would be for a Commission of Merchants to visit the Dominion, and make the necessary personal investigation, an essential point seeming to be the establishment of *direct* communication, probably by steamships, between this country and France.

You will remember that a former communication from you was referred to very pointedly in a report made by the Executive Council, to the Annual Meeting held in January last; and I am further to assure you that, if anything can be done, within the somewhat limited sphere of the Dominion Board of Trade, to assist in promoting an



extension of mercantile relations between this Dominion and France, the Council will gladly avail themselves of such opportunity as may present itself for doing so.

Will you kindly communicate with M. Havré, with reference to the subject of this letter, and present to him my most cordial good wishes.

In the hope of again having the pleasure of a communication from you,

I am, dear sir,

Your obedient servant,

(Signed),

WM. J. PATTERSON,

Secretary.

M. Farrenc also mentioned a proposition to establish an International Chamber of Commerce of all nations, which was to be announced during the sessions of the Commission of Commercial Geography, held at Paris, in June last. He expected representatives from the United States, and hoped for a representation from Canada. Of the result, your Council have not been officially notified.

#### DUES FOR LIGHTS AND BUOYS.

This subject is one of such importance, that in view of the correspondence in regard to it, the Council deem proper a repetition of the memorial to Her Majesty the Queen, which was published in the last annual report:

#### TO THE QUEEN'S MOST EXCELLENT MAJESTY.

*The Humble Memorial of the Executive Council of the Dominion Board of Trade*

MOST RESPECTFULLY SHEWETH:

That your Memorialists represent about thirty Boards of Trade and other Commercial organizations in various parts of the Dominion of Canada.

That said Dominion owns, at present, over one million tons of shipping, the greater portion of which is engaged in trading to Great Britain and different parts of Europe.

That fully twelve hundred (1,200) miles of coast line around the Dominion are lighted and buoyed at the sole expense of the Government of Canada, a full share of the cost of which is borne by Canadian Shipowners.

That these Lights and Buoys are absolutely *free* to all nations of the world.

That the cost of maintaining Lights and Buoys on the Coasts of the United States, France, Russia, Prussia and Spain, is borne by their respective Governments, and said Lights and Buoys are free to the ships of all nations.

That the tax levied upon Canadian ships, in common with all other ships, when visiting Great Britain, is felt as a serious burthen, inasmuch as many of these ships make three or four voyages per annum, and are compelled to pay "light dues" twice every voyage,—(unless in ballast); and especially is this so felt, as the cost of Canadian Lights and Buoys, (which are *free* to British ships), falls partly on the Shipowners of the Dominion, who are thus placed in an unfavorable position, as compared with British and other Shipowners.

That the "Light Dues" of Great Britain, as at present enforced, are full of anomalies,—one of which is, that ships discharging at French and other Continental Ports, which have passed English lights, pay no dues; whilst, if they discharge at British Ports, the tax is enforced.

Wherefore; Your Memorialists humbly pray that, in accordance with the recommendation of the Select Committee of the House of Commons, which sat in 1845 and

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in 1860, the said tax may be abolished,—and that all expenses for the erection and maintenance of Light-Houses, Light-Ships, Buoys and Beacons, on the Coast of the United Kingdom, be henceforth defrayed out of the public revenue.

And your Memorialists as in duty bound will every pray.

The official reply received by His Excellency the Governor-General, from the Earl of Carnarvon, is as follows :

DOWNING STREET, 8th February, 1875.

MY LORD,

I have received your despatch No. 306, of the 16th of December, enclosing a Memorial to the Queen from the Executive Council of the Dominion Board of Trade, praying that the dues now levied on shipping, for the maintenance of lighthouses on the coasts of this country may be abolished, and that all expenses for the erection and maintenance of lighthouses, light ships, buoys and beacons, may henceforth be defrayed out of the public revenue.

I request that you will inform the Executive Council of the Dominion Board of Trade that their memorial has been laid before the Queen, who received it very graciously, but that Her Majesty's Government have been unable to advise compliance with its prayer for the reasons set forth in the accompanying copy of a letter from the Board of Trade.

I have, &c.,

(Signed),

CARNARVON.

*Governor General, the Right Honorable the Earl of Dufferin, K.P., K.C.B., &c., &c., &c.*

THE BOARD OF TRADE TO THE COLONIAL OFFICE.

BOARD OF TRADE (HARBOUR DEPARTMENT)

WHITEHALL GARDENS, S. W.,

3rd February, 1875.

SIR,

I am directed by the Board of Trade to acknowledge the receipt of your letter of the 7th ult., enclosing a copy of a despatch from the Governor-General of Canada, together with a memorial from the Executive Council of the Dominion Board of Trade, which, after pointing out that the Coast Lights in Canada, as well as in many foreign countries, are maintained out of the general public exchequer of those countries, contains the following statements :—

“ That the tax levied upon Canadian ships, in common with all other ships, when visiting Great Britain, is felt as a serious burthen, inasmuch as many of these ships make three or four voyages per annum, and are compelled to pay ‘Light Dues’ twice every voyage (unless in ballast); and especially is this so felt, as the cost of Canadian lights and buoys, which are free to British ships, falls partly on the ship owners of the Dominion, who are thus placed in an unfavourable position as compared with British and other ship owners.”

“ That the ‘Light Dues’ of Great Britain, as at present enforced, are full of anomalies, one of which is that ships discharging at French and other continental ports, which have passed English lights, pay no dues, whilst, if they discharge at British ports, the tax is enforced,” and which concludes by praying “ that the present tolls on shipping for the maintenance of lighthouses, on the coast of the United Kingdom, may be abolished, and that the expenses of the erection and maintenance of the sea marks in question may henceforth be defrayed out of the public revenue.”

Whilst the Board of Trade admit the justice and liberality of the system under which Canada thinks it right to maintain her Coast Lights, they cannot admit that

the system which it has been thought right to adopt in the United Kingdom is open to the criticisms contained in the passages above quoted.

They desire, in the first place, to observe that, in the principle of the tax on Shipping, by which the expense of lighting the Coasts of the United Kingdom is defrayed, there is nothing inconsistent with the soundest and most liberal maxims of Taxation and Government.

The payment is in form a particular tax, levied on a particular class, or classes, in order to maintain Public Works, from which those classes derive benefit, and is thus in accordance with the principle on which Harbour and Dock Dues, Turnpike Tolls and other Taxes of the same kind are levied.

If, in the application of the principle, there are, as pointed out by the Memorialists, certain anomalies, it should be remembered that this is no more than happens with every tax, and such anomalies would certainly not be rendered less by taking the burden of providing lights from the class which benefit by them, and throwing that burden on all classes of Taxpayers.

In the next place, as regards the effect of this tax on Ship Owners, I am to observe that, although the immediate incidence of the Light Dues is upon Shipping, the burden of such dues falls ultimately upon freights, and the Ship Owner is, therefore, in the end recouped at the cost of those who pay for the articles he carries. So long, therefore, as this tax is fairly and equally levied upon all Ships, and so long as it is not higher than necessary for the purpose of maintaining the lights, not only has the Ship Owner no reason to complain of the tax as unjust, but no right to allege that it falls exclusively upon the Shipping interest.

Under these circumstances, the allegations that every Maritime Nation ought to maintain the lighting of its Coasts out of its general taxation, and is guilty of some want of humanity or justice if it supports its lights by a tax on the Shipping which derives benefits from the lights, is one which, in the opinion of the Board of Trade, will not bear careful examination.

Putting aside questions of justice and humanity, and regarding the question as one of efficient and economical administration, the Board of Trade believe that the system pursued in this country is satisfactory in its results. As regards the efficiency of its Light Service, Great Britain need not fear comparison with any other nation; and it is open to question whether the changes that would be necessary, in order to abolish Light Dues, might not entail a practical loss.

The Board of Trade, as the Administrative Department concerned in the question, and in compliance with the request of the Secretary of State, conveyed in the concluding paragraph of your letter, have thought it right to make the foregoing remarks on the prayer of the Memorial.

I have, &c.

(Signed),

T. H. FARRER.

While they are grateful for the attention which has been given to this matter, the Executive Council beg most deferentially to express the opinion that these reasons are very unsatisfactory, inasmuch as the main argument upon which the petition was founded is ignored.

This argument was, as clearly expressed in the memorial, that, inasmuch as Canadian lights and buoys are free to all the world, and the entire cost of their maintenance defrayed by our own people, of which ship-owners bear their full share, Canadian ships are placed in a worse position than British vessels. This tax is a serious burthen upon Canadian ship-owners, and is often paid six times a year.

The lights and buoys of the United States, France, Russia, Prussia and Spain are all free to the ships of all nations; and, it is to be hoped, that Great Britain will

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soon pursue a more liberal policy. The matter should not be lost sight of by our successors in office.

## ENQUIRIES INTO SHIPWRECKS.

The past year has again been marked by a large number of shipping disasters in the St. Lawrence, no less than 78 having been reported below Quebec, of which 24 ships and schooners were either totally lost or condemned, in some cases with serious loss of life.

The Board will remember that the subject was discussed at the last annual meeting and a resolution was passed urging the Government to institute public enquiries into the more serious of these disasters, as provided for by an existing Act of Parliament.

The Council regret to say that no such action has been taken; but in several cases, the British Board of Trade have recently caused enquiries into disasters in Canadian waters to be held in Great Britain. So long as such a state of matters continues, no reduction in the premium of insurance need be expected; the rates at present charged on sailing ships form a very heavy tax on our grain and lumber producers, and the whole question is one well deserving the attention of the Board and the Government.

## PILOTAGE LAWS.

Complaints are still made of the working of the Dominion Pilotage Laws, especially of the anomalous law in force in and below Quebec. Shipowners complain of the recent singular alteration in the law, which repealed compulsory pilotage, but renders the *payment* of pilotage compulsory,—thus making them responsible for the acts of the pilot. This is in direct opposition to the Pilotage Law of Great Britain. Many of the disasters referred to elsewhere as occurring in the Lower St. Lawrence, happened whilst the ships were in charge of licensed pilots. The Council are strongly of opinion that every such case should be closely investigated by the Pilotage authorities at Quebec. So far, however, as is known, only one case was investigated last season. This appears to be owing to the alteration in the law, which makes the Shipmaster the prosecutor instead of the Harbour Master. Experience has shown that shipmasters are not always anxious to have such investigations held, and cannot be relied upon to initiate them; but it is of importance to the trade of the country that they ought to be held, and no petty economy should interfere. The Council trust that the Minister of Marine and Fisheries will take the matter up, during the coming session.

## AMENDMENTS TO GENERAL LAW FOR LOCAL BOARDS.

The Executive Council would recommend the Board to consider whether or not application should be made, at next session of the Dominion Parliament, for certain amendments to the General Act 37 Vic., Chap. 51, which provides for the establishment of local Boards of Trade. First, the Act ought to be made applicable also to Chambers of Commerce; second, the authority should probably be extended so as to embrace District or County Boards or Chambers; and, at any rate, Clauses 2 and 3 should be amended so as to explicitly show that it is not the affidavit or deposition of *each of the persons* who sign the application for enrolment, but the deposition of their *Secretary*, made before a Justice of the Peace, which is required.

## THE TREASURER'S ACCOUNTS.

The deficit of last year was very largely reduced by the kindness of gentlemen who individually subscribed to extinguish it. That debtor balance would have been nearly, if not quite removed, but for additional failures to pay the *per capita* assessment. Details will be submitted to the Finance Committee for consideration and report. With reference to Boards dropping out of connection without notice of any kind being given, the Council beg to call attention to Sec. 2 of Art. IX., of the Constitution, which says:—"Any constituent body may withdraw from membership in the Board, on submitting a formal request to that effect, at an annual meeting, and on full payment of all dues."

Respectfully submitted on behalf of the Executive Council.

(Signed,)

CHAS. H. FAIRWEATHER,

President.

OTTAWA, 18th, January, 1876.

Moved by Mr. HUGH McLENNAN (Montreal), seconded by Mr. A. JOSEPH, (Quebec);

"That the Report which has been printed and placed in the hands of members, be considered as read, and accepted by the Board."

Motion carried.

## APPOINTMENT OF COMMITTEES.

The PRESIDENT thereafter announced the following Standing Committees:

## FINANCE

WM. PENNOCK, <i>Chairman</i> .....	OTTAWA.
ADAM BROWN.....	HAMILTON.
WM. THOMSON.....	TORONTO.
T. H. GRANT.....	QUEBEC.

## BY-LAWS.

J. A. HARDING, <i>Chairman</i> .....	ST. JOHN, N.B.
ROBERT ARCHER.....	MONTREAL.
F. CLEMOW.....	OTTAWA.

## ORDER OF BUSINESS.

THOMAS WHITE, JR., <i>Chairman</i> .....	MONTREAL.
W. C. WATSON.....	ST. JOHN, N.B.
JAMES STEWART.....	HAMILTON.
ROBERT MARSHALL.....	KINGS CO., N.B.
HENRY DINNING.....	QUEBEC.
JOHN T. WYLDE.....	HALIFAX, N.S.

## CREDENTIALS.

W. W. OGILVIE, <i>Chairman</i> .....	MONTREAL.
Z. R. EVERITT.....	FREDERICTON, N.B.
ROBERT SPRATT.....	MONTREAL.

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## AMENDMENTS TO THE CONSTITUTION.

The PRESIDENT said it was usual, at this stage of the proceedings, to adjourn, but inasmuch as the Report of the Committee on the Order of Business, was almost ready, he proposed to utilize the time, while they were waiting, by considering the proposed Amendments to the Constitution. He had caused them to be placed before the meeting, on printed sheets. The proper notice had been given, and it was now competent for this Board to deal with them as they might think proper.

The amendments proposed by the Committee were as follows :—

## ARTICLE II.

*Sec. 1.*—For words “bodies represented” in fifth line, substitute “*delegates present.*”

## ARTICLE IV.

*Sec. 1.* make “*four*” (or more) read “*five*” (or more) &c., on second line; and in the tenth line change “*Vice-President*” into “*Vice-Presidents.*”

*Sec. 2.* change the word “*select,*” on second line, to “*elect.*”

*New Section 3.*—They shall, at the same time, appoint from their own number a Committee, whose duty it shall be, in conjunction with the Secretary, to arrange an interim programme of the business for each annual or other general meeting of the Board; to distribute the same among members, and to collect and arrange all notices and suggestions referring to business, for the decision of the Executive Council.

*New Section 4.*—The Executive Council shall meet on the day preceding the day of any meeting of the Board, and shall re-assemble, at any time during such meeting, at the call of the presiding officer, and at such other times as may be provided in its By-laws.

Present *Sec. 4* becomes *Sec. 5*; and on the third line, change “*or fifteen days*” to “*or ten days.*”

*Sec. 5.* becomes *Section 6.* In second line, after the word “*unexpired,*” insert the words “*portion of the*” term, &c.

*Sec. 3.*—Unaltered, and becomes *Section 7.*

## ARTICLE V.

*Clause 2nd.*—To present to each annual meeting,—and to any other general meeting, if desired,—a report of its proceedings.

*New Clause 3rd.*—To prepare and distribute among members an official programme of the business to be transacted at each meeting, being guided in their selection and approval of such subjects by the general statement of the objects of the Board set forth in the preamble, and rejecting all subjects of a local or personal character, having no *general interest*,—their decision on such points being final. They may prepare and issue supplementary programmes during the sessions of the Board; but the order in which such new business shall be taken up shall be decided upon by the Council, and announced to the Board from time to time.

Clause 3rd. as at present, becomes Clause 4th.

" 4th. " " " 5th.

" 5th. " " " 6th.

Sec. 2.—In second line omit the words "make and."

#### ARTICLE VI.

Sec. 1.—After the word "at" in fourth line, add "the city of Ottawa; and other general meetings of the Board may be held, time and place to be designated by the Board, at the Annual Meeting."

Sec. 2. shall be altered to read as follows:—"Special Meetings of the Board may be held at the city of Ottawa, at the call of the President, with the consent of any five members of the Executive Council, and he shall be required to summon a Special Meeting on the requisition of fifteen members of the Board; he shall fix the time of such meeting, and shall issue, not less than fourteen days before it, a notice to each constituent body, stating the object of the meeting."

Sec. 3.—Alter "fifteen" delegates to "twenty."

Sec. 4.—Omit all the words after "assembling."

Sec. 5.—Omit entirely.

#### ARTICLE VIII.

Sec. 1. (*New.*)—Any member or constituent body desiring to present a subject to the consideration of the Board, shall notify the Secretary in writing, not less than fifteen days before the date of the Annual Meeting, accompanying such notice with such explanations as will enable the Executive Council to understand and decide upon its suitability or otherwise; failing such notice, no such subject can be placed on the Official Programme, but may be admitted into supplementary programmes if approved by the Executive Council.

Mr. A. JOSEPH (Quebec), thought that as these amendments had been well discussed by the Committee appointed to prepare them, and had also been submitted to the Executive Council who had approved them, the Board might adopt them *en bloc*. He therefore moved, seconded by Mr. WILLIAM PENNOCK (Ottawa):

"That, in view of the careful consideration of the Constitution by the Committee appointed by this Board, the report, and amendments now submitted, be adopted *en bloc*."

Motion carried. [See Appendix for revised Constitution in full.]

#### ORDER OF BUSINESS.

Mr. THOMAS WHITE, Jr., (Montreal), from the Committee on Order of Business, submitted the following report:

Your Committee have gone carefully over the Official Programme, with the object of combining such subjects as are of a similar character, so as, if possible, to prevent frequent discussions of the same subject; and they make the following recommendations:—

1. That the subjects numbered 11, 12, 15 and 28 on the Official Programme from

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the Boards of Trade of St. Catherines, Hamilton, Kingston and Levis, respectively, be included in one subject, all of them having relation to the subject of the Tariff.

2. That numbers 17 and 18 from the Boards of Trade of Toronto, and Hamilton, respectively, relating to the Extradition Treaty, be considered as one question.

3. That subjects 22 and 23 from the Boards of Trade of Levis and Kingston, respectively, relating to the Banking Act, be considered as one question.

With the object of facilitating business, your Committee suggest that the delegates from the several Boards of Trade presenting subjects thus grouped, should meet together and agree upon some form of resolution to be presented to the Board, covering as far as can be done, the views of each.

Referring to some of the subjects on the Official Programme, your Committee would call attention to the fact, that they are so worded as to give a very inadequate idea of the intention of the Board suggesting them. The object of the Official Programme being issued before the meeting of the Dominion Board is, that the subjects to be discussed may be known and understood; and, that this object may be fulfilled, your Committee recommend that hereafter, constituent bodies sending in questions to be included in the Official Programme, should send them as nearly as possible in the form in which they are intended to be presented to the Board for discussion.

Your Committee would recommend that the reception of the delegates from the National Board of Trade of the United States be the first order of the day at the afternoon session, to-morrow, Wednesday; and that the discussion on the Tariff be the first order of the day at the meeting of the Board, on Thursday morning.

Your Committee further recommend, that it be an order of the Board, that all new subjects intended to be brought before the Board, shall be handed to the Committee on Order of Business, before the morning adjournment to-morrow, Wednesday.

All of which is respectfully submitted.

(Signed)

THOS. WHITE, JR.,

Chairman.

On motion, the Report was received and adopted.

#### INACCURACY OF OFFICIAL STATISTICS.

The SECRETARY here read the following communication which had just been sent in from the Commissioner of Agriculture and Statistics:—

OTTAWA, 17th January, 1876

WM. J. PATTERSON, Esq.,

Secretary of the Dominion Board of Trade,

OTTAWA.

SIR,

I hope that yourself, and the members of your influential body, will not find it out of place, on my part, considering my connection with the subject of this letter, to solicit the perusal of the following remarks on the important question of the Statistics of the Country. I shall restrict myself to one point only, and shall be as brief as possible.

I cannot make any better exposition of the matter I purpose to approach than by citing, *verbatim*, the statement I find printed in the newspapers, as having been made before the Toronto Board of Trade, at its last meeting,—a statement, the substance of which has been, again and again, repeated and reprinted on various occasions. I quote:

“The Census of 1851 showed that the wheat produced had amounted to 15,756,493 bushels. The Census of 1861 showed 27,540,215 bushels, and the Census of 1871 only 16,300,000, or 11,000,000 less than that produced in 1861, and only one million more than that produced in 1851. The English Statistics contained in



"the Blue-Book of 1868 estimated the production in Canada at 36,365,000 bushels, or 20,000,000 more than was shown by our Census of 1871. These facts proved that there was not a proper system of taking statistics at the present time."

What preceded the paragraph quoted above, and what followed, was to the effect that the Census returns of 1870-71 were in the wrong, it being taken for granted that the others were right; consequently, the words, "*at the present time,*" made use of, apply to the recent statistical operations, and to no other.

Only one reason seemingly appears to be implied for the expression of this condemnation, which reason is that the figures of the Census of 1871 are not as replete as they were bound to be. Such a conclusion, however, cannot be logically drawn from the premises, unless it is maintained that the returns of a subsequent enumeration, must, of necessity, and in every detail, exceed, in quantities given, the returns of all previous investigations. I suppose I need not enter into any lengthy evidence of the erroneous character of such a rule, it being sufficient to bring it out prominently to show its utter groundlessness. If proofs were required to establish the fact that diminutions often take place in the production of articles, even in growing countries, it would not be necessary to travel out of our own territory, to find many instances; one, however, I will cite, being of the exact kind now in question:—the wheat crops of Lower Canada, as returned in the Census of 1831, had amounted to 3,407,756 *minots* (the *minot* it must be remembered is about an eleventh more than a bushel), whilst *thirty years* after (when everything else had more than doubled) the Census of 1861 returned only 2,654,354 *bushels*.

Before entering into the critical examination of the wheat returns of the Censuses of 1861 and 1871, I shall speak of the *estimated* wheat crops of Canada, as found stated in the English Blue Book entitled "Agricultural Returns." The volume, in which the information is printed, was published in 1873, but the figures given are made referable to the year 1868, and stand 36,365,000 bushels. It is that figure specially which has been, in Canada, set against the returns of the Census of 1871, bringing a verdict against the latter. Unless, indeed, such a judgment is supposed to be based on the signatures, it is positively impossible to imagine any reasonable grounds for it.

In 1868 there was no farm to farm investigation made on the subject, therefore we cannot here have to deal with a presumed ascertained fact. In the absence of actual inquests, there are means of forming an approximation or estimate, the greater or lesser value, or the utter fallacy of which is absolutely dependent on the reasonableness or worthlessness of the method adopted. In the species of crops there are two ways of making a tolerable estimate;—one, which involves the participation of a staff of statisticians, residing in the country operated upon; the other, which I shall further on apply to testing the returns of 1861 and 1871, is derived from the comparative study of the imports, exports and home consumption.

The compilers of the English Blue Book were under the material impossibility of resorting to the first method. As to the second, they have not had recourse to it, for it brings a result out of any range with the figure given by them. The method, by which this amount of 36,365,000 is obtained, appears new, and I must say it somewhat startled me, when first seen through the grouping of figures made to find it out. It apparently consists in establishing the difference between the returns of the wheat crop of 1851 and the returns of the wheat crop of 1860 (for Ontario and Quebec alone), then dividing that difference by 9, the number of years elapsed between the two censuses, then multiplying the quotient by 7, the number of years elapsed between 1861 and 1868, and finally adding the product of this multiplication to the return of 1861, thus:—

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The comparatively small discrepancy between 36,365,000 and 36,233,000 is probably owing to the little variations which creep in when borrowing the returns from different publications. If that method,—provided it starts from a large surplus,—has the advantage of furnishing large figures, and of not being, by any chance or possibility, affected by frost, wet, drought, midge, grasshoppers, exhaustion of soil, alteration in system of cultivation, or anything else, it cannot certainly have much claim to credibility.

In testing the accuracy of the returns of 1861 and 1871, I shall take the provinces of Ontario, Quebec, Nova Scotia and New Brunswick as a unit, and reduce the quantities of wheat flour into bushels, at the rate of five bushels of the *raw grain from the field* to the barrel of flour. Not to give to the figures a semblance of preciseness which such operations can nowhere assume, I shall also, in the aggregate sums containing millions, quote the tens of thousands in round numbers. The criterion here applied will consist in ascertaining, by means of the Customs' Reports, the quantities imported and exported, and by means of ascertained and accepted *data*, the home consumption of *wheat*, to establish the balance to be compared with the returns.

The wheat crop of 1860 is said in the Census of 1861 to have amounted (in the four Provinces) to 27,866,635 bushels.

The same for 1870, is given in the Census of 1871, as having produced 16,723,873 bushels.

The imports of wheat (and flour equivalent) is stated, at the Customs, to have been 7,210,000 bushels in 1860-61.

The Exports of the same to have amounted to 13,420,000 bushels for the same year.

The Imports of wheat (and flour equivalent) of 1870-71, are stated at 13,370,000 bushels.

The Exports of the same at 9,000,000 bushels.

The above quoted Census figures show an apparent difference in the wheat crop of the year 1870 as compared with the year 1860, of 11,140,000 bushels against 1870-71.

The Customs returns show for the year 1860-61 an excess of Exportation of wheat, over Importation amounting to 6,200,000 bushels, and for the year 1870-71 an excess of Importation over Exportation amounting to 4,350,000 bushels; the aggregate difference being (adding the surplus of 1861 to the deficit of 1871) 10,550,000 bushels against 1871.

That there was a shortness of wheat crops in 1870, as compared with the crops of 1860, is here made evident, and the Census returns of 1871 are, *so far*, sustained.

Speaking to men acquainted with the past and present conditions of our market, I need not go to the trouble of proving that, if instead of over exporting we have over imported wheat in 1870-71, it was simply because we were in need of it, and had not enough of our own growth for our home supplies.

The grand total of Census returns and imports, in 1860-61, amounted to 35,070,000 bushels.

The grand total of Census returns and imports, in 1870-71, amounted to 30,090,000 bushels.

Deduction made of the exports, the stated balance of 1860-61 amounted to 21,650,000 bushels.

Deduction made of the exports, the stated balance of 1870-71 amounted to 21,090,000 bushels.

To test the relative accuracy of the Census returns of both years, it remains to establish the amount of home consumption.

The ordinary quantity of wheat admitted to be sufficient for the home consumption of people, under dietary circumstances similar to ours, is put at 5 bushels per head of the population; this figure includes food, seed, waste and the keeping up of stock; however, to be on the safe side of my argumentation, I will add one bushel per head, and calculate the home absorption at the rate of 6 bushels per head of the population, which may be not absurdly high.

The population of the four Provinces counted 3,090,561 in 1861; the quantity of wheat absorbed must have amounted therefore to about 18,540,000 bushels.

The population of the four Provinces counted 3,485,761 in 1871; the quantity of wheat absorbed must therefore have amounted to about 20,910,000 bushels.

The balance left, according to Customs and Census returns of 1861, as established heretofore, was 35,070,000 bushels; consequently there are 3,110,000 bushels not accounted for, neither abroad nor at home, in 1861.

The balance left, according to Customs and Census returns of 1871, was 30,090,000 bushels; consequently there are only 180,000 bushels not accounted for in 1871.

The logical, the unavoidable, conclusion to be drawn from this study of the question, by ordinary method of statistical criticism, is that—

The wheat crop census returns of 1861, are apparently exaggerated to an amount which may be estimated at about 3,000,000 bushels.

The wheat crop census returns of 1871 are, apparently correct, the balance unaccounted for being absolutely insignificant.

I abridge, in tabular form, the operations heretofore detailed :

	1860-61.	1870-71.
Wheat crops, per Census.....	<i>Bushels</i> 27,860,000	16,720,000
Imports per Customs.....	" 7,210,000	13,370,000
Grand total Crops and Imports.....	" 35,070,000	30,090,000
Exports per Customs.....	" 13,420,000	9,000,000
Balance of Grand Total—Exports deducted.....	" 21,650,000	21,090,000
Home absorptions.....	" 18,540,000	20,910,000
Balance unaccounted for.....	" 3,110,000	180,000

The method here employed being a regular one and self-evidently applicable to the subject, the same terms of comparison being applied to both Censuses, no exception can be reasonably taken against this way of seriously and impartially testing our public records. Moreover, no alteration in the terms could reverse the comparative result which shows that, of the two Censuses, the Census of 1871 is the most accurate; and that its statement of the wheat crops is sustained.

I have the honor to be,  
Sir,

Your obedient servant,

J. C. TACHÉ.

Mr. W. H. HOWLAND (Toronto), said he had glanced casually over Dr. Taché's letter. It applied entirely to the question brought up at the last annual meeting of the Board, as to the correctness of the census with regard to the quantity of farm produce raised in the country. It seemed to be a very full letter on that subject; but there was another question which he had not touched upon, and that was, as to whether there is any proper return kept of our exports by rail out of Canada. He (Mr. Howland) was under an impression—though he would not state it positively at the present time,—that there is no proper system for recording the quantity of exports by rail, although the traffic in bond through the United States to Great Britain had lately increased enormously. If allowed, he would request the Secretary to ask Dr. Taché as to whether he had any means of getting returns of such exports of cereals and other produce.

Mr. HOWLAND'S suggestion was put in the form of a motion, and the Secretary instructed to write Dr. Taché accordingly.

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## THE COASTING TRADE.

Mr. HENRY DINNING (Quebec), moved that question No. IV. on the Official Programme be withdrawn. It is as follows:—

That there are now two American Companies carrying on a Coasting Trade between Ports in the United States and Ports in the Dominion of Canada, which is felt to be detrimental to the interests of our carrying and general trade,—and that the Dominion Government be petitioned to adopt such measures as will prevent its continuance, inasmuch as the same privileges are not allowed by the United States Government.

Mr. A. JOSEPH (Quebec), seconded the motion. He explained that the American vessels referred to had been withdrawn.

Mr. JOHN T. WYLDE (Halifax, N. S.), said the system complained of existed in the Maritime Provinces; but there was a difference of opinion as to the propriety of enforcing what was embodied in this motion. It appeared to him, that, so long as the Americans were doing our business in the Maritime Province waters of the Dominion, Canadian capital would not be employed there. But it seemed unfair, that while we allowed them to transact such business for us, we were not allowed to participate in their coasting trade. It is a fact, that in these lower waters we have two or three Companies representing American capital, doing literally our coasting business—and a very great need exists for their vessels. It is no small convenience to the public, and should be allowed to continue if we are not able to do it ourselves; but the sooner we are able to cultivate the business the better. It would be only just, however, that Canadian vessels should have the same privileges conceded to them in American waters.

The PRESIDENT said it would be proper for Mr. Wylde, if he desired to continue this question, to introduce a motion respecting it.

Mr. WYLDE not being prepared to do so, the order was withdrawn.

## BILLS OF LADING—RIGHTS AND LIABILITIES OF COMMON CARRIERS.

Mr. W. C. WATSON. (St. John, N. B.), moved, seconded by Mr. W. H. HOWLAND (Toronto);

“That a Committee be appointed to consider the best means of modifying the objectionable clauses now existing in Bills of Lading—as well as to deal with the question of Rights and Liabilities of Common Carriers by land and Water—the same to present a report to this meeting.”

Motion carried.

The PRESIDENT then appointed Messrs. Wm. Darling, Montreal, *Chairman*; W. C. Watson, St. John, N. B., Jno. T. Wylde, Halifax N. S., J. A. Harding, St. John, N. B., Henry Dinning, Quebec.

[The name of Mr. Robert Marshall, St. John, N. B., was added during the afternoon session.]

#### INSPECTORS OF STEAMERS.

Mr. L. J. DESJARDINS (Levis, Q.), by permission of the Board, withdrew the order (No. XXI.) suggesting the advisability of nominating Inspectors to inspect the hulls of all the steamers navigating the waters of the Dominion.

#### UNSEAWORTHY SHIPS—CANADIAN LLOYDS.

Mr. T. H. GRANT (Quebec), moved that these two subjects (XX. and XXX.) be grouped together for discussion.

Mr. W. H. HOWLAND (Toronto), thought the latter subject might be dismissed with very little discussion, especially as regards the classification of vessels on the upper lakes, which is done by Inspectors appointed by the Insurance Companies, and has given a great deal of dissatisfaction. The object of the Toronto Corn Exchange in question XXXI., was, in view of a Canadian Lloyds being established in the future, to have it made sufficiently general to extend to vessels navigating the upper lakes.

Mr. THOS. WHITE, Jr., (Montreal), said the two questions were entirely distinct. They had no relation to each other. The subject of "unseaworthy ships" should be referred to the Executive Council, with a view to watching any legislation in England bearing upon our Marine. We have a Statute to establish a Canadian Lloyds. All we want is the appointment of officers to carry it out. There has been a good deal of discussion of late as to whether that should be done or not. He presumed that if by the English law, Canadian vessels were placed in the same position as foreign vessels—that is, relieved from the severe legislation of England—there would be no disposition to put our law in force. He thought if Mr. Howland would simply refer it to the Executive Council, it would be better.

Mr. HOWLAND merely desired that the classification should be extended to the upper lakes. At present it is simply a voluntary matter with the Insurance Companies, for their own information. He had no objection to refer the matter to the Executive Council, if the Board would consent to their recommending the Government, that if the Canadian Lloyds be established, it be extended to the upper lakes. He moved, seconded by Mr. ROBERT MARSHALL (King's County, N. B.):

"That the Executive Council be instructed to memorialize the Government, that if a Canadian Lloyds be established, provisions for the classification of vessels be extended to the upper lakes and the River St. Lawrence."

The motion was carried.

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Mr. DINNING: Would it not be better to have this extended to all the inland waters?

Mr. HOWLAND: I only ask to have it extended to the upper lakes.

Mr. DINNING: This implies compulsory classification.

Mr. HOWLAND: Not at all.

Mr. DINNING: You cannot apply the same rules to vessels on the upper lakes as to ocean-going vessels. The same regulations cannot apply, because they are a different class of vessels.

Mr. W. C. WATSON said this was anticipating the discussion which was to take place to-morrow. Without committing this Board to compulsory classification, it was quite in order to pass Mr. Howland's resolution.

The PRESIDENT said the resolution had been declared carried, and could not be discussed unless it was re-considered.

Mr. HUGH McLENNAN (Montreal), thought it was unfortunate that a motion like this should be passed without discussion. He moved, seconded by Mr. GRANT, that it be re-considered.

The motion for re-consideration was carried.

#### INSPECTOR OF MINERALS.

Mr. ANDREW ROBERTSON (Montreal), read the following letter, and handed it to the Secretary:

MONTREAL, January 14, 1876.

WM. J. PATTERSON, Esq.,

*Secretary Montreal Board of Trade.*

DEAR SIR,

You will remember that at a recent meeting of our Council, I caused a memo. to be inserted (amongst other subjects to be brought before the Dominion Board of Trade), having reference to the appointment of an Inspector of Minerals by the Dominion Government.

As this subject is one of very great importance, and as it is quite possible also, that our delegates to the Dominion Board of Trade may not be quite so conversant with the subject as in experience I find myself, I take the liberty of stating, for information of the gentlemen of the Dominion Board, a few facts, and offering suggestions for their consideration.

It is well known to many gentlemen of the Board, that certain sections of the country (notably in the Province of Ontario) abound in Phosphate of Lime. The history of mining enterprize in this country has, for the most part, been a series of disappointments or failures, arising in many cases from wilful misrepresentation, or from ignorance on the part of owners, of the true percentage of purity of the article in quality for shipment.

The trade in Phosphate of Lime, to which I specially refer, could, *under proper supervision*, be extended to an unlimited extent, and thereby add greatly to the general wealth of the country. But the trouble is, the English buyer has no means of arriving at its value, or in other words, its percentage, in Phosphoric Acid, previously

to its shipment. Hitherto shipments have been made on the faith of the representations of the owners here, which in most cases have proved utterly fallacious,—in one instance, on a single year's operations, involving a loss of over \$8,000.

Phosphate of Lime is found in various parts of the country. The miner carries it in quantities of 50 to 500 tons to some shipping point in the interior, then takes what he pleases to call a fair average sample, has it analyzed, and offers the whole on that report,—the result, as per sales received by the last mail from England (being the latest shipment from Canada), showing the parcel to be comparatively worthless, as compared with its declared value here at the time of sale. The analysis of a sample, taken from a mass of 50 to 100 tons, cannot possibly be relied upon as a fair test of the entire bulk; and it has become evident, that unless a skilled mineralist—who, as well, should be an analytical chemist—be appointed inspector, and whose certificate should accompany each shipment, this trade, which otherwise would become of great value, must, of necessity, be abandoned. I have many letters from the largest dealers in Britain on this subject, the purport of all being, that unless our Legislature intervene, by the appointment of a *thoroughly competent* mineralist, whose certificate can be relied on, their business with Canadian Phosphates is at once and for ever at an end. I beg most warmly to urge this subject upon the gentlemen of the Dominion Board, and trust that our delegates will do full justice to its importance.

I am, very truly yours,

(Signed) F. W. HENSHAW.

On motion, the Board adjourned until 2 o'clock, p.m.

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#### AFTERNOON SESSION.

TUESDAY, *January 18.*

Business was resumed at Two o'clock, P.M., the President in the chair. The roll having been called, the Board then listened to

#### THE PRESIDENT'S ADDRESS.

*Gentlemen of the Dominion Board of Trade*:—The place in which I stand reminds me that I owe a debt of thanks for the friendliness and courtesy that gave me the votes which placed me in this very honorable position. I appreciate it the more from the circumstance that it was accorded to me in my absence, and I shall make what return I can by giving my best efforts towards promoting the large and important interests which are involved. I would say that the distance of my residence from Montreal, which is the seat of our Council, has interfered, in a large degree, with my giving full attention to the interests of the Board during the *interim*. I think, however, those interests have not suffered, inasmuch as my friend, Mr. Andrew Robertson, who is on the spot, has very kindly given his attention to matters requiring it, and the Report which has been laid before you this morning is evidence of the large amount of labor and attention that have been given to it. I have not faltered in the opinion I entertained from the start, of the value of this Association,

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whatever public benefits it may confer—and they cannot be few—in the dissemination of information. There is another influence which I look upon as of the very highest importance. We have heard of the promotion of national feeling, of the feeling that we are one people; but, in our wide-spread separateness, being so far from each other, we are apt to grow up sectional, and in our individual capacity of merchants, following our own course of life, we have got our own individual interests to consider. We rise out of that a little in the local Boards of Trade, which embrace a series of subjects of wider interest; but in this Board we reach a higher plane still, and undertake to grasp subjects and interests which extend over the entire Dominion. I think that thereby we obliterate a great deal of our sectional feeling, and, I may add, a great deal of our selfish feeling. I hold we would lose one of the best influences of this Board, if we did not go away from its meetings better citizens, better subjects, and better men. Of the wide comprehension and great grasp of the subjects which are debated here, I need only refer you to one especially; it is a subject which has occupied a great deal of attention. I allude to our canals. It appears to me, upon the best solution of that subject, and on the perfection of that system depends whether the cereal surplus of the west, between where we stand and the Rocky Mountains, shall seek the seaboard by the St. Lawrence, or by the railroads and water ways of another country. I have felt that increased significance has been given to this matter by the fact of the enormous development in the growth of grain in two other countries. We have been familiar with the great productiveness of the Pacific States of the American Union; but it has fallen upon me—I will not say how far it has upon others—with startling effect, the account of the immense grain crop which the distant colony of Australia has offered to the world. This shows that there are other competitors with the grain-growing districts of America in supplying the nations of Europe with bread. I feel that the greatest consideration is due the subject of canals. You will pardon me if I localize the subject by saying that I feel you should, as fast as the finances of the country will permit, proceed immediately to complete that system, by constructing that cut which will make Nova Scotia an island. I regret that I am not able to congratulate you upon the commercial prosperity of the country. I do not feel that it is necessary to say a great deal upon that subject; it is familiar enough to all of us, that one of the great causes is a feeling which leans, perhaps, to virtue's side—the ambition to do a great deal—to attempt great undertakings—to grasp at too much. And if I were to advise a course which should be pursued, I would say—be moderate. We should form a more moderate estimate of our powers, and keep within the bounds of the enterprises which we undertake. I am not sure that I ought to go a step further; but I feel that I would scarcely discharge that duty which I owe to myself, if I failed to express the words which convey my conviction, that it is best even in a larger field that enterprises

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of too great magnitude should not be undertaken. I say this with all the respect and honor that is due to those who guide the destinies of the country. I feel there lies a danger in enormous public undertakings of creating a debt, a burthen of taxation, and embarrassment greater than we shall be able to bear; but this is said with entire regard to the respect and honor due to the public departments, and not from any stand-point of party at all. I am happy to know that from the National Board of Trade of the United States there has been accredited to this Board a number of gentlemen, and I am glad to see amongst us our friends, Mr. Henry, from New York, and Mr. Hayes, from Detroit. (Applause.) Our relations with the National Board of Trade have been very cordial and very pleasing. Almost without exception—I think I may say without exception—the gentlemen composing that Board, have, for the past three or four years in meeting with us, taken a friendly and liberal view of those measures which we thought desirable for Canada. I am exceedingly desirous that we should return to them the courtesies and privileges of this Board, and endeavor to make them feel that we esteem them, and that they are at home among us. It can scarcely fail to happen that in the discussions in which we are to engage, as outlined by the list of subjects, there will questions arise, which will render it necessary for speakers to refer to the trade between the countries, and to matters of which complaints may be made; I desire to say, and emphasize the request, that such references as may be necessary, shall be made in a frank and generous spirit, and free from anything like warmth of feeling; just in that way that they shall accomplish the most good, avoiding, if it is possible, to the utmost extent, the awakening of any kind of unfriendliness or opposition. The subjects are to the last and highest extent, important to us. They are subjects of extreme delicacy. It is likely that for years following this, negotiations of greater or lesser importance, will be going on, respecting them; and a word carelessly or injudiciously thrown in, may hinder, while a word wisely and judiciously thrown in, may help them forward. I am quite sure that among the friends who are present, no intentional word can be said, that may in any degree, appear harsh. I am quite sure you will agree with me in making this request. We have one or two—four, I think—additional Boards associated with us at this meeting, and we have lost the adhesion of two or three. However as you all know the number of delegates accredited here, is greater than it ever has been before—an evidence that wide-spread interest is felt in the proceedings of this Board; and men are ready in distant parts to make sacrifices to attend. I will only further add that it will be necessary to confine debates to the point, as it appears to me there is a great deal to get through with. Under the new Constitution, I feel that the Board will be free from the embarrassment which we had in some slight measure before, of indefiniteness in the subjects placed before us. The amendments will give the

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Executive Council the control of subjects, and by them they will be placed before the Board, in a more compact and general manner, and with less diffuseness. I thank you for the hearing you have given me. I bespeak for myself forbearance, necessary in conducting this meeting, and I trust you will have a really successful gathering. (Applause.)

#### COMMITTEE ON CREDENTIALS.

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

OTTAWA, January 18, 1876.

The Committee on Credentials beg to present their First Report, which shows that eighteen organizations are represented by forty-nine delegates,—indicating an aggregate membership of 2,033. Thus far, a few of the delegates named in the credential papers, have not arrived, but are expected later on. The Committee have pleasure in noticing the presence, for the first time, of four (4) new organizations, viz : (1) Fredericton, N.B., Board of Trade ; (2) London, Ont., Chamber of Commerce ; (3) Manufacturers' Association of Ontario ; (4) Ontario and Quebec Timber and Lumber Association.

Respecting these new bodies, your Committee would suggest that the Provisions of Article II. of the Constitution, be complied with, in receiving them.

Very respectfully submitted,

(Signed)

W. W. OGILVIE,

Chairman.

On motion, the report was adopted.

In accordance with the recommendation in the foregoing report, Mr. OGILVIE moved, seconded by Mr. HOWLAND :

"That the Fredericton, (N.B.), Board of Trade ; London, (Ont.), Chamber of Commerce ; the Manufacturers' Association of Ontario, and the Ontario and Quebec Timber and Lumber Association, be admitted to affiliation with the Dominion Board of Trade."

Motion carried.

#### THE EXTRADITION TREATY.

Mr. ADAM BROWN (Hamilton) :—The Board which I have the honor to represent to-day, have taken a very deep interest in the question of extending the Extradition Treaty with the United States, to secure the return of fraudulent debtors, and those guilty of breach of trust, who have taken valuable property. Inasmuch as the Treaty does not now extend to any class of criminals beyond those guilty of murder, forgery, &c., we feel that this is a question which might very properly be discussed by this Board ; and I am

instructed to bring it before you. With your permission I will read their views on the subject:—

An Act was passed by the Imperial Parliament, on the 9th of August, 1870, providing that where an arrangement has been made with any foreign State, with respect to the surrender to such State of any fugitive criminals, Her Majesty may, by Order in Council, direct that the Act shall apply in the case of such foreign State, and further, providing that the operation of the Order in Council may be limited to any part of Her Majesty's Dominions, to be specified in the Order.

No action has been taken by the British Government, or by our own Government, so far as we are aware, to bring about an arrangement with the United States for the extradition of criminals, other than those mentioned in the Ashburton Treaty, made in 1842, and which comprises only those charged with the crime of murder, or assault with intent to commit murder, or piracy, or arson, or robbery, or forgery, or the utterance of forged paper. It would be very desirable, in the interests of the inhabitants of the Dominion, and for the protection of their property, that every possible means should be adopted to prevent our territory from becoming a place of refuge for the criminal classes of the United States, and we deem it our duty to make every effort in our power to extend the means of extraditing criminals between the United States and the Dominion. Our Parliament have done what was within their legislative powers to accomplish this by passing, in 1869, a law to the effect that, if any person brings into Canada, or has in his possession therein, any property stolen, embezzled, converted, or obtained by fraud or false pretences in any other country, the bringing such property into Canada, the having it in possession therein, with knowledge of the crime, shall be an offence of the same nature as the original stealing, or obtaining of the property, so brought into Canada. But the English Extradition Act of 1870 has in no way extended the classes of criminals liable to extradition, and it is with the view to relieve us of the incubus of the fugitive thieves, who are constantly migrating to Canada from the United States, and also to enable us to punish those who commit crimes here and escape across the border. The Act referred to makes provision for practically extending the Treaty very materially, (but it will be in operation in Canada) until an arrangement is effected between the Governments of Great Britain and the United States. The Ashburton Treaty, yet in force here, pending the bringing into force of the Imperial Act of 1870, referred to, permits vast numbers of criminals to make convenient places of refuge of Canada and the United States, to the detriment, increased police expenditure, and annoyance of both countries.

I therefore submit the following resolution:—

“That the Dominion Government be urged to press on Her Majesty's Government the importance of negotiating a Treaty with the United States, which will provide for the mutual extradition of all criminals, excepting those charged with political offences.”

Mr. WM. ELLIOTT (Toronto), in seconding the resolution, said this was a proposition whose bare mention would induce agreement by every member of the Board. It was obvious that we did not want reciprocity in crime between this country and the United States. We were ready to accord reciprocity in everything that is

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just and right; but not to receive criminals from the United States and refuse to give them up, nor to consent to the United States receiving ours and refusing to send them back. Recently a criminal robbed the Bank of Commerce in Montreal, and escaped to the United States, where he was captured by the detectives; but as the Extradition Treaty did not cover such a crime as his, they were obliged to release him. Of course it is known that some of the money was recovered; but there is no question, that if such a Treaty as this had been in force, the great bulk of the money would have been regained. This one instance is sufficient to show the necessity and importance of having such a Treaty as is now suggested. Formerly there might have existed a difficulty on the part of the British Government in agreeing to a treaty of this kind when slavery existed. It sometimes was the case, when a negro escaped to this country, that he was charged with theft for the purpose of getting him back. But that is past, and there is no reason why two civilized governments should not enter into a treaty of this kind, in order that justice might be done, and it would be heartily endorsed by the people.

The motion was put and carried.

#### AVERAGE ADJUSTERS.

On motion of Mr. DARLING, the question was ordered to be referred to the Special Committee appointed at the forenoon session, to consider the question of Bills of Lading, and Rights and Liabilities of Common Carriers,—Mr. ROBERT MARSHALL, of St. John, (N.B.), being added to that Committee by the President.

#### BONUS TO IRON MANUFACTURES.

Mr. W. R. MINGAYE, (Kingston), on this subject (No. XIV.) being called, said it was unfortunate that he was the only representative of Kingston present. He knew nothing about the smelting or manufacture of iron, and would suggest, with the permission of the Board, that the topic be withdrawn.

Mr. ADAM BROWN (Hamilton), said it was very unfortunate that such an important subject should be dropped. If there was an article of commerce in Canada, on which the whole country should unite as one man in advocating the support of with a bounty, it was iron smelted from beneath the surface of our own soil. This was a subject which claimed the greatest consideration. He hoped it would not be withdrawn, but allowed to stand until to-morrow.

Mr. HUGH P. SAVIGNEY (Toronto), said his only intention in coming down to this meeting was to advocate such a measure, and when he saw it given notice of by the Kingston Board of Trade, he thought they would at least have broken the ice. He



would bring it up in the discussion on the Tariff question, because he was instructed to take the view that it should be dealt with under that head. He would introduce the subject to-morrow.

The order was allowed to stand.

#### ACCOUNTANTS IN BANKRUPTCY.

Mr. WM. DARLING (Montreal) called attention to the necessity for establishing the office of Accountant in Bankruptcy. When the Insolvent Act was first presented in Parliament last session, a resolution containing such a provision was introduced into the House by the Minister of Justice, but for some reason, it was withdrawn. The Committee appointed by this Board felt it was necessary such a position should be constituted by the Government, resembling the office under the Bankruptcy Act of Scotland. The reason is principally, that in the event of wrong-doing on the part of assignees, it would be less difficult to bring them to justice. It is too expensive to do so by ordinary lawsuit. Now, in Scotland, the powers held by the Accountant in Bankruptcy are such, that he can deprive these gentlemen of their offices at once, if they do anything wrong in the management of estates, and can dismiss them without remuneration. He would move :

"That a Committee be appointed to take this matter into consideration and bring in a report."

The Government, and especially the Minister of Justice, saw the propriety of creating such an office ; but, no doubt, the principal objection was the expense which would attend it. The proposition that was made to the Committee of this Board at that time, was that a small amount should be assessed on each estate for the maintenance of the office, and that the salary of the official should be paid out of the amount so assessed. The President might name a Committee of those gentlemen, or such of them as might be at this meeting, who belonged to that Committee which considered this question before.

Mr. A. JOSEPH (Quebec) : Do you want an Accountant in every city ?

Mr. DARLING : No. One for Ontario, one for Quebec, and one for the Maritime Provinces,—that was the resolution the Government brought into the House.

Mr. JOSEPH : It was rejected.

Mr. DARLING : No, it was withdrawn.

Mr. JOSEPH : It was proposed, objected to, and dropped.

Mr. DARLING : The reason why the resolution was withdrawn, I am not able to state. The question now is whether the office would be a benefit or not.

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Mr. JOSEPH thought it was very injudicious, after the question had been so fully discussed as it had been by this Board and in Parliament, to propose to amend the law, which had been so recently enacted. He thought it would be better to withdraw the question.

Mr. DARLING, to illustrate one of the uses of those accountants, said the Act declares that security shall be taken for Assignees; but the Government does not say who is to hold the security, and none has been given by Assignees, other than Official Assignees. Application has been made to the Minister of Justice, and he says:—"I will not take it, as I have no authority to receive it." In Scotland, all papers are deposited with the accountant, and it is only necessary to apply to him, to get the full proceedings in any case. The whole of the documents, from first to last, are deposited with him. He (Mr. Darling) did not see how this Act was to be worked, unless there were some place provided for depositing papers where they could be found. Assignees, other than Official Assignees, are required to deposit papers with the Official Assignee of the district. With which of them should they be deposited in Montreal, where there are twelve Official Assignees?

Mr. A. ROBERTSON (Montreal), said this was not new. It was brought up last year. Mr. Fournier, the then Minister of Justice, agreed that the principle should be adopted; but in the House it was dropped, because the matter of payment of the officials had not appeared in the estimates. He agreed with Mr. Darling, that there should be an Accountant in Insolvency. The law, as amended, was not as good in every respect as the Act of 1869, but it had to be accepted. Somebody should be appointed to hold the documents. Mr. Darling was quite right in bringing this up, not as a new amendment, but as part and parcel of the means of carrying out the law of last year.

Mr. J. E. CLEMENTS (St. Johns, Q.), said there might be an improvement in Section 35, of the Insolvency Law, which prevents inspectors from bidding directly, or indirectly, on stock. He thought it would be a loss to some of the creditors. Very frequently there are few of the creditors present at a sale, and the stock is sacrificed to their detriment. If the Committee should be appointed, they might also look into this matter.

Mr. JOSEPH said, if there was anything of which the Dominion Board of Trade complained, it was the constant changing of commercial laws. Last year this Board succeeded in getting an Act passed which has not had time to show whether it will work well or work at all. The question of securities has never come up in the city of Quebec. Each Assignee appointed gives his security to the Government, and he had never heard a case in which it was

objected to; and no fault has been found with the Act yet. No doubt everyone present could suggest some improvement in the law. But the proper course is to put off all discussion of this kind for another year. In Quebec this accountant has not been found necessary.

Mr. ADAM BROWN: A remark fell from Mr. Darling which is startling. He said the law contains no provision whereby the Government should receive security from Assignees. I understood him to say that the Minister of Justice states he has no authority to receive it. Surely the Bankruptcy Act is not in such a shape that Assignees are doing the work without giving any security! It certainly is most extraordinary to think that this is the case.

The PRESIDENT: In the city of St. John, where we have an estate involving \$1,500,000 in the hands of an Assignee, the security given is \$2,000.

Mr. JOSEPH: In Quebec there is an estate of \$1,000,000, which is now being wound up, and the security is small, but ample.

Mr. ROBERTSON: Who holds it?

Mr. JOSEPH: The creditors themselves. What can be safer? The law provides that the creditors name trustees, and they hold the security.

Mr. FRANCIS CLEMOW (Ottawa): Having had considerable experience with regard to Assignees, I may be permitted to say something on the subject. The Official Assignees have, in every instance, given security before their appointment, as required by the Act. Before I took the position I had to give security, and so had every Assignee similarly situated. In the event of another Assignee being appointed by the creditors, he gives security, and it is deposited with the clerk of the County Court for the district. That was the system under the old Act. With regard to Accountants, I know the original draft of the Act contained a provision for their appointment, and I favored it because I thought it would have a beneficial effect. I went further. I contended that the accountants should be well qualified for taking all the proceedings. He would thereby relieve the judges of matters with which they have very little experience as a rule. I think they should be appointed, and accredited in certain localities to take the place of the judges. I do not know whether this provision was struck out of the original draft of the Act; but I recollect there was a provision made for the appointment of these accountants. I thought their duties were simply to compile the information as required for the several districts. But the Government requires the Official Assignees to keep a record of the amount of liabilities of the estate, and a great deal of other information that is intended to be kept as a matter of record; and if other Assignees are

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appointed, then this matter of record is sent in to be deposited with the Official Assignees of the district. With regard to the deposit of papers, the Official Assignees of a district are joint-assignees, and therefore the deposit of papers with any one of them is sufficient to comply with the law. For instance, there are three Official Assignees in this city. I am one of them. As soon as an estate is wound up, a statement is sent to one of us, and that remains as the record of the estate. I certainly would favor the appointment of these accountants, and would like to see them invested with judicial powers. I think it would be very beneficial, and have a salutary effect in preventing a great deal of trouble in having to appeal to the County Court judges in adjudicating in such matters.

Mr. DARLING said he would be prepared to-morrow, to give some information with respect to the office of Accountant under the Scotch law.

Mr. ROBERTSON: I do not wish to amend the law. In advocating Accountants in Bankruptcy, I go merely for an extension of the law as proposed last year. I would let the Act run for two or three years without amendment; but I want to see it in the form that was proposed last year. Clause 28 shows where the security should go. It says that "each person appointed Assignee, or joint Assignee, shall hold office during pleasure, and, before acting as such, shall give security for the due fulfilment and discharge of his duties, in the sum of \$2,000, such security to be given to Her Majesty, for her benefit, and for the benefit of the creditors of any estate which may come into his possession under this Act." For the security, the Act provides that "the Official Assignee may also be required to give, in any case of insolvency, such further security as, on petition of the creditors, the Court or Judge may order, such additional security being for the special benefit of the creditors of the estate, for which the same shall have been given." Now, who is Her Majesty's depository? That is the question.

The discussion on the subject was adjourned until to-morrow, Mr. Darling being requested to submit then a summary statement to the Board.

#### BANK INSPECTORS.

Mr. W. R. MINGAYE (Kingston), moved, on questions Nos. XXII. and XXIII. as follows:—

"That the Government be recommended to appoint one or more inspectors, whose duties shall be to examine, from time to time, the reserves, circulation, and securities, &c., of all chartered Banks in this Dominion; that this Board is of opinion it would conduce to more correct and perfect returns, as required from such Banks, being made, and thereby cause a greater degree of certainty in the minds of holders of Bank Stock, as to the security and stability of the several Banks in the Dominion."

Mr. L. J. DESJARDINS (Levis, Q.), seconded the motion. The extent

of the commercial crisis of last year was well known, and some of our banking institutions were within reach of its effects. The Levis Board of Trade thought it was a question which should be discussed here.

Mr. A. JOSEPH (Quebec) rose to oppose the motion, because he considered it an interference with the rights of shareholders. Banks were incorporated by Act of Parliament, and all holders of stock had the opportunity of electing Directors every year to look after their interests. Would Inspectors look after the interests of shareholders any better than they were watched under the present system? What holder of stock would abandon his right to look after his own interests? Why should he transfer that right to an Inspector? The stockholder inspects the bank in the same way that a merchant takes care to inspect his own books. The appointment of inspectors was a popular cry, raised recently, because the directors of one bank had not looked properly after their own interests, but allowed their cashier to send in false returns to the Government. The Provinces of Ontario and Quebec had banks in existence for sixty years. Under the old system, two of them failed—the Bank of Upper Canada and the Commercial Bank of Kingston. This brought about the present Act, passed in 1871, and known as the “Hincks” Act, which provides for the inspection by the directors and their officers, of each bank, and obliges them to make returns to the Government monthly. If these returns are false, of course it is very wrong; but we have had only two false returns yet, and let us hope there will be no more. The penalty for such a violation of the law is very severe;—the Banking Act makes it a penitentiary offence. He was not prepared to say that the Act was perfect. While it obliges every bank to make monthly returns, it does not provide for the immediate punishment of any institution failing to do so. While we have in Ontario and Quebec some thirty banks, with from fifty to sixty millions of dollars of paid-up stock, the owners of that stock are well able to look after their own interests. There are many objections to an inspector. In the first place he would probably be appointed for political reasons; in the next place he would cause the Government to assume the responsibility that is now laid upon Boards of Directors. The appointment of inspectors would be a mistake. Banks do not fail if they keep within legal bounds, and inspectors could in no way prevent irregularities.

The motion was put to the vote and lost.

The PRESIDENT here read a telegram from Mr. L. J. N. Stark, of New York, expressing his regret at being unable, owing to sickness in his family, to attend this meeting as a delegate from the National Board of Trade, and conveying his best wishes for the success of its discussions.

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## WEIGHTS AND MEASURES.

Mr. ADAM BROWN (Hamilton), asked leave to withdraw No. XXV, which is as follows :

"The propriety of amending the present law respecting Weights and Measures, and the collection of Excise Duty on the Wine-gallon, instead of the Imperial-gallon."

He said Mr. Brunel, the Commissioner of Inland Revenue, had given him information which the Hamilton Board of Trade could not have been possessed of, when they had this notice put on the paper. The objection thus raised was, that the present Act provides that all measures for liquids must be of a cylindrical form, a shape totally different from the present conical gallon and pint measures, and that certain metals were not allowed to be used in their manufacture. Further, it was claimed the inconvenience in collecting excise on the Imperial instead of the Wine measure, was creating a great deal of confusion. Mr. Brunel had shown him the specimens of measures procured by the Government, and convinced him that the change would be satisfactory to the public. The Government will not stamp any new measure as correct, unless it is of the cylindrical shape. Of course they have made enquiries in England and France before adopting these measures, and this Board ought not to interfere with their plans, or at all events should wait until they are fairly tried. He had been asked to request this Board, to urge the Government to collect the excise duties on all liquids, on the Wine instead of the Imperial measure; but inasmuch as all the distillers and manufacturers use the latter, he did not think it would be wise to interfere with it at present.

The notice was by consent withdrawn.

Question No. XXVI., referring to the Taxation of Grain, was also withdrawn.

## WINTER NAVIGATION OF THE RIVER ST. LAWRENCE.

Mr. L. J. DESJARDINS (Levis, Q.), moved, seconded by Mr. T. H. GRANT (Quebec) :

"That this Board petition the Dominion Government to reconsider the question of the winter navigation of the Gulf and River St. Lawrence, and to grant such aid as will test the feasibility of the said navigation,—and especially as the Government in their answer to the Memorial of this Board, dated 23rd October last, have admitted the advantages that the Dominion would derive from the navigation of the Lower St. Lawrence during winter season."

As this question is for the second time before the Board, he (Mr. Desjardins) did not think it was necessary to argue its importance at any length. In the debate last year it assumed two phases;—first, the feasibility of winter navigation; second, its



commercial aspect. Of course, it is a matter of experiment. It has yet to be decided whether winter navigation is possible. It has been discussed by several local Boards, all of which agree as to the importance of a solution of the problem. Last year this Board passed a favorable resolution, recommending the matter to the consideration of the Government. The Executive Council having communicated a memorial to the Government on the 1st of March, the following reply was given on the 23rd of October:

"I have the honor to inform you by direction of the Minister of Marine and Fisheries, that while the Government is fully aware of the advantages of securing winter navigation on the Lower St. Lawrence, if it could be accomplished, as at present advised, they do not feel justified in recommending Parliament to vote the sum which would be necessary to try the experiment."

Those few words inform the Board that the Government are fully aware of the importance of the question. There is some doubt as to whether the navigation of the St. Lawrence in winter would pay; but this is no ground for throwing the matter overboard altogether without trying the experiment. New proposals have always to meet with some objections. When the first railway project was brought before the English people, it was strongly objected to; and even after it was established that trains could be run on rails, it was contended that no person would trust his life and property to such a wild scheme of transportation. Still, we are all witnesses to-day of what railways have accomplished throughout the world. If the feasibility of navigating the St. Lawrence in winter could once be established, there would be passengers and freight found for the winter vessels also. The reply of the Deputy Minister of Marine would justify the Board in taking the matter up again, and asking the Government to reconsider the question.

Hon. JOHN YOUNG (Montreal), said enough has occurred in the history of this country to enable anyone to give an opinion as to the probability of success in the winter navigation of the St. Lawrence. The Government have already pronounced against it. No project should be put down because it is new; but anyone familiar with the condition of the St. Lawrence below Quebec in the winter season, must know that the high rate of insurance that would be charged on vessels navigating it at that time of the year, would prevent it from being a commercial success. The influence and permanency of this Board depends upon the wisdom with which it discusses each question; and it should hesitate to express an opinion on a matter of such importance, when it feels doubtful on the subject.

Mr. JAMES LORD (Montreal), said the universal opinion given was opposed to this project, and his own experience had always

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been against it. The expense attending it would neutralize any benefit that might be derived from winter navigation.

The motion was then put and lost.

#### REGULATIONS FOR MASTERS OF VESSELS.

Mr. W. R. MINGAYE (Kingston) asked leave to withdraw this subject. It is well known that within the last few months the Government have required that statistics of the coasting trade on the lakes should be collected. Now, those who are given this work, should be placed in a position to do it thoroughly. It was found in some cases that captains of vessels who had handed their books to the Customs officials, could not get them back, and were thus delayed in port. There was no penalty attached to the non-return of these books; and this motion was put on the paper, in the hope that the Government would put some penal clause in the statute, compelling officials to return such books. He understood from the Minister of Customs that the matter would be attended to.

The motion was withdrawn.

#### COMPULSORY INSPECTION.

Mr. WM. PENNOCK (Ottawa), moved :

"That the Executive Council memorialize the Dominion Government, asking that the General Inspection Act be amended, so that the inspection of Butter, Petroleum, Leather and Hides, Ashes, and Provisions, including Pork and Beef, be made compulsory."

This Board almost unanimously, on several occasions in the past, asked the Government to enact a General Inspection Law. This has been done. But the law is not compulsory, and is consequently, to a large extent, a dead letter. Very grave complaints are made with regard to fish and butter. Inspection of the latter not being compulsory, there is not the proper care taken in packing it, and consequently our butter abroad does not maintain that standard for excellence which it otherwise would. A great deal of it is of good quality, but it does not realize the high prices it would if bad butter were not thrown on the market along with it.

Mr. F. CLEMOW (Ottawa), seconded the motion.

Mr. A. JOSEPH (Quebec), opposed the motion. The Act was amended to make the inspection of Fish and Fish Oils compulsory, and it was then decided that this was as far as the Act should go. The butter packages are all small, and it is hardly necessary or advisable to make their inspection compulsory.

Hon. JOHN YOUNG said the principle of inspection was what this Board had to consider, and that was to a great extent regulated by custom. You cannot sell a barrel of ashes in this country without inspection. Nobody buys a barrel of beef or pork without its

being inspected. Only the inspection of fish and fish oils is by law rendered compulsory. People are at liberty to have their flour inspected or not. It would be unfair to compel a man who owns a quantity of flour to have it inspected against his wish, and when he can sell it without inspection.

Mr. HUGH McLENNAN (Montreal), said this was a question in which the Montreal Board of Trade had taken a deep interest; and this element of compulsory inspection had received a good deal of attention. With reference to oils and fish, it was asserted that there was a necessity for compulsory inspection, owing to the great variation of quality that existed. But the general opinion of the Board was, that compulsory inspection involved a principle that was very difficult to deal with, without interfering with the ownership of property. All property should be merchantable; but it rests with the buyer and seller to say whether it should be subjected to inspection. In the passage of the Act in 1873, it went so far as to include butter as one of the items in the compulsory clause. The question was brought up, whether imported butter should be inspected or not. A parcel might pass from market to market, and what would be its condition then? It was found so hard to deal with the question, that the difficulty was avoided by never appointing the inspectors. With reference to pork, Hon. Mr. Young's statement was perfectly correct. And yet a decided change had taken place within a few years. As a matter of fact, a large amount of the pork sold in Montreal, does not pass inspection. A few years ago, it was very exceptional that any lot should change hands without being inspected. In Ontario, large quantities of pork are sold without inspection; and any law which would render the inspection of it compulsory, would be prejudicial to the interests of the trade.

Mr. JAMES LORD (Montreal), said that when this law was first brought up, it was admitted that it ought to be universal. Butter was one of the articles in which inspection was needed as much as in any other. He was somewhat disappointed that it should be passed over, while fish and fish-oil should be made compulsory; and he believed it was due to some influence which had been brought to bear on the Government, in favor of the butter interest. With regard to fish, the result had been beneficial to trade. He was one of those who voted in favor of compulsory inspection, when it was first brought before this Board; but it was on condition that it should be done at the place of curing. The same principle should apply to butter. It should be inspected where it is first offered for sale; and that inspection should be accepted at any other place. Purchasers could judge for themselves, whether it was up to the mark, or had deteriorated in quality. He was interested in the oil business himself, and contended that inspection was wanted on certain grades of oil. We get a good deal of steam-refined seal oil from Newfoundland. When you see one barrel of it, you have a

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sample of ten thousand. That is subject to inspection when it is landed on the wharf, at Montreal; because, if it is subjected to sun and weather, there is no such thing as selling it.

Mr. JOHN T. WYLDE (Halifax, N.S.), said, in Nova Scotia they had a good deal of difficulty in managing their fish exports, because the old compulsory law of inspection had been allowed to expire, and it seemed as if they were never going to get it renewed by the Dominion Government. Three years ago he had the honour to move at this Board, that regulations thought desirable to give effect to articles which it might be deemed advisable to inspect, should be referred to the local Boards competent to deal with them, and to report back to this Board what they considered best. That motion was carried by a majority of one. He was glad to hear that the Inspection Act with regard to fish had been satisfactory. He would be sorry to vote on things he did not know the working of,—such as flour, beef, pork, etc.,—but he could see the same principle underlying them as in the inspection of fish. It was to maintain the character of Canadian products abroad, which could not be done unless the law were made compulsory. Still he would not care to vote for the compulsory inspection of such articles, if a majority of the representatives from the Upper Provinces thought it were not necessary.

Mr. WM. LUKES (Newmarket, Ont.), begged to enter his protest against making the inspection of provisions compulsory. If the object is to protect those who are dealing largely in those articles, they are already allowed to have an inspector if they wish to pay for him; while the masses who purchase in small quantities can inspect for themselves. He was opposed to anything of this kind, unless the motion included everything coming from the United States.

On being put, the motion was lost.

#### GRAIN STANDARDS.

Mr. W. H. HOWLAND (Toronto), moved, seconded by Mr. S. W. FARRELL (Toronto):

“That the Executive Council memorialize the Government to make provision that the same regulations be made for determining uniform standards for Grain, as are at present satisfactorily in force for Flour.”

Mr. HOWLAND said the Board was aware that certain Examiners are nominated by the different Boards of Trade in the large cities. These examiners meet together in Montreal at the proper season, and are provided by the proper officers with the different qualities of flour produced in that season. They then determine the grades for the year, and in that way there are no inequalities of grades throughout the country. This had proved of great general benefit. The Toronto Corn Exchange wished to have a similar plan adopted



for determining the qualities of Grain throughout the Dominion. At the present time there are grain inspectors at Toronto, Hamilton and Montreal, but their standards may be said to be every one different. The Hamilton standard of one quality of wheat will pass for a different quality at Montreal, and the result is that sales are rejected. The object of the Corn Exchange is, to have, at the time of the meeting of the Board of Examiners for flour in Montreal, a meeting of examiners to determine upon a uniform standard for grain throughout the Dominion.

Hon. JOHN YOUNG (Montreal): How would you deal with United States grains?

Mr. HOWLAND: I don't see how we could deal with them.

Mr. FARRELL said it must be patent to all dealers in grain, that uniform standards would be of great advantage to them. Without them there is sometimes very great trouble. For instance, No. 2 Spring Wheat in Toronto is equal to what Hamilton calls No. 1. And it is the same with Barley; Hamilton No. 2 Barley this year would not inspect more than No. 3 in Toronto. Consequently, when a certain grade is purchased, there is no certainty of getting it.

Hon. JOHN YOUNG could see no objection whatever to Mr. Howland's motion. On the contrary, he thought it would be of very great service to have standards for grain fixed every year in the same way as for flour. In the Western States, at Chicago and Milwaukee, standards are fixed in a similar manner every year, and purchasers know what they are buying. The object which Mr. Howland had in view could be accomplished by a very short bill indeed.

The motion was then put and carried.

#### SUBJECTS WITHDRAWN.

Mr. S. W. FARRELL (Toronto), asked leave to withdraw subject No. XXXVII, respecting "Weighers of grain." Permission granted.

Mr. A. ROBERTSON (Montreal), asked leave to withdraw subject No. XXXVIII, referring to "Inspector of Minerals." Permission granted.

Hon. JAS. SKEAD (Ottawa), said in the absence of the gentleman who had charge of subject No. XL, on the "Packing of certain articles," he would ask permission to withdraw it. Leave was granted.

On motion the Board was then adjourned until the following morning at 10 o'clock.

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## SECOND DAY'S PROCEEDINGS.

MORNING SESSION.

WEDNESDAY, *January 19, 1876.*

The Board met at 10 o'clock, A.M., the President in the Chair. The Secretary read the minutes of proceedings of the previous day, which were corrected and confirmed.

The subjects of "Unseaworthy Ships" (No. XX.), and "Canadian Lloyds," having been announced,

Mr. THOMAS WHITE, JR. (Montreal), suggested that Mr. Howland's resolution, with regard to a Canadian Lloyds, introduced at yesterday's session, should be expunged, as the question could be discussed in connection with the subject of unseaworthy ships.

By consent of the Board, the resolution was expunged.

## UNSEAWORTHY SHIPS.

Mr. HENRY DINNING (Quebec) moved the following :

"That the Dominion Government be urged to take such measures as they may deem best, to prevent the undue interference of British Board of Trade Surveyors with Canadian Shipping.

"That the establishment of a Canadian Lloyds for the Dominion of Canada, upon the basis of English Lloyds, as near as may be, is desirable ; and that the Government be hereby requested to take the necessary measures to carry the same into effect, under the powers given by the Act relating to shipping, and for the inspection and classification thereof."

Before asking the Board to vote on this resolution, he thought it was his duty to show that there was undue interference. He would read a series of resolutions passed by a body of ship-owners in conference at Glasgow, Scotland, last month, and leave the Board to draw their own conclusions. They are as follows :

*Resolution 1st*—That the time has arrived when a general Codification of the Statutory Merchant Shipping Law should be pressed for—when all obsolete and unnecessary portions of the existing Statute Law relating to Shipping should be struck out, and a definite Code fixed which may prevent the frequent changes in the Law, as now made, or proposed, in each Session of Parliament ; and that immediate action should be taken by the Shipowners of the United Kingdom, as a united body, to bring the existing un-

settled and harassing state of matters to an end by respectfully insisting on the Statutory Shipping Law being definitely settled and reduced to a workable Code in the ensuing Session.

*Resolution 2nd*—That an influential representative Committee be appointed by this Conference—

(1.) To direct the serious attention of Government to the necessity of providing for the Marine Legislation of the Country being originated and carried out by Members of the Government and Officials really conversant with the subject ;

(2.) To Memorialize Government immediately to cause a revision of the existing Statutory Merchant Shipping Law to be made, and to bring in a Bill at an early period of the ensuing Session to reduce such revised Law to a Code ;

(3.) To direct the attention of the Government to the necessity of the Law being now fixed upon a basis which will ensure that the Vessels of the British Shipowner shall not be prejudiced in competition with Foreign Vessels, and of Regulations being framed by the Board of Trade for the guidance of their Officials in enforcing the Law so as to ensure uniformity in their requirements at all Ports ;

(4.) Simultaneously with taking the above action, to explain to Members of Parliament and the Public, in such manner as may be deemed best, that grievances do exist so serious as to imperil the existence of the Business of Shipowners as a Trade in this Country ; and,

(5.) To watch all proposed legislation affecting Shipping in the ensuing Session ; and, that the following gentlemen, viz. :—

GEORGE SMITH, Esq., of Messrs. George Smith & Sons, Glasgow.

THOMAS HENDERSON, Esq., of Messrs. Henderson Brothers, Glasgow.

ALEXANDER ALLAN, Esq., of Messrs. J. & A. Allan, Glasgow.

JAMES GALBRAITH, Esq., of Messrs. Patrick Henderson & Co., Glasgow.

ABRAM LYLE, Esq., Greenock.

JOHN NEILL, Esq., Greenock.

JAMES AITKEN, Esq., of Messrs. Aitken & Lilburn, Glasgow.

W. T. DONALDSON, Esq., of Messrs. Donaldson Brothers, Glasgow.

A. A. LAIRD, Esq., of Messrs. A. Laird & Co., Glasgow.

H. J. WATSON, Esq., of Messrs. Watson Brothers, Glasgow.

LEONARD GOW, Esq., of Messrs. A. C. Gow & Co., Glasgow ; and

THOMAS CARMICHAEL, Esq., Greenock ;

be appointed such a Committee, with power to add to their number, and to co-operate with any Committee representing the Shipowners of the United Kingdom.

*Resolution 3rd*—That the influence of the Shipowners be used to carry out the foregoing suggestions, and all fair and reasonable measures to ensure the safety of life and property at sea.

These resolutions would not have been adopted by such an influential body of men unless they had a real grievance. It was not necessary to go into a list of grievances ;—he would merely give two or three illustrations that occurred to his mind. The *Goldfinder*, a vessel classed A 1 at Lloyds, was ready to go to sea. One-fourth of the crew demanded an investigation. Under the present law, if the sailors want to go ashore for a spree, all they have to do is to apply to a magistrate for an examination of the vessel. An investigation of the *Goldfinder* proved that there was one link in the lower yard which had to be shortened, while five or six lanyards and some ratlines required renewing. These are things which are the natural result of the wear and tear of a ship, and no vessel should have been detained for such trifling defects. Another case was that of the *Charlotte Harrison*. The owner wanted to overhaul and re-class her. He was preparing to put her in dock, when the Government examiners came on board and commenced cutting her up. The owner resented this interference, and explained that he

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was not going to sea, but was putting her in dock. Nevertheless, he was brought before a magistrate, and severely punished for interfering with the Government surveyors. This ought to be sufficient to show that there was undue interference with ships in the ports of Great Britain. That, of course, applies to our vessels, which sail under the British flag and are subject to British laws. He would, with the permission of the Board, read an extract from Mr. Allan's speech, delivered at the meeting in Glasgow, to which he had referred :

" Last session, at the instigation of Mr. Plimsoll, an Act was passed, the spirit of which is repugnant to the principle upon which a well-conducted trade, like the shipping trade of this country, deserves to be treated. Because isolated cases of unseaworthiness and imperfect management of ships have occurred, it has been judged right to place the whole shipping trade of the country under a system of regulation that could only fairly be applied to the wrong-doer. The responsibilities of the British shipowner are now so serious, and daily increasing, that it becomes a question whether individuals can safely embark in the trade. To the pecuniary liabilities of the shipowner a new terror has, by the Act of 1875, been added. If the provisions of this Act were strictly enforced, a shipowner might find himself convicted of misdemeanour, which involves punishment by imprisonment, because he could not prove that he was innocent ; the usage, with which we are all familiar, of holding a man innocent till he be proved guilty, has been, by this Act, inverted in his case. As regards the seaman, it assumes in effect that the shipowner and seaman have antagonistic aims and interests, and provides easy means for the sailor harrassing his employer. Happily, during the short period that the Act has been in force, the British sailor has not availed himself of this privilege ; and I trust that, with the expiry of the year ending October, 1876, the Act so hastily prepared, and which is to endure till that date, will pass away from the Statute Book. But we desire something more, and the resolution which I have read to you points to a much more sweeping change. The book which I hold in my hand, containing 523 pages of closely printed matter, professes to be a digest of the statutes under which our trade is carried on. Turning to the index under the head of penalties and punishments, I find more than eight closely printed pages enumerating the sections of the Acts that provide for the punishments for the infringement of their provisions. As an example of the obsolete and unnecessary amongst the punishments, I select the penalty for carrying cargo or stores in a steamship's engine room, which, by the statute, is not to exceed £100 sterling. It has been the practice in steamers from the beginning to carry engine room stores in the engine room, and accommodation has been constructed for the purpose, and yet this penalty could be enforced for carrying them. A penalty of £500 might, under the existing law, be demanded from an ocean-going steamer which hoists the flag, as all ocean-going steamers do, of the country to which she is bound. Other obsolete and unreasonable penalties might also be cited, but I forbear alluding to them. They are, after all, unimportant compared with the necessity that exists of doing away with the minute and elaborate details of which the Acts largely consist. Under the head " Board of Trade " we have three pages enumerating the sections under which their powers are granted them, and although much forbearance and good sense have been exercised by the Board of Trade in their dealings with ships, the power which they wield, and the details into which they pry would, if known, surprise the public and satisfy them that if things go wrong in the conduct of the shipping trade, it is not for want of official interference."

This ought to satisfy the Board that there was legislation in England injuring our shipping interests. The Port Warden's Act, as in operation at Quebec and Montreal, should be copied by many of the ports in Great Britain. The Port Warden at Quebec exercises supervision over all shipping at that port. Not one sea-going vessel or steamship loaded under his supervision had been lost ; while previous to his appointment there was annually a loss of three vessels

from improper stowage. He mentioned this to show that we did not need in Canada such legislation as Mr. Plimsoll advocated in England. With reference to Canadian Lloyds, if we could have it established on the same principle as English Lloyds, with a fair representation of ship-owners and underwriters, it would be of benefit to the country; but he would be sorry to see the Government take the entire control of it into their own hands. They would be bound, very often, to place men in office for political reasons, who would not be qualified for the position. If left in proper hands, a Canadian Lloyds would be very beneficial to the country.

Mr. ROBERT MARSHALL (King's County, N.B.), in seconding the motion, said: The idea, that Canada should have a National Institution, recognized over the world, through which should be determined the appreciation of her tonnage, was, I believe, first mooted in the city of Saint John, New Brunswick, in the year 1867; and from that time the feeling that this duty should not be allowed altogether to devolve upon extraneous or even purely British associations, has gradually widened and deepened. In round numbers, the shipping of the world to-day, nearly reaches sixteen millions of tons, representing an aggregate value of about six hundred millions of dollars. The British Empire represents about one third of this tonnage; the United States of America about one-seventh; and Norway takes the third position amongst the shipowning countries. The Canadian Dominion then takes the fourth rank in point of tonnage or carrying capacity, her people owning about 1,280,000 tons in all, including that owned in Canada but registered in Britain, as well as that registered here; these vessels represent wealth, to the amount of forty-eight millions of dollars. The other leading shipowning countries take rank as follows: Italy, Germany, France and Spain. Although in point of tonnage, Norway outranks Canada, it is more than probable that to-day the value of our shipping exceeds the value of the shipping of that country. If such be the case, then in this regard Canada takes a third place in maritime interest; and further, in proportion to her population, she owns more shipping than any other nation in the world. The extensive shipping of our great inland waters, are to-day, principally classed by an association of Lake Underwriters, while the ocean and other tonnage of the Dominion is classed by "English Lloyds' Register of British and Foreign Shipping;" "Bureau Veritas;" "German Lloyds;" "The United States Record;" and the "American Lloyds' Association." The people of the Maritime Provinces strongly favor the "French Lloyds," or "Bureau Veritas," an institution which has done much to promote and aid the interests of our shipbuilders, although the head of the institution has seldom visited this country, but has his headquarters in Belgium. It will, therefore, I presume, create no surprise to learn that more

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than seven-tenths of the shipping of New Brunswick and Nova Scotia depends to-day upon the appreciation which that foreign institution assigns to it upon the official register of the "Bureau," circulated as it is throughout the commercial world. In May, 1873, the people of the port of St. John, feeling that the time had arrived when Canada should have a purely national system for the classification of this important and growing interest, sent the following memorial to the Government at Ottawa, signed by the leading ship-owners, shipbuilders, underwriters, bankers, merchants, and editors of that place, which is everywhere recognized as a leading shipowning city, and one that ranks as the fourth shipowning port in the British Empire:

ST. JOHN, N. B., May 2, 1873.

To the Honorable the Minister of Marine and Fisheries,  
OTTAWA.

The undersigned, merchants, ship-owners, underwriters and others, beg respectfully to say that, in their opinion, the best interests of Canadian shipping would be greatly advanced and protected by the Government introducing a measure to facilitate the organization of a Canadian Lloyd's rating and classification of shipping, and that provision be made to give the respective local Boards of Trade a representation in such association through the President and Vice-President, whom it would be advisable to appoint *ex officio*; or, in their room, two other members, to be chosen by each of the said Boards, as members of the Committee of Classification.

And, further, that it would be expedient to grant that all of the Canadian tonnage at the time of the opening of the said Canadian Lloyds, which is classed in English or French, or in course of classification in these Registries, and when so classed shall be transferred to the Canadian Lloyd's Registry Book, and receive therein a similar rating for the unexpired term of their class, free of any charge.

On the 23rd of May, 1873, a Bill passed the Canadian Parliament, entitled: "An Act relating to shipping, and for the registration and classification thereof." This Bill received the Royal assent on the 24th November following. The 4th Part of this Act relates to inspection and classification of ships built or registered in Canada. This system of inspection or classification, or as we term it, "*Canadian Lloyds*," may be put in practical operation at any time, by the Governor-General in Council making an Order to that effect, and publishing the rules and regulations in the *Canada Gazette*. Shortly after the passage of this Act, a cloud of opposition, not larger than a man's hand, appeared in St. John, but rapidly extended to other parts of the Province, and then to Nova Scotia. The friends of French Veritas, the officials of that Bureau, as well as others, believing that the system was going to be an arbitrary and compulsory institution, petitioned against it; and you can understand how powerful an opposition would be, that had the determined support of an association which held in its hand, the classification of more than seven-tenths of the tonnage of New Brunswick and Nova Scotia. I was not surprised at the changed tone of our people at this time, for they verily believed, I am sure, that the intention was to make the inspection compulsory. I am free to



admit, that had I imagined for a moment that these gentlemen were not in error, I should have unhesitatingly joined them in their movement. But in point of fact, they were all wrong; for I venture the assertion that neither the Committee of the House of Commons, the Parliament, nor the Government of the day, nor the present Ministry, ever dreamed of making the institution other than purely voluntary. But I am glad to say, that in the Maritime Provinces now, the feeling is altogether changed; and our leading ship-owners feel that the time has arrived when we should have a "National Lloyds" whereby to fix the appreciation of our tonnage,—yielding at the same time to the other institutions of classification, full recognition, in consideration of the invaluable services rendered in the years that have passed. Briefly, the "Rules and Regulations" of Canadian Lloyds should be based upon those of "English Lloyds' Register of British and Foreign shipping," and "French Veritas," with such changes, modifications and improvements as circumstances, after mature consideration, may seem to warrant. In addition to this, the Government should, in my opinion, appoint "a Consulting Committee" for each Province, composed of leading shipowners, merchants, and underwriters, (unpaid), whose duty it would be, to hear and determine upon any dispute or misunderstanding between the Surveyor and the Ship-builder, and generally to make suggestions to the Department in regard to the management of the Institution. Of course, as before stated, "Canadian Lloyds" should be non-compulsory, and all similar well-established Associations, as well in Great Britain as elsewhere, should be recognized,—provided, however, that recognition should be reciprocal. As to the matter of Load-line or Freeboard, it would appear to be objectionable to fix an arbitrary rule. But the Surveyors might very properly be empowered and directed, to determine and mark the load-line of each ship after launching, taking into consideration her model, tonnage, and buoyancy. This is a matter, as you are aware, that has caused much difficulty in England, where, in this regard, our ships have been placed at a disadvantage as compared with the iron freight tonnage of Great Britain; while it is a well understood fact, that the A1 Canadian ships have proved to be fully more buoyant than the iron-freight-ships of that country with the same relative freeboard; and that our wooden tonnage has competed successfully in the freight markets of the world with the iron freight tonnage, which is held in such special favor by the Board of Trade of Great Britain and Ireland. In the leading commercial ports of Great Britain, the wooden tonnage of the United States, which we all admit to be fully equal to that of this country, is most determinedly competing for employment, to which we as a friendly people, cannot offer objection. Nor do we desire to do so. But what are the facts? For example, let us take two wooden ships,—one owned and registered in the United States, the other owned and registered in Canada. Place them in a London dock

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for cargo. The one is allowed to go scot free, while the Canadian ship is hampered on every side, by a legally authorized Board of Trade, whose object appears to be to drive the superior ships of Canada, away from that market. The practical remedy will then be, to have measures taken to secure recognition of the certificates of the Surveyors of "Canadian Lloyds" (whether such Surveyors be located in Canada or Great Britain), by the Surveyors of the Board of Trade, or other legitimate authority in Great Britain and Ireland; so that a vessel owned in Canada, and registered and classed in "Canadian Lloyds," holding a proper certificate of seaworthiness from one of the before-mentioned Canadian Surveyors, shall not be subject to any more control, than if said vessel was owned, registered and classed in the United States of America, or other foreign country. In conclusion, permit me to say, that what Canada wants is: that inasmuch as she has legislated in anticipation, and has for herself met the difficulties with which the British Parliament and people are now grappling, she shall in future be allowed to manage her own shipping interests. In confirmation of this statement, I point to her Port Wardens' Bill, which regulates the export of grain and other cargoes; to her Shipping, Registration and Classification Bill, which controls unseaworthy ships; to her Deck Load Law, which provides that this portion of a ship's cargo shall be kept within proper limits; to her Act respecting Masters and Mates, which secures efficiency and proper qualification on the part of these officers; to her Pilotage Act; to her Law respecting Wrecks and Salvage; to her Act respecting the Shipping of Seamen; to her Harbor Masters' Act; to her Seamen's Act of 1873 and the amendments thereto; to her Act to provide for Keeping Order on board Passenger Steamers; to her Act, respecting Navigation of Canadian Waters, which provides collision regulations; to her Act respecting Steamboat Inspection; and to her Act respecting Sick and Distressed Seamen. Surely these comprehensive laws alone are more than sufficient to warrant Canada in demanding, that henceforth she shall be allowed to manage her own shipping interests, and that in future Imperial Legislation relating to the shipping of the British Empire, the tonnage of Canada shall be so recognized as not to be prejudicially affected thereby; that henceforth Canada shall be altogether relieved from sensational legislation of the British Parliament, caused by such excitements as the Plimsoll movement has created in the mother country.

[At this point, the Hon. ISAAC BURPEE, Minister of Customs, and the Hon. A. J. SMITH, Minister of Marine and Fisheries, entered the room, and received the courtesy of the Board, being accorded seats beside the Chair.]

Mr. HOWLAND: Did I understand Mr. Dinning to say, that if a

Canadian Lloyds is to be established, it will be for the whole country, and not for seaports only?

Mr. DINNING: Yes.

Mr. HOWLAND: Then it is wholly unnecessary for me to say anything further on the subject.

Mr. W. C. WATSON (St. John, N. B.): I cannot agree with the resolution laid before you. I therefore move the following amendment:—

“That the Dominion Government be respectfully asked to urge upon the British Government to place Canadian tonnage upon the same footing in the ports of the United Kingdom as that of the most favored nations; and that any legislation which may hereafter be enacted in the British Parliament, shall provide that the certificate of Survey granted by Surveyors appointed by any Canadian Lloyds which may hereafter be established, shall be accepted as of the same value as the certificate granted by Board of Trade Surveyors.”

Mr. DINNING:—I would ask if this is an amendment to my resolution? It does not follow mine at all.

The PRESIDENT, after a brief discussion, decided that Mr. Dinning's main motion should be divided, which was accordingly done, the amendment to apply to the first portion.

Mr. WATSON then moved his amendment to the first part of the resolution.

Mr. HUGH McLENNAN (Montreal), said it appeared to him that the amendment confined the Board to a certain course, while the original proposition assumed it might be possible for the Dominion Government to furnish a remedy by home legislation. The amendment rather suggested that we are entirely dependent upon petitioning the British Government for such concessions as they might think proper to make.

The PRESIDENT decided that this was an amendment.

Mr. DINNING objected to the amendment, because it implied that there was no legislation in England with which Canadian ship-owners were dissatisfied.

Mr. ROBT. MARSHALL said the amendment was a proposition to separate the tonnage of Canada from that of the Empire. He was entirely opposed to that.

Mr. J. A. HARDING (St. John, N.B.), said he agreed with the mover of the amendment, that the less legislation we have in relation to commercial matters, the better; because they would regulate themselves more easily than if Parliament passed legislation which would be cast-iron. It is true there has been hasty

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legislation in England, with reference to shipping. During the past three or four years, an agitation has been spreading itself throughout Great Britain, on behalf of humanity. It has been asserted that unseaworthy ships—especially wooden vessels—have caused great loss of life. Canadians do not desire to encourage the running of rotten ships, and are willing to have their own vessels classed according to the ideas of the most experienced men. When English Lloyds was first established in New Brunswick, before Confederation, it forced down the vessels of that Province to such a short classification, that it became almost ruinous to ship builders and ship-owners. This was based upon an idea the people of England had, of what they called "soft wood ships." After that, the Bureau Veritas established in France, for the registration of light kinds of wood, was introduced into New Brunswick; and their inspectors knowing better the buoyancy of our wood, gave New Brunswick vessels a higher character. Experience has proved that their judgment was correct; for English Lloyds' have followed suit. They have accepted the situation, and acknowledged that the inspection permitted by Bureau Veritas, was one in accord with the safety of life and the well-carrying of cargo. That Bureau has been in operation quite a time, and has been so successful, that seven-tenths of the shipping of New Brunswick is classed in it. The English Legislation proposed by Mr. Plimsoll, if his ideas should be carried out, ties down the ships of this country, when they cross the Atlantic, to the examination of inspectors there, unless they are classified by Lloyds. The Government of this country felt that it was necessary, with a law of this kind, to do something, and they attached to the Seamen's Act, a section permitting the establishment of Canadian Lloyds. The moment it becomes law (if he understood it right), its provisions are compulsory; but no man in this Dominion desired that. What the ship-owners desired now was to be let alone, and to be saved from the Governmental inspection on the other side of the Atlantic. It has been asserted that Canada at this day owns one-fourth of the tonnage of the British Empire; and it is but just to us, that we should be consulted in any legislation of this kind, when we contribute so largely to the carrying trade of the Empire and the world. An instance showing the necessity of placing Canadian shipping on the same footing as that of the most favored nation, occurred recently at Liverpool, where an Al vessel from St. John was loading cargo. She was as good a vessel as could be built, and was acknowledged to be fit to carry her cargo on the voyage intended. She loaded her cargo beside an American ship which had no character, both vessels being loaded in accordance with the judgment of their respective officers. An Inspector was sent down to examine the Canadian ship, and he ordered the captain to discharge 200 tons of her cargo—while the American ship, though an inferior vessel and more deeply



laden, was permitted to go on her voyage. There was no desire on the part of either the mover or himself to increase the dangers of seafaring; and in seconding this amendment he merely asked for justice. They did not want to divide the commercial navy of the Empire, but to strengthen it by adding to it. In France, some years ago, they established a French Lloyds', which had been supplanted by Bureau Veritas, and the Government establishment was now obsolete. If the Government established a Lloyds' in this country, it might possibly end in the same way, or be arbitrary if no other were established.

Mr. ROBT. MARSHALL (Kings County, N. B.), said, with reference to the St. John vessel, which had been detained at Liverpool, it was owned by the largest firm in New Brunswick; and he was prepared to say that the gentlemen who composed that firm believed the true remedy was in establishing a Canadian Lloyds'.

Mr. T. H. GRANT (Quebec), said it was natural that a great deal of interest should be taken in this question in Canada, since it has caused such an agitation in England; and it must also be remembered that Canada occupies the position of being the third or fourth largest ship-owning country in the world. No doubt there has been a good deal of sentiment involved in the discussion of this question in England; and very exaggerated notions of the sufferings of sailors have led the mass of the people there to unduly influence the legislation of Parliament against ship-owners. Experience has shown that there was great cause for some such interference on the other side of the water; but it is the duty of impartial men to pursue a medium course—caring for the interests of humanity, without injuring the ship-owners. Anybody who knows anything of seafaring life is aware of the fact, that the lives and limbs of sailors have been in jeopardy over and over again, either from the greed of ship-owners, or want of proper care in sending vessels to sea. As a maritime country we owe a duty to our shipping interest, and it is necessary in our legislation, that we should do nothing which would unnecessarily cripple it. There is no doubt, if the British Government had yielded to the popular feeling last year, a great act of injustice would have been done to ship-owners, and they wisely determined to put off legislation for another year. It is to be taken up the coming session. He was glad to observe the Minister of Marine and Fisheries present here, since this subject must be dealt with by him and his Government at the next meeting of the Dominion Parliament. If the rules and regulations suggested by Mr. Plimsoll should be adopted, it will be nothing more or less than differential legislation against home vessels; and as we are a British colony, and our ships will be required to take out British registers, if such rules and regulations should be stringently carried out, foreign vessels would have an advantage over ours, and it would affect trade in our own ports.

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Therefore, in any measure that may be adopted, our Government should see that foreign vessels are not put in a better position than ours. As regards the operation of these rules, a Canadian vessel entering a British port would be liable to be visited by a Government officer, and be subjected to a penalty for violating any of them. We have in this country an Act for regulating and establishing the duties of Port Warden, which has proved to be a most excellent law in Montreal and Quebec, where it has been carried out. The rules are fair to the ship-owners, to the under-writers, and to every person whom they affect; they have been carried out with very great precision; they do not press unduly on trade; and they have this advantage, that they compel all foreign ships to obey them as well as British ships—just as the deck-load law, and the law relating to the shipping of seamen, apply to all vessels alike. This law should be more generally carried out and adopted, as it probably will be in Great Britain. The rules adopted by Lloyds' in 1873, and those established at that time, for the loading of vessels of all kinds—wood, composite and iron—are most perfect. Everybody connected with the shipping trade must admit they could not be improved. While they give that protection due to the seamen, they also protect the great shipping interest.

Mr. CHAS. H. FAIRWEATHER (St. John, N. B.), having left the chair, (Mr. ANDREW ROBERTSON presiding,) rose to oppose the amendment. At the time the Plimsoll agitation commenced in England he, (Mr. Fairweather), paid considerable attention to it, and received from a friend the book published by Mr. Plimsoll. On reading the statistics contained in it of losses by wrecks of sea-going vessels, he was indignant to find that it was proposed to place our fine well-built, thorough and substantial ships, on precisely the same footing as thirty-year-old English fishing smacks, coal luggers, and vessels of that class. He found that the tremendous preponderance of wrecks (70 or 80 per cent.), was of that class of craft. One of his principal objects in leaving the chair, was to place on record his knowledge of the fact, from his acquaintance with the ship-building and ship-owning interest of St. John, that he never knew such a thing as putting inferior materials in a ship, when better could be procured. They build ships to keep and own, and to run until they are worn out; they furnish them with the very best outfits and provisions, employ the most experienced captains, and spare no expense to make their vessels efficient. To see such ships as these subjected to the same rules as inferior, worn-out English hulks, excited his deep indignation. He believed, that if in Canada we had a Governmental inspection of ships, it would be recognized, and our vessels would be placed in such a position that they would not be interfered with by the British Board of Trade. He was less able to speak on this subject than his partner, who gave his whole attention to the ship-

ping interests of the firm, and had recently given a good deal of his time and attention in connection with others to the investigation of this question. These were the conclusions he had been led to. He (Mr. Fairweather) had doubted the expediency of establishing a Canadian Lloyds' until this agitation arose in England; but he saw by it a way out of the difficulty which the Plimsoll movement had brought upon us.

Mr. R. R. DOBELL (Quebec), said this question was surrounded by difficulties of every kind. He rose to move an amendment, because he thought Mr. Watson's proposition to place Canadian shipping on the same footing as that of the most favored nations, was too vague. Did that mean, the nations that were working against Great Britain's efforts in the cause of humanity? Some eight or nine years ago, the shipping interest was exceedingly depressed. The losses at sea were terrible. A large number of ships that were sent to sea, not only from the ports of Great Britain, but also some from Quebec, were loaded too deeply. He believed we should work with Great Britain, and not against her, in this matter. Mr. Watson's amendment would support those nations which refuse to co-operate with Great Britain in remedying the evils which Mr. Plimsoll seeks to redress. The Committee appointed to investigate this subject in England, sat a long time, took a great deal of evidence, and reported to Parliament. The public were not satisfied; there was some agitation, and the Plimsoll movement effected good. We have to-day stricter rules as regards loading vessels than will ever be introduced in Great Britain; therefore, we have nothing to fear. But we should have some appeal in England. An instance, showing the necessity of this, occurred lately. A ship built of tamarac by one of our best builders, and classed A 1 for eight years, went to India and was caught in a cyclone; she returned still classified A 1. But dry rot had got into her timbers at Calcutta; she had to be re-built. Now, if this amendment of Mr. Watson's were passed, that ship could not be surveyed. Our people do not object to surveys—no Canadian shipowner does; and all they want to prevent is undue interference. He knew of one such case—the *Sunbeam*—last fall. She was built of live oak, and was in perfect good order, was classified as a timber ship, and went uninsured. Mr. Plimsoll had her stopped. She was examined in Liverpool, and the best shipwright declared she was perfectly sound; yet the owner had no redress. Now, in a case like that, we ought to have some Court of Appeal to decide whether such ships should be stopped or not. We are either going to be linked more closely to Great Britain, or to have another link taken out of the chain. If the connection is to be maintained, we cannot ask to be placed in the same position as favored nations. He might mention one or two instances of the working of the Port Warden's Act in Quebec: the first case refers to the loading line. A vessel built of tamarac, 1,000 tons,

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heavily rigged, will draw more water than a spruce built ship. Which vessel can you load the deeper? Can you put them both down to the same line? The same remark applies to iron vessels. A Clyde-built vessel, classified A 1 for twenty years, draws more water than a spruce-built ship classified only four years. A first-class vessel, loaded in the St. Lawrence, was stopped by the Port Warden, who said she was nine inches too deep. It was late in the season, and the captain knew the consequences of delay. He also knew his ship. It was loaded in fresh-water; he had 700 miles to go until he reached sea-water, when his vessel would rise eight inches. Knowing this, he sailed without a clearance. Fortunately, he arrived in Liverpool all right. He wrote back to say, that the law of England would allow him to load four inches deeper, than he started with from Quebec. Now, there might be petitions from British vessels, in such a case as this, against what they would call an injustice. Captain Dick, the Port Warden of Quebec, writes:—"With respect to the marking of a load-line on British ships, now in operation, and indicated with a circular Dase, with a horizontal line drawn through its centre, indicating the load-line of a vessel,—two steam vessels have come under my notice with this mark on their sides. Had they been loaded down to the horizontal line marked in the centre of the Dase, I would have at once said they were overloaded, and unfit for Atlantic navigation." Other instances might be given, mentioned by Captain Dick, where vessels which were overloaded were stopped, and made to discharge parts of their cargoes before being permitted to proceed to sea under the Port Warden's certificate. In October, the Norwegian ship *Ellimp*, while passing outwards from Three Rivers, was made to discharge her deck-load in Quebec before being allowed to proceed as seaworthy. Another case, in November, was that of a German vessel, which was examined at the request of the Consul; her hull being pronounced unseaworthy, the loading of her cargo was stopped; and upon a second survey, her entire cargo was ordered out, which instruction was obeyed. Now, we might have petitions from Germany, that our Port Warden's Act is far too strict. If we adopt this course towards vessels coming out to Canada, we cannot expect that we can trade to Great Britain, and not be subject to some inspection. All that we could ask for, is to have a Court of Appeal, and that is all that would be necessary. We need not be afraid of any legislation in Great Britain.

Mr. WATSON was glad to find the mover of the original resolution satisfied that we had already enough legislation. On that point he would agree with him. Mr. Marshall also, being a representative of an agricultural county, claimed to be in a position to say, that when the Canadian Lloyds is put into operation, it will be non-compulsory. He (Mr. Watson), was rather astonished at the

President of this Board taking the position he did with regard to English Lloyds, and favoring a resolution which proposed inspection here, as near that of Lloyds as possible, in preference to French Lloyds. Mr. Dobell, in stating what the Royal Commission had done in England, failed to mention, that the Commission stated, after a full investigation, that no legislation was necessary. The British Government, too, are not favorable to interference with the ship-owners, notwithstanding Mr. Dobell's statement, that they are actuated by humane motives. When Plimsoll was endeavoring to force his legislation on the Government, they would very gladly have got rid of passing any Act on the subject. The evils to which Canadian tonnage is subject, arise from the recent Act. It is believed that it does not extend to Canadian ships; but as it only lasts for a year, and is to expire on the 1st. of October next, it has not been considered necessary to test the question, because the cost of the proceedings would be too great. The difficulty is, that we are in a state of great uncertainty, as to what the legislation of the British Government will be. If the Marine Department of this country are aware of the position the British Government will take on this question, courtesy at least should lead them to enlighten the public on the subject. There should be a way found to let it be known, without compromising the Department which is one of the best in the Government. The remedy he proposed for the evils under which Canadian tonnage labors, was to leave the whole question to the Dominion Government, and they would do what they possibly could in the matter. In the Maritime Provinces, there exists an idea that the Marine Department will attempt to put its Canadian Inspection Act into force, whether it will be a remedy or not, and notwithstanding the meetings which have been held in St. John lately to which Mr. Fairweather alluded. The shipowners had held meeting after meeting, and were unable to come to any conclusion whatever. Just before leaving St. John, the chairman of the shipowner's meeting, stated that the resolution they had agreed upon was, to memorialize the Government to put their act into force in a non-compulsory form. It would be readily seen that a non-compulsory act would leave nineteen-twentieths of our ships without classification. Putting the act in force in either form would not be desirable. With the greatest respect for this Board, he believed that if the merchants would take hold of this question, they could, by concerted action, do more than the Board itself. His amendment was simply this,—we want to be let alone for the time being. Our ships will bear comparison with any vessels in the world, either for sailing or carrying. It might seem like cutting the bond which binds us to Great Britain, to request the Imperial Government to let us alone; but if it appeared right to them, we would secure non-interference. The mother country has granted us responsible Government, the principles of which are the *magna charta* of our rights and liberties. In England, they

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with regard to the proposed reference to the Commission stated, necessary. The advice with the hat they are leaving to very gladly will to which Act. It is not as it only in October next, the question, great. The point, as to be. If the position the easy at least effect. There unpromising result. The an tonnage on Govern- the matter. the Marine Act into force, the meet- Mr. Fair- er meeting, Just before ing, stated orialize the lsory form. ould leave putting the he greatest ould take re than the it to be let t with any ight seem to request eared right er country of which land, they

have a Factories' Act, by which the age of boys going into factories is fixed, and the hours for work are limited. In the Mining Act, there is something similar. No doubt, these are very commendable Acts; but what would be thought, if Great Britain were to enact them for Canada as well? We would not stand it. We would feel we were coming back to the principle of taxation without representation. If the British Government should still insist upon interfering with our shipping, he would advise, that besides urging the Government to take the proper steps, a delegation be sent to London, to watch Imperial legislation on the subject, and make the very best terms they could with the British Government. He was satisfied, from their attitude last summer, they would be only too glad to get rid of the responsibility of legislating in the face of the report of the Royal Commission, and at the instance of agitators, fit only to be classed with the Tichborne agitators, and men of that stamp. This meeting should hesitate before urging the Government to make the Canadian Lloyds (which, after all, is not a Lloyds, but a Government inspection) compulsory. It is an exceedingly ticklish thing to interfere with. Non-compulsory inspection is only the thin end of the wedge, at the thick end of which would be found compulsory inspection.

Mr. R. MARSHALL: Mr. Watson has been exceedingly opposed to the movement from the beginning.

Mr. WATSON: There is no better friend of Canadian Lloyds' than I am, though I oppose Government inspection.

A vote having been taken on the adoption of the amendment, it was declared lost on the following division:

*Ayes.*—Messrs. Archer, Clemow, Darling, Everitt, Harding, Lord, Pennock, Skead, Spratt, Thompson, Watson, Young.—12.

*Nays.*—Messrs. Brown, Cramp, Clements, Desjardins, Dobell, Dinning, Elliott, Farrell, Grant, Howland, Joseph, Lukes, Marshall (Walter), Marshall (Robert), Mingaye, McLennan (Hugh), McLaren, Ogilvie, Perley, Stewart, Savigney, Staunton, Tibbetts, Walker, Wylde, White.—26.

The first part of the original motion was then carried by the same vote.

The second portion of the main motion was then read.

Mr. WATSON in opposing the motion, said he was adverse to the principle of confining Canadian Government inspection entirely to English Lloyds. About three-fourths of our ships are now inspected under French Lloyds. So great a benefit has the French Bureau been to the shipping of the Maritime Provinces, that Eng-



lish Lloyds have been compelled to adopt, to a very large extent, the same principles as Bureau Veritas had formerly in force. The practical utility of putting in operation simple government inspection, was a matter that had never been pointed out to him, except in freeing our ships from British Government interference. If he felt satisfied that was the only way we could get rid of such interference, he would have less objection to putting this Act in force,—provided it was in a non-compulsory form; but, so far as he could see, it would confer no other benefit. The object of the resolution before the Board was to put this Act into operation. It recommended a course utterly unknown to any other government in the world, except the French Government; and even in that case it had been set aside as a dead letter, through the private inspection of Bureau Veritas. A Canadian Lloyds should have its origin in under-writers and others interested in shipping; and he was astonished that Mr. Marshall, who was so largely interested in insurance, had not taken some steps to that effect.

Mr. DINNING said that was the very object which he desired to accomplish.

Mr. WATSON said if this had been stated clearly in the original motion, there would have been no difficulty about it; but from the wording of the resolution, it was impossible to say whether it was to be a Government institution, or to be composed of ship-owners and under-writers. The Act provides for a Government inspection.

Mr. DINNING: You are mistaken.

Mr. WATSON: If I am wrong, I am glad to be corrected. If it is simply to facilitate the establishment of an organization similar to English Lloyds, I withdraw all opposition. If you amend the motion I have no objection to it. I will most heartily support a private institution, because it would tend to give a national character to our ships.

Mr. DOBELL would like to know on what ground Mr. Watson supposed it was to be a Government inspection. It would be entirely voluntary, and every one must take an interest in it to make it successful. Its success would depend entirely upon the character for honesty that Canadian Lloyds would attain in the course of years. If it would be strict, it would soon have a good reputation, and our ships possess a national character.

The motion was then put and carried.

#### EXTENSION OF TELEGRAPH SYSTEM TO THE GULF.

Mr. T. H. GRANT (Quebec), moved, seconded by Mr. J. A. HARDING (St. John, N. B.):

"That in the marine and shipping interests of the Dominion, it is of the highest importance that sub-marine telegraph cables should be extended from the main land

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in Nova Scotia, New Brunswick, or Cape Gaspe, or from the Island of Cape Breton, to the islands in the Gulf of St. Lawrence, say Anticosti, the Magdalen Islands, and Bird Rocks, and to the main land on the north shore, Belle Isle, [Grand Manan, Sable Island, and Brier Island]; and that a petition be sent to the Dominion Government, urging its immediate construction at the public expense, or a liberal grant of money to aid its construction and maintenance."

Mr. GRANT said :—Every gentleman here will admit, that it is the duty, not only of the mercantile community of the Dominion, but the duty of the Government, to do everything in their power for the purpose of protecting the great marine interests of the country. The River St. Lawrence is the common property of us all. It is as highly valued in the extreme west, as by those who live along its banks, from Montreal to the Gulf. The legislation of the country during the last 25 years, supported and encouraged as it has been by the trading interests generally, has led the Government from time to time to perfect the natural channels of that highway, in order that the great trade of the west, and our inland trade, might be provided with additional facilities for transportation from that west to the seaports of Europe. With that object in view, the canal system has been originated and gone on improving up to the present day. In carrying out this policy of improvement, and especially since Confederation, the Government have not overlooked the fact that, previous to that great event in our national history, the marine interests of the Gulf had been almost entirely neglected. Since Confederation, thanks to the energy and foresight of the gentleman who inaugurated the Marine and Fisheries Department, and to whom the country owes a debt of gratitude,—I refer to the Hon. Peter Mitchell—the marine interests of the Dominion have been largely protected, and the river and Gulf are lighted up efficiently from one end to the other. But, though much has been accomplished, a great deal more remains to be done. It is absolutely necessary at this day that this highway of ours should be made as safe as it is possible for our means and ingenuity to perfect it. It is absolutely necessary, in order to compete with foreign ports, that the safety of this route should be assured, and that it should be as well lighted as the streets of any well-regulated city. With a view, therefore, to giving this additional protection to the marine interests of the country, an agitation has been recently started for the purpose of extending the marine telegraph system to the River and Gulf of St. Lawrence; and, before I have concluded my observations, I propose to show that this improvement is an absolute necessity. I state with a great deal of pleasure that latterly this subject originated with Dr. Fortin, who represents in the Local Legislature of Quebec the very large constituency of Gaspe, which takes in all these islands of the Gulf in which he, of course, feels a deep interest. But I am proud to be able to state that there is a gentleman here to-day, who has, during the last quarter of a century, in Canada, by his thorough knowledge of the affairs of the country, made many practical suggestions in the interests of commerce and trade, and

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who—as I only learned within the last forty-eight hours—among them suggested years ago the extension of a project something like that I now bring before the Board. I mention the name of the Hon. John Young. With the view of saving valuable time, and making this matter more generally understood by the members, the Speaker of the Legislative Assembly of Quebec had a chart prepared, which he handed to me, and which I will lay before you. The land line on the south shore of the St. Lawrence, at present extends from Quebec down to Matane, and from the Bay of Chaleurs to Fox River. At present, there is a gap of 180 miles, which remains to be completed. As soon as that is finished, land communication on that shore of the St. Lawrence will be perfect, and we will be able to telegraph to any point on the coast. On the North shore, there is only telegraphic communication from Quebec to Murray Bay, a distance of about 60 miles, no communication existing along the remainder of the coast to Belle Isle Straits. Only three cables are in existence, one from Cape Tormentine, N.B., to Prince Edward Island; a small cable across the Gut of Canso connects Cape Breton with Nova Scotia; and a cable from Cape North, the extreme point of Cape Breton, to a point on the Newfoundland coast, where a station has been erected for the purpose of continuing the main line across Newfoundland, in order to connect at Heart's Content with the great Atlantic cable. In order to extend this system of telegraphy, it is proposed to build a cable line to the Magdalen Islands, which might be done from two points, either from Cape North to Grosse Island, or from the East cape of Prince Edward Island to Amherst Island. The distance from Cape North is 48 miles; from the other point, 45 miles, so that the difference as regards distance is very slight. The argument, however, is in favor of Cape North, for the reason that the telegraphic system in Prince Edward Island is a monopoly, controlled by the Western Union Company, which would probably interfere very considerably with the main system of telegraphy throughout the Dominion, under charge of two Companies, the Montreal and Dominion. Then, it is necessary to have a main line along the western side of the Magdalen Islands, and it is a matter for consideration whether this should become a purely Government work or not. Dr. Fortin informs me that the people of the Magdalen Islands are prepared to contribute their fair share toward the building of the 38 miles in question; this accomplished, communication should be extended to the Bird Rocks, a distance of about seventeen miles. There is a light-house in charge of three men on these Rocks, near which pass nine-tenths of all the steamers coming from England, or any other point, to Quebec or Montreal, as well as one-half of the sailing vessels. The light-house keeper might be a telegraph operator, and this being the case, news of the passing of the vessels might at all times be communicated to all parts of the world. It would then be necessary to communicate with Anticosti;

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and to avoid the very great expense of laying a submarine cable the whole of the distance, it is thought advisable to extend it from Griffin's Cove to South-West Point in Anticosti, a distance of about thirty-eight miles; and in order to make the system perfect, it would be necessary to run the main line from South-West Point to the East Cape, and another from that point to the West Cape, the respective distances being eighty and fifty miles. With reference to Anticosti, it may not be generally known that, although comparatively deserted, it is one of the most valuable properties in the Dominion. Its soil, though not quite so rich as that of Prince Edward Island, is equal to the soil of the Genesee Valley, and this we have on the high authority of the late Sir William Logan. It contains the best peat bogs in the world, excellent quarries, and valuable fishing resources. A Company has been formed to settle in the island an area of 2,500,000 acres, and, if successful, they would be willing, I believe, to invest a fair amount of money in the main lines mentioned. It would then be necessary to communicate with the North Shore, crossing from L'Anse à la Croix to Point des Monts, a distance of twenty-four miles, and also to have a land line from that point to Moisie River, a distance of eighty miles. In the chart laid on the table, no reference has been made to connection with Belle Isle. It is not intended that the whole construction of these telegraph lines should be begun at once. It can only be done gradually, for money becomes an important element in the consideration of the question. Having pretty fully explained the plan by which it is proposed to extend this system, I will offer a few more observations, and leave it in the hands of the Board. The question of cost is, of course, an important one. I believe, if I am correctly informed, the cost of constructing the Atlantic cables has been about \$1,500 per mile. I am told, on reliable authority, that, inasmuch as the wire that would be required for these short lines will not cost anything like as much as the Atlantic cables, these marine lines can be laid for about \$1,000 per mile; and, as the cost of laying them is far greater than of making the wire, even this expense can be considerably diminished by the Government furnishing one of their steamers for that purpose. Now, I have calculated what it would cost to furnish the cables which I have pointed out upon the chart, and believe it could be done altogether for the sum of about \$130,000. That is a small amount, compared with the value of the scheme to the shipping trade of the world. It is a matter, of course, for the consideration of the Government, whether they would build and maintain them at the public expense, or would grant a sum of money annually for a number of years, for the purpose of guaranteeing against loss any Company entering upon their construction. With reference to the necessity for these lines, everybody knows that the shipping trade of the Dominion has grown to enormous proportions. From 1,000 to 1,200 ships come to Quebec every year; two-thirds of that number



probably come up to the port of Montreal, some of them the largest and most valuable steamers in the world. No matter how perfect our system of appliances may be, we shall always have wrecks; and during the last year we have had the usual average number. Now, I will state an instance, where, if we had had the assistance of this marine cable, we could have saved a very large amount of valuable property. The ship *Cherokee*, with a valuable cargo on board, ran on a sand-bank on Magdalen Islands. She remained there perfectly upright and undamaged for six days. Well, if there had been telegraphic communication, we could have known of the vessel's position, and assistance would have been sent down within thirty-six or forty hours, or in two days at farthest, and that cargo and ship, worth \$80,000, could have been saved. At the lowest calculation, a saving of fifty per cent. on that amount would have been effected, equal to one-third of the cost of building these lines. The same remark applies to the steamer *Delta*, laden with a cargo from Liverpool. She went ashore on Cape Chat. Vessel and cargo could have been saved if assistance had been rendered within a reasonable time. I will mention an instance where the telegraph was useful this very year. The barque *N. Churchill*, loaded with a cargo of grain, outward bound, went ashore at a place called Matane, some distance below Father Point. The captain telegraphed to Montreal; a steamer was quickly on hand, and that prompt assistance enabled her to get off. The vessel is now at Montreal, with a loss of only twenty-five per cent. of the cargo. Hundreds of losses have taken place during the last few years, in which a large amount of valuable property might have been saved. The members of this Board will recollect that last Spring, previous to the opening of navigation, six of our most valuable steamers, inward bound, were detained in the ice for three weeks. With their cargoes, they were worth several millions of dollars. There were the greatest excitement and suspense throughout the world, because there were passengers on those steamers, I believe, from very nearly every part of Europe. At that juncture, ten times the amount this cable would cost would have been given for information with regard to these vessels. They nearly all lay within a few miles of Bird Rocks, and the light-house keeper saw them. If we had had telegraphic communication with those rocks, a great deal of anxiety would have been avoided. A letter has been placed in my hands this morning, from Professor Kingston, of Toronto, Superintendent of the Meteorological Service of Canada, addressed to the Secretary of this Board, from which I will read :

January 10, 1876.

SIR,

I read with great satisfaction Article XXXIII. in the Official Programme of the approaching Trade Convention at Ottawa, in which it is proposed to memorialize the Government in favour of establishing telegraphic communication with the Magdalen Islands, Anticosti, and even the north shore of the mainland north of Anticosti.

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In addition to the advantages to the shipping interests, which are contemplated by the supporters of this proposed telegraphic extension, there is another, with which I am specially connected.

The defects in the prognostication of storms that visit the Maritime Provinces, are partly owing to the lack of information regarding the state of the barometer, and other meteorological data, in localities north of our present meteorological reporting telegraph stations; and I consider that if the proposed telegraph lines were to be built, and if well-equipped meteorological stations were established, one at either Magdalen Islands or at Bird Rocks, one at Anticosti, and one, if possible, on the north shore of the mainland beyond Anticosti, to report three times daily by telegraph, very great benefit would be thereby rendered to the Storm Signal Service, by the greater accuracy and promptitude which would become attainable.

Now, this is a very high authority indeed, and is another branch of the subject entirely different from that of trade. I have only one other observation to make before I close. I would draw the attention of the Board to a chart of the Norwegian coast, on which this system, which we are now advocating for the Gulf and River St. Lawrence, has been in existence for years past. There is telegraphic communication all round the coast from the Capital, as far north as 70°, and it extends even further than that, to the Gulf of Finland and the White Sea. That system is the most perfect in the world. It has been of great use to the fishing trade. You are all aware that fish move about in shoals, and this telegraph system is utilized for notifying the fishermen where they appear. If the telegraph operator discovers a shoal in the immediate neighbourhood of his station, he communicates the fact all along the coast, and the fishermen immediately proceed with their boats to the place indicated. The result of this system, during the past three years, has been to nearly treble the amount of fish caught on the coast. That would apply equally well to the Gulf of St. Lawrence. While I could say a great deal more on the subject, I think I have said enough to convince this Board that it is a matter for their careful consideration, and that the cost is comparatively insignificant when we remember the advantage it will be, not only to the shipping interests of our own country, but to those of the world.

Hon. JOHN YOUNG (Montreal), moved the adjournment of the debate, with the object of explaining, after recess, that this was a scheme which he had been advocating for the last twenty years.

The debate was adjourned, to be resumed after the reception of the American delegates in the afternoon.

The Board then adjourned until two o'clock P.M.

## AFTERNOON SESSION.

WEDNESDAY, *January 19, 1876.*

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

The SECRETARY read a letter of explanation from the Charlotte-town, P. E. I., Chamber of Commerce, as follows:—

*January 10, 1876.*

DEAR SIR,

A meeting of this Chamber has been held for the purpose of considering the appointment of Delegates to attend the meeting of the Dominion Board at Ottawa.

It has been found impracticable to send Delegates, no one from here being in a position to go to Ottawa at this season, when the difficulties in travelling to the main land are so great.

Yours very truly,

P. S. MACGOWAN,

*Secretary.*

## RECEPTION OF AMERICAN DELEGATES.

The PRESIDENT said it had been an agreeable incident, at every meeting of this Board, to have representatives from the National Board of Trade of the United States present. The relations between the two Boards had been kindly and pleasing. It happened through many causes, principally the exigencies of the two Governments, that the trade between the two countries had been weighed down with burdens and exactions which limited its volume; and they were felt and recognized as sources of embarrassment to both countries. It was probable, in the highest degree, that by lapse of time, and better light thrown upon those subjects by their discussion, these difficulties would gradually be removed. As tending in that direction, he was happy to ask Mr. Henry, from New York, and Mr. Hayes, from Detroit, to favour the Board with their views on the subject.

Mr. J. F. HENRY (New York), said he had to thank this Board for the hearty reception that had been given to his colleague and himself, and he would report it at the next meeting of the National Board. The U. S. Board had appointed ten delegates to represent it at this convention, but unfortunately eight of them had not been able to come. Among the ten were some good speakers. He and Mr. Hayes claimed to be business men and not orators, but he assured the meeting that their sympathies were with the objects of this organization. They understood in the United States

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what this Board were trying to do. At the last meeting of the National Board, the subject of transportation was one that received perhaps as much attention as any other, and that they considered of as much, or perhaps more importance than almost any other. He was sure that the same question was important to this meeting. They in the United States—especially in the grain-growing districts—had been very much troubled with regard to the changing rates of freight. No merchant could tell how to make calculations or how to arrange his business. It made dealing largely in the products of the West almost equal to gambling, for as they all knew—particularly the grain merchants of Montreal, Kingston and Toronto—grain often changed in price in a day 20c. per bushel, and sometimes more than that. This affected not only the price of grain, but even of land in the Western States. Their people have tried to do something to remedy the evil, and he was sure they would heartily join the people of the Dominion in widening and deepening the Canadian canals. They would be very much obliged to Canadians if they would go on and make the Caughnawaga canal. Canadians needed this avenue as much as Americans. They wanted cheap freights from Montreal to compete with the lines in the United States; they wanted it in New York; they wanted one more competitor. What they had in New York was not competition. They had several independent lines, but in them they had combination and not competition. They hoped, therefore, Canada would continue to build up these canals, as they were doing it on a magnificent scale. It was only fifty years since the Erie canal was finished, and all present knew what it had done for the city of New York. It was not before 1825 the leading city of the United States; but since the canal was built the population had increased as ten to one. The prosperity of New York was largely due to the Erie canal; but it was now a little behind the times; they had only six feet of water in it, while the law required seven feet. He could assure this Board that the merchants of New York, as far as he had been able to judge, and the grain growers of the West, have no jealousy of Canadian prosperity; but they were anxious for cheaper transportation, and would welcome any addition the Dominion could provide. As a member of the National Board of Trade, he was anxious for some kind of reciprocity between Canada and the United States; some treaty of commerce should be made. The subject was before the National Board at its last meeting, and as far as he was able to judge, the delegates who were present were nearly unanimous in favor of some measure of the kind. He hoped that because Canada had not succeeded in getting a satisfactory treaty, the people would not give up the idea. Americans were being educated up to the fact, that it was in the true interest of all that they should have some kind of a reciprocal arrangement between the two countries. He then introduced his colleague,

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Mr. J. D. HAYES (Detroit, Mich.), who said his co-delegate hailed from the Metropolitan City of the United States, and ought to have done all the speaking, instead of calling upon one who hailed from what New Yorkers considered one of their suburban towns. The State from which he (Mr. Hayes) came, produced some 2,200,000,000 feet of lumber, in a single year; 2,000 tons of wool; about 817,000 tons of iron ore; and some 21,800 tons of copper,—yet it was scarcely recognized in the family of States. The United States possess 3,800,000 square miles of territory, and a population of about 44,000,000. Through the country, there is a net work of railways, about 75,000 miles in length, and costing about \$4,000,000,000. They had every variety of soil, and the minerals and materials that go to make up a nation's wealth. Nature furnished these, and the people were merely the agents to develop them. In doing that, they had invited the citizens of all the world to aid them; and the nation was simply the outgrowth of the same people as the Canadians were. When he came to this Board and met with such a cordial reception, he did not fail to recognize the fact, that Canada had built canals and constructed railways, seeking to secure the traffic of the Western States; and that there was not a bushel of corn or wheat, or bale of cotton, grown in that great country, that was not made the more valuable by these Canadian improvements. As an American, he took pride in the flag of his country. But he was here as a representative of the trade and commerce of that country, and it was a matter of delight to him, when he could see the British and American flags in the same harbours, and on the same oceans. He had lived seventeen years under British rule, and knew something of it, and the working of British institutions. He knew the liberty it extends to everybody who enjoys it. If the two nations could unite, so as to be friends wherever those two flags appeared, there would flow trade, the arts and sciences, and the civilization of the world. If that could be accomplished, it would give peace to the world.

The PRESIDENT thanked the American delegates for the kindly sentiments they had uttered.

#### EXTENSION OF TELEGRAPH SYSTEM TO THE GULF.

Hon. JOHN YOUNG in resuming the debate on this question, asked Mr. Grant if he intended to form a Company, for the purpose of carrying out those suggestions of telegraphic improvements.

Mr. GRANT said the resolution explained itself upon that point. The object was, to ask the Government to build it at the public expense, or grant such a subsidy as would enable a Company to build it. The resolution did not suggest either course.

Hon. Mr. YOUNG said it was necessary for him, in justice to

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himself, as well as to other gentlemen who had been acting in conjunction with him, to explain this matter of telegraphic extension. The first idea of this telegraph originated with a gentleman in London and himself, who obtained an Act in England, for the incorporation of the British and Canadian Telegraph Company. The preamble of that bill covered the whole ground. The bill was passed in 1856, and he obtained a similar charter in Canada the same year, which had been revived from time to time up to the present period. The Board of Trade of Montreal in 1854, 1855, and 1856, did not fail, in any of their reports, to allude to the enormous importance of this telegraphic communication between the Gulf of St Lawrence and the ports of Montreal and Quebec. A resolution was even passed by this Dominion Board of Trade in 1872, of a similar nature, directing the attention of the Government to this subject. The parties concerned in this matter resided principally in Denmark. He took a trip to Copenhagen for the purpose of furthering the scheme. He saw a gentleman there connected with what is now called the Great Northern Telegraph Company. They have communications over England, France, Norway and Sweden, and have a special branch from Russia to China and Japan. At the time that he suggested the telegraph across the Atlantic, by way of Greenland, Iceland, and the Faroe Islands, Mr Cyrus W. Field started the project of a direct line across the Atlantic. He (Mr. Young) was under the impression that such a thing was impracticable; but he was wrong, and Mr. Field was right. In conjunction with his (Mr. Young's) friends, he obtained from the Government of Denmark a special right of passing by way of Greenland and Iceland; and the Government agreed, through his intercession, to build, not only this line, but also all the lines spoken of by Mr. Grant. In 1871 he brought a memorial before the Government, enunciating all the advantages that would be derived from such a line; but they did not see their way clear to giving the aid required. He also urged the matter before the present Government, but they also declined to aid the project. Dr. Fortin did not originate this matter, but signed a letter written by him (Mr. Young), pointing out the advantages of it. The whole thing was explained by him to Dr. Fortin, and that gentleman would not deny it now. He had now before him reports of Boards of Trade, speaking favorably of the project 20 years ago; and it seemed strange to him that it should be brought up now as a new scheme. In 1874, he sent a communication to the Government, which was as follows:—

MONTREAL, April 11, 1874.

TO THE HONORABLE

*The Secretary of State,*

OTTAWA.

I had the honour, on the 9th May, 1872, of addressing you on the part of the Canadian and European Telegraph Company, (a name since changed to that of the



Canadian and Great Northern Telegraph Company) on the project of a direct telegraphic communication between Canada and Europe, when I solicited that the Government of the Dominion should assist and aid in carrying out such a commendable enterprise, so advantageous to the public interest.

Without going over the ground which was alluded to in my letter of May, 1872, I would briefly state that, in 1859, I obtained an Act from the Parliaments of Canada and England, incorporating the Canadian and British Telegraph Company to lay down a wire from the St. Lawrence to Scotland, *via* the Straits of Belle Isle, Greenland, Iceland, and the Faroe Islands; but, in consequence of the Danish Government having given sole authority to another party for the use of those islands for telegraphic purposes for a period of ten years, the project had to be abandoned.

The Great Northern Telegraph Company of Copenhagen, were attracted to the advantages of this northern telegraph route, and they obtained, and have now, the sole right to use the Danish possessions in Greenland, Iceland and the Faroe Islands, for telegraphic purposes. In 1869 the Act of 1859 was revived, and full power given by the Canadian Parliament to carry out the enterprise. Various difficulties have occurred to prevent this being done, but it is now believed that if efficient aid is now given, by a subvention on the part of the Government of the Dominion, to the promoters of the project in Canada, Denmark and England, the scheme can now be carried out, and the work shortly commenced.

It is of the highest importance, in the interests of the Dominion, that there should exist a means by which there would be independent telegraphic communication between the Dominion and all parts of Great Britain, and Europe generally, as well as with the West Indies, without the necessity of sending messages through a foreign country, or through companies not under obligation to the Dominion.

The present ocean telegraph monopoly possesses, in fact, the exclusive right of landing telegraph cables on Newfoundland and its dependency of Labrador; and the people of the Dominion have no other route than the St. Lawrence for attempting to secure telegraphic communication between Europe and the Dominion. The proposed line will secure to the Dominion prompt and far cheaper rates with Europe and the world, not only in times of war, or commercial and political disturbances, when such a direct and independent communication would be of immeasurable importance; but it would bring Canada into frequent and intimate relations with the north of Europe, Denmark, Norway, Sweden, Northern Germany and Russia. It would be of great assistance in the effort now being made to induce emigration from these countries into the Dominion; and would also lead to the extension of the line inland to British Columbia, and thence to China and Japan.

The Great Northern Telegraph Company of Copenhagen, with whom we are intimately connected, have not only successfully extended their lines throughout Europe, but also to Japan and China, and that powerful and prosperous company, with a capital of £1,500,000 sterling, has, partly owing to a subvention which the Government of Russia granted to the submarine lines connecting that country with Denmark, and to the assistance liberally given to it by the Government of Denmark and of Russia, acquired almost exclusive possession of telegraph traffic between Great Britain, Denmark, Norway, Sweden, Russia, and, by means of the Russian land lines across Siberia, with China and Japan.

Carefully elaborated estimates show that the sum of £800,000 sterling, or four millions of dollars, will be required to construct, and to lay a cable from Thurso (North Coast of Scotland) *via* the Faroe Islands, Iceland or Greenland, Blanc Sablons (in straits of Belle Isle), to a convenient landing place in the Gulf of the St. Lawrence, probably at a point in the neighborhood of Gaspé; and to build the land lines, which may be necessary to bring the submarine line into connection with the existing Canadian land lines, as well as with the land lines of the United States, and at all events to secure prompt and satisfactory telegraphic communication with the principal cities of Canada, and with New York, Boston, Chicago, Milwaukee, etc.

All the official reports, and the competent technical men consulted, are unanimous in declaring that a cable carried from the Straits of Davis, into and through the Straits of Belle Isle without being in the least exposed to danger from icebergs, if the cable is all through submerged in the deepest water that can be found—experience showing what besides stands to reason, that the icebergs must touch bottom, and become stranded on the shallows which surround, and as it were protect the channel, and that

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consequently they cannot by any possibility reach a cable submerged in the deepest parts of the channel.

It is in fact, evident, that if a proper use be made of the sinuosities of the bottom which are known to exist, east of Belle Isle, a cable carried from the deep waters of the Davis Straits into, and through the channel of the Strait of Belle Isle, will be much less exposed to injury from icebergs, than the now existing Anglo-American cable, which had to be carried across the flat, and comparatively even and unprotected surface of a portion of the banks of Newfoundland.

We have, therefore, not the slightest misgivings or fear in that respect, and feel confident, that we shall easily succeed in entirely avoiding the dangers from icebergs, and put to rest, the prejudice which has existed on this point.

The projected Company of the Great Western, marked red on the map herewith, will connect England, Bermuda, St. Thomas, and New York, by direct lines, and it will very soon complete its connections, by laying a line from Bermuda to Halifax, N.S.

The Great Western Company has been organized with a capital of £1,350,000 sterling; and the projected Canadian and Great Northern Company have a working arrangement for securing the traffic from Denmark, Norway, Sweden, Russia, China, and Japan, passing over the lines of the Great Northern Telegraph Company, intended for America, and *vice versa*.

The right to land cable, and to establish stations on the Coast of Greenland, or of Iceland, and the Faroe Islands, which has been granted by the Government to the Company I represent, must, in itself, be considered most valuable to the line, which thereby acquires the advantages of shorter distances, from station to station, than any other of the Atlantic lines.

The past experience which the Company has had, has definitely settled and convinced the Directors, of the utter impossibility of raising the necessary capital required for the Canadian and Great Northern Line, on terms which would be favorable to the future prosperity of the enterprise, unless the Government of the Dominion should be willing to assist he enterprise in some efficient manner.

At a recent meeting of the Company in Copenhagen, it was agreed and resolved that, if the Canadian Government would be pleased to grant as a minimum of aid, for at least ten years from the day on which the line commences business or comes into operation, a bonus of 10s. sterling, or \$2.50 Canadian currency, on each of the first 40,000 full-paying messages of ten words each (press messages counting as half messages only) transmitted in the course of each of these ten years, through the cable, between Canada and Scotland, they, on their part, would be prepared to obtain the necessary capital to build the line and put it into operation. The aggregate of these bonuses, which will not exceed £20,000 sterling, or \$100,000 currency, to be again reduced at the same rate as above (10s. sterling for every paying message of ten words), whenever the number of full paying messages shall exceed 80,000, and consequently to be entirely extinguished when the number of such messages shall reach 120,000.

The Company would be further prepared, if the Government should desire it, to transmit annually 10,000 Government or press messages, of ten words, entirely free, provided the bonus arrangement shall be as follows:—

Ten shillings, or \$2.50, on the first 50,000 full paying messages of ten words each, that bonus, the aggregate of which will not exceed £25,000 sterling, or \$125,000, to be taken off again at the same rate, 10s. per message, when the number of messages shall exceed 100,000, and consequently to be reduced to nothing when the total number of messages shall reach 150,000.

The Company will be willing, in consideration of such efficient aid and assistance, to bind the Company for the same number of years for which the assistance above described shall have been granted, to a tariff not exceeding £1 sterling, or \$5, for a full message of ten words, and of 10s. sterling for press messages.

The present price of a message of ten words from Montreal to London is \$10, which rate it is proposed to reduce to \$5, or one-half. This reduction will not, however, as has been proved on other fields, reduce revenue; for it is believed that such reduction will produce a corresponding increase in the amount of traffic; and that, therefore, the gross earnings will not, from calculations made by the business which is now done on the Atlantic lines, be less than £108 sterling per day, or £39,420 per annum; and there is every probability that it will rise to a much larger amount, when it is stated that the

Atlantic Companies daily earnings, from last published returns, are equal to £1,250 sterling (including Sundays), or £456,250 for the year.

Being connected, as I have had occasion to explain above, with such strong organizations as the Great Northern Company, it presents every guarantee for prompt and uninterrupted telegraph communication, and that, therefore, the risk which may possibly be incurred by the finances of the Dominion, if the Government and Parliament would be pleased to grant the efficient aid herein alluded to, will, in all probability, be very small, while the advantages which the people of the Dominion will derive from the establishment of the line, will be very considerable in various ways.

In that respect, I would submit the following :—

1st. The line will have a station at Blanc Sablons, in the Straits of Belle Isle, and from this point we contemplate a landing in the neighbourhood of Gaspé, with an extension to Quebec, while Point de Monts may eventually be connected with the south shore by means of a sub-marine line across the St. Lawrence. It would be difficult to estimate the saving of life and property which would result from the early advice of ships going ashore. The safety of the navigation of the St. Lawrence would be greatly improved thereby, insurance lessened, confidence increased, while the important industry of the fisheries would be greatly promoted.

2nd. Supposing that a reduction in the tariff of telegraphic rates should not produce the increase of traffic, which experience, however, fully justifies us in anticipating, and that the number of messages annually should only be 40,000, the saving to Canada of a portion of this would be considerable by the reduction of the tariff from ten to five dollars, and the annual saving would be increased in the same proportion in which the business of the line will increase hereafter.

3rd. It will, instead of the present expensive, slow and uncertain telegraphing through the United States, secure to the Dominion, prompt, cheap and safe telegraphic communication with Europe and the world. To the merchant of Canada it is all important. At present the United States business, from being the largest, has a preference over that of the Dominion, and it frequently happens that the news of the English markets, as to a fall or an advance in prices, is often obtained at Montreal earlier from Chicago than direct from England.

4th. These advantages are of such magnitude, and the direct line, *via* the St. Lawrence, which we propose to build, is so national in its character, and fraught with so much importance to the future development of the Dominion, that even if there should be a risk connected with the guarantee for which I ask, but which, as I have shown, is highly improbable such risk is absolutely insignificant, when compared with the advantages which I have had occasion to point out, although I have confined myself to the mention of only the most salient among them, and have not alluded to the risk the Company run by the expenditure of £800,000 sterling, before any part of the guarantee is available; and the successful laying of a cable, by the Northern Atlantic to the St. Lawrence, against which the Company have to contend, with considerable prejudice and the misrepresentation of the present monopolist.

5th. It will naturally, nay, unavoidably, lead to the extension of the inland telegraphic system west, and across the country to British Columbia, and thence across the Pacific, to China, Japan, and to Russia; and the Dominion will thus, in the course of a few years, become an important link in the shortest and straightest telegraphic line across the globe.

All of which, however, is respectfully submitted on behalf of the Directors of the Canadian and Great Northern Telegraph Company.

JOHN YOUNG,

*Managing Director in Canada.*

During the reading of the foregoing

Mr. ROBERT SPRATT (Montreal), said : I beg leave to rise to a point of order, for it seems to me Mr. Young is discussing a question entirely apart from the original resolution, and I am sure that he would not allow any one on this Board to depart from a question as he has done himself. I am sure all the gentlemen

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present are very impatient while listening to what he is informing us of, because it does not really affect the resolution. If we are willing to admit that Mr. Young was the originator of this line, I think that is all he can ask us to do; but our time should not be occupied with these long addresses and memorials.

Mr. THOMAS CRAMP (Montreal), said Mr. Young was entitled to take up the small amount of time required to finish his statement.

Mr. A. JOSEPH suggested that the documents might be published in the report.

The PRESIDENT said he would be inclined to sustain the point of order raised by Mr. Spratt; but, as Mr. Young was nearly finished, he might proceed; and he hoped the hon. gentleman would be as brief as possible.

Hon. Mr. YOUNG resuming, said he felt it was his duty to lay some of those facts before the Board. He fully agreed with Mr. Grant, regarding the necessity of those lines. But the thing was not originated with Dr. Fortin. It was first brought under public notice by himself. There was another matter in which Mr. Grant was mistaken. That gentleman gave credit to the Hon. Peter Mitchell, for the establishment of lights on the St. Lawrence. Mr. Mitchell deserved credit for the manner in which he had carried out the great work of lighting our coasts; but he was not the originator. The subject was brought under the notice of the Government by himself (Mr. Young), long before Mr. Mitchell became a member of it. He (Mr. Young), was Chief Commissioner of Public Works in 1851, and in that year reported on the subject. He deemed it necessary to allude to these facts, in order that they might be thoroughly understood, and the due amount of credit should go to the proper party.

Mr. THOS. CRAMP said the only remark he was sorry to hear in Mr. Grant's excellent speech was, that he had only within forty-eight hours heard of Mr. Young's connection with this important matter. It was another illustration of the fact, that a prophet is not without honor save in his own country. The knowledge which some gentlemen present possessed of Mr. Young's labour in this direction, had been derived from a more intimate connection with it than Mr. Grant's. He believed he was right in saying, that his (Mr. Cramp's) own name appeared as one of the original incorporators of the Telegraph Company alluded to. However, it was clear, that twenty years ago, Mr. Young had proposed a much larger scheme than that now brought before the Board. It included a considerable part of the excellent scheme of Dr. Fortin. The circumstances which rendered the larger scheme unnecessary, threw us back to a smaller one. He would suggest to Mr. Young that they should welcome this important aid, though it came at the eleventh



hour, in carrying out a useful project. He hoped there would be no dissentient voice, but that the Board would unanimously approve of this laudable work.

Mr. J. A. HARDING (St. John, N. B.), said, the people of the Maritime Provinces had for years been endeavoring to carry out such a system as this; and in St. John a line had been constructed for telegraphing the arrival and departure of vessels. Anything that could be done to save property when in jeopardy, should be attended to by the Government, when it could not be accomplished by individuals. In Nova Scotia more had been done in this direction than in New Brunswick. At Halifax they employed a steamer to visit Cape Sable from time to time, and see whether any wreck had occurred there. People might be there for months, suffering for want of the necessaries of life, if this were not done. In New Brunswick they urged no direct claim, knowing that the Government would do what was necessary.

Mr. JOHN WALKER (London) asked the mover to substitute for the word "immediate" the words "as soon as practicable."

Mr. GRANT: I would be glad to drop the word "immediate."

Mr. THOMAS WHITE, jr., (Montreal)—I hope not.

Mr. GRANT, continuing—But instead of saying "as soon as practicable," let us urge its construction with as little delay as possible. I suppose the object of Mr. Walker is not to appear discourteous to the Government.

Hon. Mr. YOUNG: "Immediate" is better.

Mr. JAMES LORD (Montreal), said he was intimately acquainted with the whole route that Mr. Grant referred to, and especially that to Belle Isle. He held in his hand a letter which his partner had just received from the Receiver-General of Newfoundland, going over almost the same ground. They wanted telegraphic communication to the Straits of Belle Isle to connect with Labrador, and they asked his firm if they could in any way induce Canadian marine companies to assist them in carrying it out. He was in a position to believe that, in a very short time, Newfoundland would be connected with this Dominion; and, in view of that, this Board ought to use all diligence to urge upon Government to extend telegraphic communication to Belle Isle. All our shipping for three months of the navigable season, passes by this place, and telegraphic communication would be of the greatest service. It would lessen insurance and risks of all sorts, and be a great boon to the trade of the country.

Mr. GRANT, as mover of the motion, felt delighted to think Mr. Young, by his own explanations and the statement of Mr. Cramp, had been put in a right position in this matter. He begged to add

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to his motion, that the system be further extended to include "Grand Manan, Sable Island and Brier Island."

The addition was accepted, and the motion was then put and carried.

#### RECIPROCITY—U. S. BUREAU OF COMMERCE.

The PRESIDENT: Our American friend, Mr. Hayes, requests permission to be heard a moment more regarding a matter he desired to mention in his address at the opening of this sitting, but omitted.

Mr. HAYES: The Reciprocity Treaty was abrogated under circumstances over which we had no control; but I do not think we are losing sight at all of a very important matter which you have brought under the notice of the Board. I simply wished to state, so that you all may know it, that some two or three years ago there was a Commission appointed, of which Mr. Windom was Chairman, to take into consideration the trade of the country over all routes; and last winter, owing to the recommendation of the National Board of Trade and business men of the country, an effort was made in Congress to establish a Bureau of Commerce—an entirely separate Bureau—which should take the matter in hand and deal with the Commerce of our country with all countries, as well as between our own different States. A bill was introduced to this effect, but did not succeed. An Act was passed appropriating \$20,000 for establishing a Bureau of Statistics, including trade with the Provinces. I am glad to say to you that I am an agent of the United States Government under that Bureau, and that my district takes in all north of the Ohio River,—and we are disposed to push this intercourse to the last extreme. My first letter from the Secretary of the Treasury, in December, or back as far as October, covered twenty-one pages, the questions bearing upon traffic, international among ourselves, and with the Provinces. My reply covered fifty-seven pages, giving closely written statistical information on the points; and next month I go to Washington with relation to the same subject, when business men throughout the country expect to give evidence in this connection. A new effort will be made next year to establish a Bureau of Commerce, entirely distinct, to take up these matters, and deal directly with them hereafter. I hope you are not under the impression that we are losing sight of this important topic.

#### TEA AND COFFEE DUTIES.

Mr. ADAM BROWN (Hamilton) moved, seconded by Mr. JAMES STEWART (Hamilton):

"That in the year 1872, the American Congress having passed an Act, abolishing the duty on tea and coffee, a similar Act was passed by the Parliament of Canada.

"That in view of the policy of the American Government, imposing a special *ad valorem* duty of ten (10) per cent. upon all imports of tea and coffee from countries lying west of the Cape of Good Hope, the Canadian Parliament, in the same session, passed an Act, amending that above referred to, by adding to it the following proviso:—'Provided always, that if at any time, any greater duty of Customs should be payable in the United States of America, on tea or coffee imported from Canada, than on tea or coffee imported from any other country, then the Governor in Council may impose, on tea or coffee imported into Canada, from the said United States, a duty of Customs, equal to the duty payable in the United States, on tea or coffee imported from Canada; provided that tea or coffee imported into Canada, from any country other than the said United States, but passing in bond through the United States, shall be free from duty.'

"That, under the operation of this Act, a differential duty of ten per cent. was charged upon all tea and coffee imported from the United States, and to this extent, a premium was given to the direct importer, and an encouragement to foreign trade, at least equal to that which, under previous legislation, had been conferred by the mixed *specific* and *ad valorem* system of levying duty.

"That by the Customs' Act of 1874, the duty was reimposed upon tea and coffee, upon the *specific* system, to an extent at least equal to the ten (10) per cent. authorized by the Act above quoted; thus operating as a practical repeal of that Act.

"That the effect of this legislation by making the duty the same, whether the tea or coffee is imported from the place of growth, or from the United States, has seriously injured the direct tea trade of Canada, without any compensating advantage to the consumer.

"That in the opinion of this Board the policy adopted by the Act of 1872, was a wise and patriotic policy, and that its abandonment has resulted in transferring the direct import trade to the United States merchants.

"That the Executive Council be requested to memorialize the Government, praying for the restoration of the ten (10) per cent. differential duty on tea and coffee imported from the United States."

Mr. BROWN said he would be the last individual to move a resolution on any subject, where it was injuriously affecting the interests of the consumer; but the consumer never suffered when our merchants imported their tea directly from China. Competition always kept the interests of the consumer right. When this change took place, the value of tea, not only in the United States but throughout the world, decreased, and this, no doubt, caused many to suppose it was in consequence of the operation of this Act, bringing United States tea in competition with the tea imported by Canadian merchants. Now, we had established in Canada a prestige in this trade. We had magnified, and, he might say dignified, a direct trade between China and Canada, which is now practically lost to us, and of which our friends on the other side of the line are getting the main portion. Indeed, he was not astray in stating, that a large number of investors in that trade, in Canada, are conducting, to a considerable extent, their business in the City of New York. The operation of this Act is a blow at the direct trade between China and Canada, which was in every respect satisfactory before. It could be substantially proved that notwithstanding the decreased price of tea in the principal markets of the world, the consumer in this country has not got any advantage of it. No doubt there are many who entertain the idea that it is a question for the consumer. He held it to be a question of the

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greatest importance for Canada, that we should endeavor to perpetuate our intercourse with the chief markets of the world, in such important articles as tea and coffee.

Hon. JOHN YOUNG (Montreal), said there can be no doubt that the United States Government have a perfect right to enact any law they choose for revenue purposes, and we in Canada have the same right. The results of taking off duties in Canada had been, as Mr. Brown explained, to really destroy the trade in teas. It seemed to him that the principle of putting on an *ad valorem* duty on teas and coffees—and he would extend it to everything else from the place of growth—was the true one. He was entirely opposed to any differential duty against the United States. He thought it unwise, and doubted very much if England would allow it to be carried out. If a tax were placed on tea imported from anywhere but the place of growth, it would place British merchants in the same position as those of the United States. All our treaties with the United States place them on the favoured-nation scale: that is, they shall be treated as our own people. We are not a people here of ourselves, but a colony, and governed by the Empire. The whole of the tea and coffee trade is thrown, by the present Act of Parliament, into the hands of the New York merchants. That ought not to be, and it affects the country in various ways. We want from the St. Lawrence cheap freights outwards, especially for our breadstuffs. This we cannot have unless we have a tonnage inwards, and that is destroyed by the present tea and coffee duties. It is, therefore, highly important to increase in every way the importation of goods wanted for the country. An *ad valorem* duty would not injure the consumer in the slightest degree; but a *specific* duty exclusively, as it is at present, prevents this, and is wrong in principle. In Lower Canada the people consume an inferior quality of tea, yet they pay the same duty as is levied on that consumed by richer people elsewhere. The effect of imposing the duties suggested would be to bring to the St. Lawrence that trade which now centres in New York. While we are constructing our canals, and paying large sums of money for their improvement, we are helping the trade of a foreign State. The whole thing is a mistake, and ought to be remedied; but his plan would be simply to put on an *ad valorem* duty. The effect of it would be to give a chance to Canadian merchants, without increasing the cost of the commodity to the country.

Mr. HOWLAND (Toronto)—I can scarcely express the great gratification I feel on account of the conversion of Mr. Young at last to a sound principle of commercial economy. It is very well to cover it under the words "*specific*," and "*ad valorem*," but as long as it comes to an increase of duties it is the same thing, and I am only too glad to welcome him at last into the ranks of those who think so.

Hon. Mr. YOUNG—You are quite mistaken.

Mr. HOWLAND—There is no doubt about the right and justice of Mr. Brown's motion; but I fear we may have many acquisitions of importers and others—free traders when their interests are not affected, although protectionists on this question—who, when it comes to a question of the general interests of the country, will feel it their duty to balance it a little by voting on the other side. I hope, however, this will not be the case when we come to take up a larger question, in which the interests of the country are more largely interested.

Hon. Mr. YOUNG—I have advocated *ad valorem* duties, as a free-trader, for the last twenty years, and I cannot see any kind of ground for Mr. Howland's statement that I am a protectionist.

Mr. THOS. WHITE, Jr., (Montreal), said the best possible answer to the statement that there would be a difficulty in adopting a differential duty against our neighbors, was the fact, that the Act which imposed such a duty had been in operation for two years. We established, by Sir Francis Hincks' Act of 1872, the right of this country to deal with its own fiscal policy, in the manner which seemed the most desirable. That Act was, therefore, of much greater importance than appeared on the face of it. It was much more than an Act imposing a ten per cent. differential duty on imports of tea from the United States; it was, in fact, a declaration—which, he was satisfied, met with the hearty sympathy and approbation of the people of this country at large—that we had a right to frame the tariff in the way that best suited our own interests. In 1859, when Government desired to adopt a policy for the protection of native industries, manufacturers in England objected, and the Sheffield Chamber of Commerce especially petitioned the Imperial Government, complaining that a Colony of the Empire undertook to pass a law militating against the export interests of the Mother Country. The petition was sent to the Governor General, and Mr. Galt, in reply, in an admirable letter which met with the approbation of every true-hearted Canadian, claimed that, with a responsible government, the people of this country had a right to manage their own affairs in their own way. This right has ever since been recognized. We are simply adopting a policy which our neighbors, in their own interest, have seen fit to adopt themselves. He, for one, could not help admiring the policy which governs the people of the United States. They are cosmopolitan to a large extent, it is true. Meet them where you may, they are sociable and the best fellows you can find on the face of the earth; but in relation to everything affecting the legislation of their country, the one idea they have is to develop their own industries. Now, we have arrived at a condition of things in this country when we ought to adopt the same policy. We do it, not in a spirit of hostility to them, but of emulation. We

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are so struck with their enormous prosperity; we feel so much the tremendous strides they have made in the last few years, that we have decided to take a leaf from their book, and they will recognize in our policy that good neighbourliness we desire to perpetuate when they see us mete out to them the measure which they have meted to us. In relation to this tea question, it is perfectly well understood that the policy of the United States in levying an additional ten per cent. *ad valorem* on imports from all countries west of the Cape of Good Hope, is to discriminate against Great Britain and Canada, these being really the only two countries affected by this policy. We simply say this, "While we are quite willing"—that was the declaration of Sir Francis Hincks' Act of 1872—"to deal with our neighbors on precisely fair terms, if you see fit to impose a duty of ten per cent. on tea imported from other places than the countries where it is produced, we will do likewise." That was all that was implied in the Act of 1872, and in the resolution now before this Board. The effect of that act was very largely to promote the direct tea trade in Canada; the effect of repealing it has been to destroy that direct trade. There should be but one feeling in this Board,—as there certainly was but one outside—that we should revert to the policy of Sir Francis Hincks. It would not affect the consumer. It was not the imposition of an additional ten per cent. The direct importers—and they would be more numerous under legislation of this kind—would import at the ordinary rate, and it would only be on imports from the United States that the ten per cent. would be imposed. The effect of it would be to encourage large direct importations. There would be no injury done to the consumer, therefore—certainly none to justify the Board in refusing to recommend a policy which would so largely contribute to the trade of this country.

Mr. JOHN WALKER (London), rose to move an amendment, in the interests of the consumer, as follows:—

"That this Board does not recommend the Government to re-impose the duty of ten (10) per cent. over and above the regular tariff on tea and coffee imported from the United States, as such extra duty would be an additional burden on the consumer."

With regard to the policy of imposing this differential duty as against our neighbours in the United States, he did not agree with those who favoured it. It was wrong in us to depart from the old established principle of putting every country we deal with on the same footing, even if it were constitutional. On that ground, he was not clearly convinced that Mr. White was right in the remarks he had made. He (Mr. Walker) would be surprised to find that it would be reckoned constitutional, when brought under the notice of the authorities in England; but looking at it from the consumers' point of view, it would be an additional burden, without a compensating advantage. It might possibly happen that a few importing houses might bring an additional cargo of tea to Montreal, but that



was not certain. Canadian merchants are better served in having open to them the markets of the United States, as well as the markets of China and England, from which to select their teas. We should not debar the dealers of this country from the privilege of buying in the cheapest market. If they find they can buy this staple article in New York cheaper than in England, let them buy it there by all means, and not fetter the trade of the country in the way proposed by this resolution.

Mr. W. M. DARLING (Montreal), seconded the amendment.

The PRESIDENT ruled that Mr. Walker's proposition was a direct negative to the original resolution, and not an amendment.

Mr. THOMAS CRAMP (Montreal): I rise to speak on this occasion with extreme delicacy, because it is known I am largely engaged in the business, and have personally suffered, perhaps more than any one present, from the unfortunate position of the tea trade within the past two years. However, the question is a little involved by circumstances which would not be observed by persons outside of the business. As a matter of fact, the existing duty on teas from the United States into Canada, and the duty on teas from Canada into the United States, are practically the same. There is no differential duty, in the sense generally understood, against Canada in the United States. Our duty on tea is three and four cents per pound; their's ten per cent.—and you will find that they about balance. The United States Government abolished the tea and coffee duties altogether; but there remained the general clause, imposing on all articles the growth and produce of countries west of the Cape of Good Hope, and imported from countries east of the Cape, a duty in addition to all customs dues, of ten per cent. It was believed by the Government of the day, that as there were no duties on tea and coffee in the United States, this clause fell to the ground. To our surprise the duty was imposed. The way we met it was by an Order in Council, which provided that so long as greater duties on teas and coffees sent from Canada to the United States, existed, than we imposed, the Governor in Council had power to levy a similar duty on theirs. That went on for a year and a half, until Mr. Cartwright brought in the tariff under which we are now working, imposing four cents per pound on green and three cents on black tea. Through that act the Order in Council fell to the ground, as it about equalized the duties. It is a mistake to suppose that you can revert to the order of things that existed before that tariff was passed. There is at this moment no difference in duty on the article of tea between this country and the United States. I stand here to-day representing a large number of firms dealing in this article, and I may say they would be unanimous in supporting a resolution such as Mr. Brown has brought before the Board to-day. It would, perhaps, be less invidious, and

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more effective for the purpose we have in view, if the means adopted by the United States to accomplish this object were employed by us—instead of proposing to establish differential duties against that country alone. What is wanted is a policy similar to theirs, on the ground stated by Mr. Brown. I look forward to a considerable change in the revenue policy of the Government in some of the leading articles of commerce, and I think it is perfectly clear that sooner or later they will want more money. If they look over the tariff they will find no article from which they can get it so readily and so certainly as tea. When that question comes up, I for one would argue for the application of *ad valorem* duties in any change of the tariff. I think we must expect to look forward to a long period of very low prices for this particular article. Many new countries are exporting tea. A few years ago the export of tea from Japan was very small; now it exceeds 20,000,000 pounds to America alone. The outlook for the future is, therefore, very low prices for this necessary article, and we can have a larger tax without increasing the cost to the consumer. If you deal to-day with the question of imposing a differential duty of ten per cent., I would rather say we should make a general provision, and not take an exceptional position in regard to the United States.

Mr. J. F. HENRY (New York), said he had been informed in New York, that the large tea dealers there had been selling tea at very much less than cost, or very much less than it cost at the time they imported it. He had also been informed, that there was a movement on foot to grow tea in California. There was an obvious advantage in going to New York. A great many had lost money in the trade, because the market was thoroughly over-stocked.

Mr. WM. LUKES (Newmarket), said he would like to have an instance given, to show that since the tea duties were taken off the consumer had been really benefited. As soon as the duty was taken off, swarms of "carpet-baggers" came from the United States to sell teas. They lauded the Finance Minister for relinquishing these duties. One of them came to the town in which he (Mr. Lukes) lived, and offered to furnish a dealer there with tea at a cheap rate. When asked if he would sell to his customers at a lower price, the dealer said "No, the price would remain the same." His personal experience was, that he could not buy a pound of tea cheaper to-day than he did before the duty was taken off. Unless some proof could be furnished that teas were cheaper, he would vote for Mr. Brown's resolution.

Mr. R. R. DOBELL (Quebec): I regard this as part of the reciprocity debate. Do I understand Mr. Cramp to say there is no differential duty against us in the United States?

Mr. CRAMP: None.

Mr. WHITE: There certainly is.

Mr. DOBELL: I want to call attention to the fact, that if we adopted a clause similar to that which is in force in the United States, it would be imposing a differential duty against Great Britain. I would oppose that as I would any other measure tending to sever the connection. I do not believe in retaliation, but I believe in self-preservation. It is the duty of every Canadian to make us more independent of the United States, and to draw us closer to the Empire. They talk of growing tea in the United States;—they are about to grow it in Australia. Why should we not deal with Australia in preference to the United States? The import trade gives employment to Canadian ships, and we should encourage it.

Mr. CRAMP: The United States tariff is the same to all countries on the globe. If we bring a cargo of tea direct from China to the United States, it is perfectly free. The only difference is, that if we bring it by the River St. Lawrence, it bears the same duty as if we brought it from Great Britain.

Mr. DOBELL: Then it is a direct differential duty against Canada, because New York gets the advantage of the shipping arriving there.

Mr. CRAMP said, if the object of the resolution was to encourage the direct trade, it should be made more general.

Mr. DOBELL said, that would have the effect of putting a differential duty on teas imported from Great Britain, as against teas imported from China and Japan. He would vote in favor of a differential duty against the United States, so long as they imposed such a duty against Canada, but not to extend it to Great Britain also.

Mr. ANDREW ROBERTSON (Montreal), quite agreed with the principle enunciated by Mr. Young, with regard to *ad valorem* duties. He would ask Mr. Cramp if we, in Canada, could carry tea from China to New York, *via* the River St. Lawrence, free of duty, in the same way that we could import it from China to Montreal, *via* New York?

Mr. CRAMP: No.

Mr. ROBERTSON: Then it is a differential duty. We have heard the word "retaliation" used here to-day. I do not like retaliation myself. I like to use the word "reciprocity" but preceded with the word "wise" I believe in a free and reciprocal basis for trade. I think this is a wise resolution, and I will favor it, even at the risk of being thought to have fallen away from my free trade notions. There are other questions coming up in connection with the tariff debate, on which I may take a different view. I will read you a letter which bears on this subject:

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For revenue purposes, an *ad valorem* duty is much to be preferred to a specific duty, inasmuch as it gives a slight advantage to direct importations. As to the amount to be imposed, the trade have nothing to say,—it affects them very little.

But no arrangement of a revenue duty can supply the want of the 10 per cent. differential duty lately repealed, nor can the direct tea trade be restored to Canada until it be reimposed,—or that the American Government have repealed their 10 per cent. against us.

It might be restored in the very words of the American Act, viz.: on teas from “all countries west of the Cape of Good Hope,” and then make an exception in favour of England. To this latter part the American Government cannot object, as they only recognise us as a part of Great Britain. It would be a domestic arrangement with which they had no concern. This would obviate the objection made to the late Act being directed against the United States.

It is worthy of note that the parties (including the present Ministry) who now see so many difficulties in restoring this duty, *all*, or at least as many as were then in the House, voted *for* it, when introduced by Hon. Mr. Hincks in May, 1874,—it having been carried through the House with *one* objecting voice—Hon. L. H. Holtou.

In regard to the remarks made by Mr. Cramp, and the points contained in this letter, I would suggest that we might take longitude 10°. That would cover the whole question.

Mr. HUGH McLENNAN (Montreal), said if the Board were to establish a rule, that would be advantageous in a trade point of view, by recommending the imposition of a differential duty of any description, it would launch them at once into the consideration of a protective tariff. He did not think the proposal contained in the letter, just read by Mr. Robertson, would relieve us from the difficulty. If we are bound to give the same trade rights to the United States as to other countries, the only way we can do it is by ascertaining our right to make any tariff that suits us. It has been shown we can do so; but we cannot possibly adopt the United States plan in the form it was proposed. The exception made by the United States, when they levied this ten per cent. additional duty, was in the interests of their shipping trade, and in order that it should be carried on in American vessels. He thought the way we should meet this, considering the general interests of the country, was by the imposition of a duty on all importations, except those by way of the St. Lawrence. He held that whatever concessions we made in the interest of protection would be a disadvantage to the consumer. The assumption in this case was, that we would have a direct advantage in the importations coming by the St. Lawrence, and the country should bear the burden of a differential duty. The Americans proposed it as an encouragement to their shipping interest, and if we adopt it, it must be on the same policy.

Mr. DINNING (Quebec), asked how it would work to have direct importations by the St. Lawrence. We have about five months of the year in which we can do it, and two vessels, I suppose, will bring to Canada all we can consume. To encourage this direct trade it was proposed to tax us ten per cent., and place the trade in the hands of two or three merchants in Montreal. The



effect would be to have a large stock lying in Montreal, and to deprive every small trader in the country of the right of buying where he could expend his money to the best advantage. Under the present system, as he understood it, Montreal and Quebec merchants send an order to China, and the tea is brought to the United States. If they find it to their advantage to sell it in New York they can do so; if not, they can bring it to Canada. Our merchants have the advantage of both markets. By this resolution they would be confined to this country. It was a narrow policy—the old French system, which required everything to be imported in French ships, and which was carried on in France until the whole country was sick of it. He would be sorry to see such a policy inaugurated here, and hoped the resolution would be withdrawn.

Mr. CRAMP: The last speaker is entirely mistaken as to the magnitude of the trade. Instead of two cargoes representing the tea importations of Canada, it is nearer twenty. However, I am not responsible for the suggestion that the River St. Lawrence should be the only way of importing tea into Canada. It is not in the resolution.

Mr. ADAM BROWN: There is no pretension whatever that the importation of tea from China should be confined to the St. Lawrence. In the distant future—perhaps not very distant—we will have the advantage of using our own means of communication with the Pacific. A good deal of tea is imported by way of the Union Pacific Railroad. I myself import a good deal of tea in that way. I am a Western man, and not linked with the Montrealers, who have just been accused of selfishness. In the interest of the country, I will be very glad to see the trade of Montreal develop in every possible way. The matter is put very clearly by Mr. Robertson. You can see that if we import tea by way of New York, we pay no duty of this kind; but if we send tea to the United States, we have to pay a duty of ten per cent.

Mr. CRAMP, in answer to a question, stated that the importation of tea annually is 15,000,000 pounds.

Mr. Brown's motion was then put and carried on the following division:—

*Ayes.*—Messrs. Archer, Brown, Clemow, Cramp, Clements, Desjardins, Dobell, Elliott, Farrell, Grant, Howland, Lord, Lukes, Marshall (Walter), Marshall (Robert), Mingaye, Ogilvie, Perley, Pennock, Robertson, Skead, Stewart, Spratt, Staunton, Wylde, White.—26.

*Nays.*—Messrs. Darling, Dinning, Everitt, Harding, Joseph, McLennan, Tibbetts, Thompson, Walker, Watson, Young.—11.



## TRANSPORTATION.

Hon. JOHN YOUNG said the Board of Trade of Montreal had requested him to introduce this question of Transportation in relation to the trade of the Western States, and to the settlement and prospective trade of the North-Western Territories of the Dominion. He had, therefore, prepared a paper on the subject, which he would read, as follows:—

Look where we will, at whatever aspect of the wonderful advance in settlement of this Continent, and of its progress in civilization and society, we are obliged to go back to one great cause, and that is the opening of easy and cheap avenues for transportation and traffic. Neither the richness of the soil, the abundance and value of the forest, nor the richness of the mines, could ever have availed to people the interior of this great territory, but for the great system of water communication provided by nature, in the lakes and rivers,—by the Mississippi running from the north to the south, for some 2,000 miles; and the St. Lawrence, from the upper lakes, running to the Atlantic, a distance of 2,500 miles, from the west to the east. The great primary cause, therefore, of settlement, wealth and progress, will be found in those enterprises, which have extended, perfected, and developed the great highways furnished by nature. There is, therefore, no subject which can engage the attention of your Board, equal in importance to that of lessening the cost of transport of the products of the interior to tide water, and of the imports from tide water, required for consumption. The consideration of this matter is not only of paramount necessity to the producers of the west; but it is rapidly being understood with the manufacturers and consumers of the east, that it is necessary to reduce the cost of the necessaries of life, to the lowest possible point, and thus cheapen skilled labour.

To secure this object the most costly works have been constructed, to secure its advantages to each of the Great North-Eastern Atlantic cities. Canada has improved the St. Lawrence by a series of magnificent canals, around the rapids, and by a canal to connect Lakes Ontario and Erie. New York has her Erie canal, connecting Buffalo with the Hudson, and another from Oswego connecting Lake Ontario. Pennsylvania, Maryland, and Virginia, have all large and expensive water routes, while individual enterprise has extended railways from the Atlantic, in various directions, as well as to the Pacific. An examination of the facts will show, that the West is more dependent for an outlet to the Eastern States and to Europe on the canals of Canada as a means of cheaper transportation than by any other route. Independent, however, of canals, rivers and lakes as a means of transport, there are the various lines of railway; but no multiplicity of railways can satisfy the fundamental requirement of Western Commerce, which is cheap transportation by water for the massive bulk of its agricultural and mineral productions. Speculative and stock manipulations of railways, predict now and then that railway traffic will "dry up" the business of canals. Such statements can be met by the fact, that the Erie Canal alone is computed to carry during the seven months of navigation a tonnage of through freight, equal to that carried by all the five chief trunk lines of railroad from West to East during the entire year, and at

half the cost to the public, "being a saving annually in transportation by water to "the great consuming and producing classes of the North-Western and Eastern States, "of \$36,580,000." Mr. McAlpine, the eminent Engineer, found as the result of his comparisons, that the average cost of transportation by railway is 150 per cent. greater than the cost of transportation by the existing Erie Canal; and while the wear and tear of a floating boat is less than a rolling wheel, the breadstuffs and the heavy raw material of our interior productions must find their avenues of exchange, through lakes, rivers and canals. Where time in transport of valuable commodities comes into the calculation, then the railways come into play; but there is nothing antagonistic between the water and the rail. The one creates the other, and the traffic of the railway will increase in a ratio, exactly corresponding with the expansion of the trade of the lakes, rivers and canals. The question to consider is, whether the route from the West *via* the St. Lawrence to the Atlantic and the Eastern United States, cannot be made cheaper, quicker and better, than the route through the Erie Canal. The one is in a foreign channel, the other is in Canadian territory; but it is to be hoped, that no matter what may be the difficulties politically, between the United States and the Dominion, nothing should intervene to prevent the St. Lawrence route from the upper lakes to the ocean ship at Montreal or Quebec, or to the Eastern States, being applicable to both countries, with equal and similar advantages. New York, no doubt, occupies a very grand position commercially, as a great emporium between the West and the East; and although Philadelphia, Boston and Baltimore may be her rivals, yet it has to be acknowledged that Montreal is only open for seven months of the year. But while this statement is true as regards Montreal, it must also be admitted that the St. Lawrence, and its canals connecting with Western Commerce, are open for navigation on the average of years, from five to ten days longer than the Erie Canal from Buffalo to New York, and that transport by railway from Montreal to the Atlantic at Portland, is 292 miles (to be shortened soon to 245) against 400 miles from Oswego, and 505 from Buffalo to New York.

There is, however, no room for any jealousy of routes. All will be required for transport, both by canal and railway. The great impediment to the produce resources of the North-West, in the United States and Canada, is that of the taxes of transportation. This is the great question, which it is the duty of the statesmen of both countries to consider. That great North-West may feed the world, if the markets of the world are made accessible to its harvests. Good sound corn has been burned in the Western United States, for winter fuel, which could not be sold, and to spare its rotting; and all this in consequence of the imperfect means of transportation, which keeps it from millions who would cry out against this waste. Here it is necessary to state that not one-fourth of the fertile area of land tributary to the lakes, is yet under cultivation. The ten States of Ohio, Indiana, Michigan, Wisconsin, Illinois, Minnesota, Iowa, Missouri, Kansas, and Nebraska, embrace a domain of 407,000,000 acres; and it is now computed, that only 100,000,000 are yet occupied. North, however, of these North-western United States, lies a region of imperial extent—a land—the property of the Dominion. This magnificent territory, which is watered and intersected by the Red River, the Saskatchewan, and their tributaries, is united with a system of large lakes. The climate is genial and healthy, and not equalled on the

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continent. Its soil is not inferior to that of the Mississippi region, and its area is equal to ten of the largest States in the Union. Its chief river, the Saskatchewan, carries a navigable water-line to the base of the Rocky Mountains, 700 miles from Lake Winnipeg, into which it discharges, while the Red River of the North is navigable for 800 miles, and adapted to steam. These statements are made for the purpose of directing attention to the fact, that from Lake Winnipeg to Lake Superior, in Canadian territory, there stretches an almost unbroken chain of small lakes and rivers, through which the formation of a navigable channel can be made. Upon this navigable channel, from the base of the Rocky Mountains, to Lake Superior, for steamers and other craft, there to meet the 1,000 ton propellor to Montreal, Quebec, or to New York, depends the settlement of that great country. Besides the water conveyance alluded to, the railway will follow, and Eastern Asia will be connected with the Northern Pacific Railroad by a shorter distance, easier grades, and with the long stretches of water communication that connect with it. When the railways now under construction on the northern side of the St. Lawrence, from Quebec and Montreal, are extended to the outlet of Lake Superior, at Sault St. Marie, through the Valley of the Ottawa; the commerce of the States of Michigan, Wisconsin, Minnesota, and adjacent States, can thus be connected with the ocean Port of Montreal, by over 400 miles less distance, than to any Atlantic port. As already stated, this vast and fertile territory of the Dominion, west of Lake Superior, depends on lessened cost of transportation for its settlement. The value of the surplus of production, depends on the value in the consuming market, whether in Europe or at the East, and every cent which can be saved in the transport, from the far inland interior, to the consuming market, is so much added to the value of every bushel of grain, or other commodity, now produced, or ever will be produced, in these great grain-growing countries of the North-West. There can, therefore, be no question about the fact, that the people of the whole country, not only west, but east, are interested in the highest degree, in reducing the cost of transport to the lowest possible point; and that it is the absolute duty of Government to give attention to this important matter. There may be differences of opinion, as to how this result can best be secured. Experience has proved that freight can be carried cheaper in a large, than in a small vessel. The sailing vessel is rapidly giving way to the steam vessel; and the propellor has taken the place of the side-wheel steamer. The Welland and St. Lawrence Canals are being enlarged, to accommodate vessels of 1,000 tons, although a mistake has been made in not making the locks 300 feet long, instead of 270 feet, so as to be the same in length as the canal entering Lake Superior, at Sault St. Marie. The rapids of the St. Lawrence will, no doubt, also be adapted for the navigation of steamers on the downward trip. These works, when completed, will probably cost \$30,000,000; the annual interest on which, at five per cent., will be \$1,500,000. The St. Lawrence and Welland Canals have, up to the present time, cost \$16,000,000; but the revenues derived from tolls, since their completion in 1850, after deducting the cost of maintenance and repairs, have not exceeded two-thirds of one per cent. on the capital expended; and a sum exceeding \$12,000,000, over and above all receipts, has, since their construction, been paid in interest.

It seems to have been overlooked that these canals were not originally designed for the trade of Canada alone, but were also expected to attract the trade of the Western United States through them. Nor has it been considered that the Eastern United States consume about five-eighths of all the produce of the Western States, while only about three-eighths are exported. Canada has never had any access to this large consuming market through her canals, and while the Erie Canal, completed of a small size in 1825, and enlarged in 1852, has given to the treasury of New York \$65,000,000, after paying repairs and management, the whole cost of the canal, with interest, has been \$50,000,000, while there is a balance to the credit of the canal of \$15,000,000.

This is a great contrast to the result of the Welland and St. Lawrence Canals, and such a state of things must continue until Lake Champlain is connected with the St. Lawrence. Were this water connection made, the propeller from the upper lakes could proceed from the St. Lawrence on to Lake Champlain, and thence her cargo from the West could be distributed throughout the New England States. If the canal was enlarged from Lake Champlain into the Hudson River, the same vessel could proceed on to New York, at much less cost of transport and in much less time.

The same work would also add to the value of all the timber exports from the great valley of the Ottawa to the United States, and cheapen transport from \$1.00 to \$1.50 per thousand feet of lumber by existing routes, and give a value to the Welland and St. Lawrence canals which they do not now nor ever will possess, unless this work is carried out.

Few persons can look at the map of the great lakes, without noticing the narrow isthmuses, which in several places divide them, and particularly the nearness with which the Georgian Bay of Lake Huron, and Lake Simcoe, which empties into it, approach to Lake Ontario. By cutting through an isthmus of ninety miles, a saving of four hundred miles in distance could be made from Chicago to Oswego. However well this project may look on the map, yet surveys show that Lake Simcoe is four hundred and seventy-five feet above Lake Ontario, and one hundred and ten feet above Lake Huron, making a lockage of five hundred and eighty-five feet, against three hundred and sixty feet by the Welland Canal and St. Clair River, while the expense of the deep cutting would be enormous, its cost having been estimated at \$30,000,000.

A canal has also been advocated through the valley of the Ottawa from Montreal to Lake Huron, *via* Lake Nippising and French River. This route has been surveyed, and reported on favourably. Its cost will be great; but there will be an insuperable difficulty in adapting the route to the inland vessel, from Lake Superior and Michigan, of 1,000 tons. A glance at the map will show that there exists a straight line from the Sault St. Marie, at the foot of Lake Superior, through Ottawa, to Montreal. If a bridge were constructed at Sault St. Marie, and a railway from that point built to Ottawa and Montreal, the saving in distance from Northern Michigan, Wisconsin and Minnesota would be 430 miles over any possible route to the Atlantic through the United States; and the trade of these States would inevitably pass through the Ottawa valley to Montreal. With a bridge at Montreal, giving continuous railway communi-

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cation, Portland, Boston and New York could all be reached through this route by a less distance than any other. It is therefore probable that a railway through the valley of the Ottawa, from Sault St. Marie, will be found of more public advantage than a barge canal. It is true that most of the works referred to, as necessary to lessen the cost of transport between the West and the East, must be constructed in Canadian territory, but the advantages of those works to the people of the United States are as great to them as to us. Nor can it be doubted in this view, that if the governments of the several Western and Eastern States would bring the vast importance of this subject of cheapening transport before the general Government at Washington, some measures could surely be adopted by which arrangements could be made between the United States and Canada, on a broad and enlarged basis, for reciprocal advantages in the use of these works, and for trade.

The best interests of both countries are involved in the prosecution of these enterprises, and in the free and mutual use of the territories of either country, either by canals, rivers or railways; and in this great question of cheapening transport between the distant inland points of both countries, both by navigation and by railway, it would not only reflect the highest honour on the Canadian and United States Governments, but would prove of vast benefit for all time to their peoples.

Mr. YOUNG concluded by moving the following series of resolutions:—

1st. That the policy of the Dominion up to the present time, has been directed to the development of the Trade by the St. Lawrence, and vast sums have been and are now being expended on the construction of the Welland, St. Lawrence, and Lachine Canals, whereby water communication now exists from the ocean to the extremity of Lakes Michigan and Superior. The results which were expected to flow from these works, have been to a large extent frustrated from the facilities offered for the transmission of freight from the West to New York and the New England States *via* Buffalo, Oswego, Ogdensburgh, and through the various parallel railways.

2nd. That while the advantage of giving the longest possible extent to unbroken water cargoes, is shown by the vast traffic now passing through the Welland Canal, yet, with but a very insignificant exception, the whole of this traffic being intended for New York and the New England States, is disembarked at Oswego and Ogdensburgh, from the absence of any way, whereby the Lake vessels can approach New York or Boston—yielding no tolls to the St. Lawrence canals, and too remote from the ocean vessel at Montreal to offer any facility for the transmission of the foreign cargo into the interior.

3rd. That the vast lumber trade, and increasing general prosperity of the valley of the Great Ottawa, render it an object of the very highest importance to afford that trade access to the best American markets; yet the absence of any water communication between Lake St. Louis and Lake Champlain, is a most serious obstacle to the development of this trade, and has had, and will have, a tendency to force it through unnatural channels.

4th. That the proximity of the River St. Lawrence at Lake St. Louis or Caughnawaga, to the River Richelieu and Lake Champlain, the small elevation to be overcome, point to the construction of a canal of adequate dimensions between these points as the only mode by which the proposed objects can be obtained; and it is, therefore, the opinion of this Board, that by the construction of this ship canal, between the St. Lawrence and Lake Champlain, of the same dimensions as the Welland and St. Lawrence Canals, a value will be given to these works which they do not now possess, and a route will thereby be opened to New York, Boston, and the Eastern United States cheaper and quicker than by any other route from the west;



besides making the canals of the Dominion a large source of revenue, instead, as they have been, of a source of annual loss.

\* [5th. That so soon as a convention can be concluded with the United States Government, with the concurrence of the Government of the State of New York, for the enlargement of the Champlain Canal to similar dimensions, and for the use of that canal, and the waters between Lake Champlain and New York, for Canadian vessels, on the same terms as American vessels,—in the opinion of this Board, the canal heretofore referred to should be undertaken as a public work by the Canadian Government.]

6th. That a copy of these resolutions be transmitted by the Secretary, to the Honorable the Minister of Public Works.

Hon. JAMES SKEAD (Ottawa), said this was a subject of such magnitude, that he was almost afraid to face it. He could not agree with Mr. Young's opinion, that railways would be better than canals on the Ottawa. The people of Ottawa thought differently. They hoped to see thousands and thousands of tons of shipping brought from the upper lakes through the Valley of the Ottawa to the ocean. True, the strip of land between the Ottawa and the St. Lawrence is comparatively narrow; but north of the Ottawa there is a country heavily timbered, and intersected by a number of rivers hundreds of miles in length. The lumber will yet be manufactured on these streams, and he could not believe that it would be transported by rail across to the St. Lawrence. With the exception of that part, he endorsed the hon. gentleman's remarks. Unless we have improvements at Montreal, a great deal of the trade of the West will be diverted from the St. Lawrence at Oswego, Buffalo, Cape Vincent and Ogdensburg. The Caughnawaga Canal would be of great importance to this section. It would enable us to utilize a great deal of our hardwood, that is now of no use, except for fuel. We could export it to the United States, where it would be valuable. If this Caughnawaga Canal were built, lumber could be carried from Ottawa to the United States markets for one dollar per thousand feet less than at present. The route would be eighty-two and a half miles shorter than by the Richelieu River. He hoped Mr. Young would live to see this canal built, and had much pleasure in seconding the resolutions.

Mr. THOS. WHITE, JR. (Montreal), said these resolutions were simply in favour of the construction of the Caughnawaga Canal. Personally he was in favour of building that canal upon certain conditions, which, he thought, we might fairly ask for. Last year, when this Board discussed the Reciprocity Treaty, this Caughnawaga Canal question was a prominent feature of it, and the feeling of this country at that time—certainly the feeling of this Board—was that the people of Canada should not be called upon to build that canal, if we were not allowed to use the additional water stretches between Lake Champlain and New York. Under the draft treaty, the United

\* Paragraph 5 was not in the original resolutions, but was proposed as an addition by Mr. White, (see p. 99), accepted, and the series adopted.

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States Government undertook to press upon the Government of the State of New York, to give us the use of their canals on the same terms as to their own subjects. We were expected to build this canal; and, when it was completed, we were to be left to the tender mercy of our friends in the State of New York, who might adopt what policy they thought proper. Now, the effect of building that canal, without getting some assurance that we could take Canadian vessels to New York, would be simply this: we would construct a large canal from which our own vessels would be practically excluded. He would suggest,—and if Mr. Young would not accept the suggestion, he would move it as an amendment,—that so soon as a Convention can be concluded with the United States Government, with the concurrence of the Government of the State of New York, for the enlargement of the Whitehall Canal to similar dimensions, and for the use of that canal and the waters between Lake Champlain and New York for Canadian vessels, on the same terms as United States vessels, the opinion of this Board is that the construction of that canal should be undertaken.

Hon. Mr. SKEAD: I hope the mover of the resolutions will agree to that suggestion.

Mr. J. D. HAYES (Detroit): I wish to enquire if the resolutions refer only to the Caughnawaga Canal, or whether, with regard to the preamble, it refers to the traffic of the Western States as well. If it refers to the Caughnawaga Canal I do not think I need occupy your time in discussing the question at all.

The PRESIDENT: It refers to all.

Mr. HAYES said that opened up an international question, and the much-mooted subject of international transportation, as between the Western States and the seaboard. Upon that subject he was glad indeed to hear the Chairman ask for moderation in discussion, because so few business men thoroughly understood what cheap transportation meant. The question originated in the agricultural districts of the West, north of Ohio, and between Buffalo and the Rocky Mountains. Within that territory there are to-day 28,000 miles of railway, in the hands of 200 different corporations, all seeking to get business, and at rates so miserably insufficient that the money invested is almost an entire loss. We have heard a great deal about "watered stocks"; but those two hundred railroads are bonded for one-half their cost, and the stock for the other half. The receipts, after paying the working expenses—and they are rather economically managed—are only 2·83-100 per cent! Now, what is the use of talking about stockholders getting rich on "watered stock?" The bonds of those companies are payable in gold, and are largely held in Europe. Therefore, there is less than half enough to pay the *coupons* upon the bonds; and in the little

country of Holland, a place not larger than the State of Maryland, and with a population of only 3,600,000, they own one-third of these bonds. Five-eighths of them are in default to-day—in other words, \$300,000,000 of those bonds are to-day bankrupt! When we see such roads as the Erie, and the Toledo, Wabash and Western in the hands of receivers, it argues there has been cheap transportation somewhere,—so cheap, that those who have invested their money in railroad bonds have made a mistake. Therefore, there is ample capacity for the transportation of the cereals of the West. To meet the downward tendency of freights, the Erie Canal was obliged to reduce its tolls one-half; and yet the quantity shipped by that route is less than it was ten years ago. It is utterly impossible for the railways of the United States, or the Grand Trunk and Great Western of this country, to cheapen transportation below the present rates. With regard to the canals, it is only the lake towns that can compete with the railroads, because the local rates for the transportation of grain to the ports, added to the cost of handling and shipping, would give the through railroads the advantage. He, therefore, cautioned the Board against recommending the expenditure of money on canal improvements that could not be remunerative. He said it in good faith and feeling, and he believed the Chairman had expressed his honest sentiment when he endeavoured to caution them against such unremunerative investments.

Mr. J. F. HENRY (New York), did not want to say much; but inasmuch as his friend from Detroit had opened the ball on one side, he would speak for the other. He was afraid Mr. Hayes had some of those "watered stocks" in his safe at home, and was afraid the Canadian canal improvements would take some of the "water" out of them. If the people of Canada would go on improving their canal system, and the people of New York theirs, while the grain-growing districts of the West built one double track railroad, the "water" would be taken out of the stock of such roads as the New York Central. At one time \$38,000,000 was added to the capital stock of that Company. What was wanted in New York was, this canal connecting the St. Lawrence with the Champlain Canal, and a double track freight railroad, built for actual honest money at the present low rate of labor—for he understood, men could be hired in the United States now for 90c per day in currency—on which freight could be carried at a uniform rate of ten or twelve miles an hour. On such a road they could run one hundred trains a day; and this line, with the improved canals, would give cheaper freights to New York, while the Erie, New York Central, and Pennsylvania Central, would be compelled to carry freight at reasonable prices. At any rate they would not be able to sit down in some hotel in New York, and over a bottle of champagne, raise the rates more than double what they were before.

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Mr. HENRY : They are. I hope, gentlemen, you in Canada will go on and finish your improvements ; and if some of those weak roads in the West, that have been built up to some country village to get out the grain, do not pay, I don't see how it is going to affect us. All the roads in the East and West that have been built with any sensible idea, have paid—that is, if they have been built for actual money. You know they commenced some of their roads by selling bonds first, then issuing unlimited amounts of stock,—and if they pay the interest on their bonds, it is all they expect to do for years. I hope you will build your Caughnawaga Canal ; and I guarantee New York will do her share to help to patronize it.

Mr. WM. LUKES (Newmarket), suggested to the mover of the resolution, that before asking the Government to spend more money (adding to the interest that has been accruing on the \$16,000,000 expended in opening up the canals in the past) for the benefit of the United States, he should include in his resolution, a condition, that the American Government should expend an equal amount of money. Mr. Young asked Canada to expend this money, knowing that the United States would be the chief gainer by that outlay ; and as Ontario pays so much in connection with a Dominion enterprise, no matter where it is, the Board should know whether such a condition was included in the resolution.

Hon. Mr. YOUNG : Mr. White has made an addition to the resolutions, which I would ask him to read. I think it will meet all objections to the motion.

Mr. WHITE read the resolutions with his addition, the latter being as follows :

“ That so soon as a Convention can be concluded with the United States Government, with the concurrence of the Government of the State of New York, for the enlargement of the Champlain Canal to similar dimensions, and for the use of that canal and the waters between Lake Champlain and New York for Canadian vessels, on the same terms as American vessels,—in the opinion of this Board, the canal heretofore referred to should be undertaken as a public work by the Canadian Government.”

He said this would involve a considerable expenditure on the part of New York. It is quite a mistake to suppose that our canals are being enlarged for the benefit of the United States. They are for the benefit of Canada, that we may handle the grain of the Western States, and participate in the carrying of it. It is a mistake to suppose you can benefit one branch of industry in a country, without benefitting all the others. The effect of these improvements would be to bring the grain trade which now leaves the lakes at Buffalo and Oswego, down the St. Lawrence, and the tolls which United States vessels would pay, would largely compensate us for our expenditures. He might add, that Mr. Young is President of a Company which has control of the Caughnawaga Canal, and which would probably have built it before now, had they been able to



raise the necessary capital. If the Government undertook to build this canal, they would have to arrange with that Company.

Mr. LUKES thought it would be very impolitic to urge the Government to build a canal, which it would not pay a private Company to construct, and which would benefit the people of the United States more than Canadians. He would ask—Who was to be benefitted by this carrying trade from the West through our canals? Chicago vessels would carry the grain. Have we any guarantee that the future will be better than the past, when, as Mr. Young remarked, Canada had got only one and a half per cent. on her outlay of \$16,000,000?

Mr. HAYES (Detroit), wished to explain, in reply to Mr. Henry's insinuation that personal interest might have something to do with his remarks, that he held no stocks at all, and had not a dollar invested in bonds of any western railway. The Michigan Central Railway, in direct connection with the Grand Trunk, is one of the best built roads on the continent, and not a dollar was spent on it injudiciously; yet it has not paid a dividend in four years, and the floating debt to-day is \$954,000. The Toledo, Wabash and Western Road runs from Toledo to the Mississippi, passing through a magnificent country; yet their stock stands at four and a half cents on the dollar, and the road is in the hands of a Receiver. Hardly any railroad west of Detroit earns expenses, and many of them not the interest on their bonds.

Mr. HENRY (New York), apologized for having insinuated that the gentleman held stock. He naturally supposed that Mr. Hayes, who was a very wealthy man, might have some. A few people in the United States had made money on railroads. Vanderbilt was one of those hard-working men who had managed to lay up something—about \$50,000,000—in “watered stock.” But he thought that had nothing to do with the question before the Board,—he did not see why they should be called upon to sympathize with those poor railways in discussing the canal question.

Mr. DOBELL (Quebec), asked if Mr. Young had considered the effect that the Caughnawaga Canal would have on the port and harbour of Quebec. Excepting the advantage this canal would be to the Ottawa Valley, he did not see that it was going to benefit Canada. For what purpose should we build a canal to carry grain from the Western States to New York? It was a question in his mind whether a saving of one dollar per thousand on the lumber carried by that route, would anything like pay the interest on the money expended on that canal. It would be very prejudicial to our shipping interest to make this outlet to New York. The money would be better expended in improving the River St. Lawrence, and cultivating the trade of Montreal and Quebec.

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Mr. THOS. CRAMP (Montreal), said the fallacy was in supposing that this Western produce was exported at all. He doubted the necessity of putting Mr. White's rider to the resolution, although he thought it was quite reasonable and proper. Three-fourths of the produce of the Western States was consumed in the Eastern States, and not exported. What we want, is to get the tolls from United States vessels to pay for the large expenditure on our canals. With this Caughnawaga canal, all New England would be supplied by way of the River St. Lawrence, instead of by the Erie Canal. That was the view held in Montreal—that we should make our canals productive, and get trade that now goes by way of Oswego and Buffalo. At certain periods of the year, it is of the greatest advantage to have a short outlet to the United States by way of Lake Champlain. With regard to the private Company, he thought Mr. Young was entitled to fair consideration at the hands of the Government; but it was very important that Government should hold this work, because such a Company holding this canal could control the others, and might injure the trade of the country by injurious regulations. If this canal had been built twenty years ago, we would now have, passing by way of the St. Lawrence, three-fourths of the trade of the great West, and our public works would be productive at this moment.

Mr. DOBELL: I am pleased to hear the explanation, because I did not see how the Caughnawaga Canal could be made productive.

Hon. Mr. YOUNG said, the intention was to improve the Chambly Canal for four miles. It was part of the plan to improve the Richelieu River, so as to bring vessels to Quebec. He knew no place more interested in this improvement than Quebec,—and not only that city, but the Maritime Provinces. It would give access for Nova Scotia coal to the great iron district of Lake Champlain. Troy is 160 miles nearer England by way of Quebec than by way of New York, and it could readily be seen how important it would be to them to have this canal constructed. About 90 per cent. of the Western trade flows through the Erie Canal, and only 10 per cent. by the St. Lawrence. The proposition before the Board was, to make the Western States pay tribute to us, instead of our paying tribute to them. Western Ontario pays to the State of New York \$400,000 a year on imports, by way of the Erie Canal from the United States, which could come by this canal if it were constructed. Cheap transportation cannot be carried out without this last link in the system of Canadian canals.

Mr. MOSES STAUNTON (Toronto): Has the gentleman entered into an estimate of the probable cost of the Caughnawaga Canal? It is a subject that, as far as I can judge, does not meet with the approval of the people of the Dominion generally. I think it would

be impolitic and not very wise in this Board, to recommend the Government to make such an outlay at this time, when they are offering \$750,000 to get rid of another undertaking. Don't you think you compromise your good sense by asking the Government to do a thing that will cost a great deal of money, when you know they are involved in large expenditures already ?

Hon. Mr. YOUNG : When first surveyed, in 1849, the cost of a 9 foot canal was estimated at \$1,843,000. It was surveyed again in 1856, when the cost of material and labor had increased, and the estimate was then \$2,500,000. In 1861 it was \$3,200,000. Three years ago Mr. Shanly estimated the cost for a 12-foot canal at \$5,000,000. I have no doubt at all that it can be built for that amount.

Mr. DINNING (Quebec) : Could a canal be built by the River Richelieu, and at what cost ? This canal is to save about eighty miles of navigation, I believe ?

Hon. Mr. YOUNG : The saving in distance is  $82\frac{1}{2}$  miles. The lockage from Lake St. Louis down to Montreal, and from there up to St. Johns, is 129 feet. The lockage from the St. Lawrence to St. Johns, by this canal, would be only 25 feet, making a difference of 104 feet of lockage, which gives the whole advantage to this work. A Committee of the Senate of the United States, last year went over the route, and the Engineers of the United States also surveyed it. They reported at Washington that the saving to the people of New England in one year, by the using of the St. Lawrence route, would be equal to 15 cents on every bushel of grain, compared with what they had to pay in former years.

Mr. LUKES : Grain has been carried through for 12 cents. How could there be a saving of 15 cents ?

Hon. Mr. YOUNG : I merely quote the report of the Senate Committee. The average cost, according to that report, is 37 cents by rail from Chicago to Burlington, and they estimate that the saving by the water route would be 15 cents per bushel.

The motion was then put and carried.

The Board was thereafter adjourned until ten o'clock A.M. to-morrow.

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## THIRD DAY'S PROCEEDINGS.

## MORNING SESSION.

THURSDAY, *January 20, 1876.*

The Board met at ten o'clock, A.M., the President in the Chair.

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

A letter was read from the President of the St. Catherine's Board of Trade, regretting that his intention of coming to the meeting had been interfered with,—and recommending the introduction of the Tariff question by the Hamilton Board of Trade in his absence.

## ORDER OF BUSINESS.

Mr. THOMAS WHITE, Jr., (Montreal), from the Committee on Order of Business, submitted the following Report:—

The Committee have received notices of subjects from "The Manufacturers' Association of Ontario," on the subject of Protection; from the Halifax Chamber of Commerce on the subject of "Differential Duties to meet Foreign Bounties and Drawbacks," and on the "Coal Interest;" from delegates of the Montreal Corn Exchange on the subject of "Compulsory Inspection of Fish and Fish Oils."

Your Committee recommend that these subjects be discussed in the order in which they are placed on the revised programme; and they further recommend that the subjects remaining for discussion, be taken up in the following order:

1. The Tariff Question, as grouped in the first report of your Committee, including the question submitted by the Ontario Manufacturers' Association.
2. Uniform Policies of Insurance, from Executive Council.
3. Reciprocity, and Reciprocal Use of Canals, from the London Chamber of Commerce and the Ottawa Board of Trade respectively.
4. Average Adjusters, from the Montreal Board of Trade.
5. Preferential Railway Freights, from Toronto Corn Exchange.
6. The Pilotage Law, Quebec Board of Trade.



7. The Stamp Act, Toronto Board of Trade.
8. Taxation of Vessels, Toronto Corn Exchange.
9. Differential Duty on Ships, Quebec Board of Trade.
10. Combinations of Labouring Men, Quebec Board of Trade.
11. Packing Certain Articles, Ottawa Board of Trade.
12. Drawbacks, Halifax Chamber of Commerce.
13. Coal Interest, Halifax Chamber of Commerce.
14. Inspection of Fish and Fish Oils, Montreal Corn Exchange.

Your Committee suggest that 11 and 12 might be included in the Tariff Debate, and if deemed necessary, moved as riders to any general resolution proposed on the subject.

Your Committee would recommend that in future, the Secretary in notifying constituent bodies of the meeting of the Board, should press upon them the importance of being ready on the first day of meeting, to proceed with the discussion of subjects submitted by them.

All of which is respectfully submitted.

THOS. WHITE, JR.,

*Chairman.*

On motion of Mr. WHITE, seconded by Mr. ROBERT MARSHALL (King's Co., N. B.), the report was received and adopted.

The PRESIDENT expressed the hope that in the discussions to-day, members would endeavor to confine their remarks strictly to the subjects before the Board.

#### RIGHTS AND LIABILITIES OF COMMON CARRIERS.

Mr. WM. DARLING (Montreal), said this matter came up at the last meeting of the Dominion Board of Trade, and was referred to a Committee, who reported on the three following points:—

1. That, at present, railway companies in the Dominion of Canada will not receive and carry freight, unless a contract is signed containing so many exceptions to the liability of the carrier in case of loss or damage, that the goods may be said to be carried almost entirely at the risk of the owner.
2. That carriers by water be insurers of the traffic by them received for transportation, and be liable for all loss or damage to such traffic while in their possession and until delivery is made, save when such loss or damage is caused by the Act of God, the Queen's enemies, fire and all and every other dangers and accidents of the seas, rivers, and navigation of whatever nature and kind soever excepted.
3. And that the delivery of goods by any vessel from foreign parts be made under similar regulations to those contained in the Merchants' Shipping Act of Great Britain.

The Executive Council accordingly drafted a bill incorporating these three propositions; and it was presented to Parliament by the member for Montreal Centre. So far as carriers by land were concerned, the English Act of Parliament was embodied in it almost word for word. With regard to bills of lading of carriers by water, the

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exceptions were those named in the report of the Committee, and were the same as those contained in the ordinary bills of lading before steamship owners made a change. The third point incorporated in the bill, was the delivery of goods by merchant vessels from foreign parts; and to govern this, an exact copy of the British Merchants' Shipping Act was inserted. At the time this bill was introduced into Parliament, there was another presented by Mr. Æmilius Irving, M. P., of Hamilton. His was confined to the carrying of goods by land, and as there was considerable opposition from carriers, both by land and water, to the bills that were before the House, the Government gave the parties who introduced them to understand, that if they were withdrawn they would bring in a bill, on these subjects, at the next session of Parliament. He (Mr. Darling) understood that such a bill was now in preparation. The complaint with regard to carriers by land, was that their receipts stated, that the goods were carried on the conditions printed on the back of these receipts, consisting of 21 conditions, and the sender of the goods had to sign this contract. This matter was first brought before the Montreal Board, in consequence of a quantity of goods having been consumed by fire while they were in the possession of a railway company. The Company (the Grand Trunk) declared they were not responsible for the goods for which receipts were granted in Canada; whereas, they paid for the goods that came from the United States, where such conditions are not permitted. Almost immediately after this bill was introduced into Parliament, there was a meeting of merchants held in London with regard to bills of lading, and the same objections were urged there as in Canada. The report of the Committee appointed by that meeting, concluded as follows:—"That every agreement or stipulation contained in any Bill of Lading or Contract for the carriage of goods in any ship, whether British or Foreign, and whether such Bill of Lading or Contract be delivered or made in Her Majesty's Dominions or elsewhere, whereby the owner of the ship is exempted from liability for or in respect of the negligence or default of himself, his agents, or servants, should be invalid and of no effect." There was also a meeting of merchants regarding the present law in England regulating carriers by land, and they represented to Sir Charles Addersley that the very Act of the British Parliament, which had been introduced into the Bill prepared by the Executive of the Dominion Board of Trade, was now quite insufficient for the regulation of the rights and liabilities of carriers by land. With regard to the third point—the delivery of goods and lien for freight—the report of the Committee appointed by the Board is as follows:—

That, as it is understood that the Dominion Government intend to introduce a Bill to define the rights and liabilities of Carriers by Land and Water, the Committee have to report as regards Carriers by Water:

That, in the matter of Bills of Lading, while the rights of ship-owners should be carefully considered, they should be held strictly responsible for the acts and negligence of their servants.

That, as regards Carriers by Land, at present, Railway Companies will not receive and carry freight unless a contract is signed, containing so many exceptions to the liability of the Carrier, in case of loss or damage, that the goods may be said to be carried almost entirely at the risk of the owner. The Committee consider that while the rights of the Carrier by Land should be carefully considered, they should be held strictly responsible for the delivery of the goods carried by them in the same good order and condition as when received.

That the delivery of goods by vessels from foreign parts be made under similar regulations to those contained in the Merchants' Shipping Act of Great Britain.

(Signed), WM. DARLING,  
*Chairman.*

Mr. ROBERT MARSHALL (King's Co., N. B.): I have great pleasure in seconding the motion, and very cordially endorse the remarks made by the mover.

The report was adopted.

#### AVERAGE ADJUSTERS.

Mr. WM. DARLING said there was another report from the same Committee, on the subject of adjusters of marine averages. That also came up last session. A Bill was prepared, but was not presented to Parliament. The complaint was, that the adjusters were entirely dependent on the agents of ships for employment; and it was found that their averages were made in favor of the ships, and against the interests of the consignees. They had lately made demands for deposits of large sums of money, in place of bonds, which had usually been given before, for disbursements. Sometimes they demanded four or five times as much as was absolutely necessary. Unless these demands were complied with in a short time, the adjuster proceeded to sell the goods, as if the property were his own; so that in either case, it was extremely profitable to him. The state of feeling among merchants and underwriters on this matter, would be clearly understood by the following representation which had been made to the Minister of Marine:

Board of Marine Underwriters' Office,  
33 St. Nicholas street.  
MONTREAL, December 15, 1875.

To the

HON. A. J. SMITH,  
*Minister of Marine and Fisheries,*  
OTTAWA.

HON. SIR,

The undersigned, representing the Montreal Board of Marine Underwriters, would beg to lay before you the necessity of a law being passed, authorizing Boards of

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Trade to appoint suitable persons, who may be recommended by the Marine Insurance Companies of the Dominion of Canada, and Agents of Foreign Marine Insurance Companies, doing business in Canada, as Marine Average Adjusters, and regulating the mode of establishing the amount of average to be deposited, and how and where, it shall be deposited.

The present system is not only unjust and unsafe, but it frequently occasions loss, litigation, and delay, not only to the Underwriter, but also to the merchant.

We will briefly illustrate it. A vessel is stranded, or ashore in the St. Lawrence, on her way to this port. The Agent of the Vessel here orders an Average Adjuster, whom he alone selects, to draw up an Average Bond, by which the Consignee is required to deposit whatever sum of money this Agent may please to name, to cover salvage expenses, ere the goods will be delivered, and in which Bond, sometimes illegal conditions are also stipulated, as in the case of the "Royal Charter."

Invariably the deposit is far in excess of what is actually needed, or could be reasonably anticipated. Usually remonstrances by the consignee or the underwriter are not only unheeded, but are sometimes treated with discourtesy: we remember but two cases, and where they were after much trouble, and notification of legal proceedings, reluctantly recognized by the ship's agent, namely, in that of the Steamer "Chesapeake," when the amount of deposit was reduced from 20 to 12½ per cent., and the Bark "Marcellus," where it was reduced from 25 to 15; both cases occurring during the past season, and in both cases, the reduced amount was found to be more than sufficient.

The monies thus deposited with the ship's agent, on some cargoes amounts to a large sum of money, ranging from five to over thirty thousand dollars. The longer it remains in his hands the greater source of profit it may afford him. He gives no security to the depositor for the return of his deposit, or any portion of it, nor does he allow him any interest for the excess of the deposit over the amount actually needed to recover the goods. He has therefore no motive to exercise diligence in completing the average; on the contrary, the longer the delay, the longer he has the surplus.

Added to these complaints, he sometimes appoints an average adjuster, who will make whatever charges he may order, and not infrequently some of these charges are illegal. There are now two adjustments, recently completed, tainted with these defects; one of them will form the ground of a law suit against the ship's agent.

Shippers or consignees at this port, as well as the underwriters, have thus frequent well-founded cause of complaint, which they believe would be remedied by the adoption of a law founded on the Report adopted by the Dominion Board of Trade on the 22nd January, 1875, at Ottawa, as follows:—

"That Boards of Trade in the principal ports of the Dominion of Canada have power to appoint average adjusters, and that they make all general average adjustments on vessels and cargo consigned to such port, unless the owners of the cargo, and the owners or agents of the vessel, unanimously agree to have the adjustment made by a person not having such appointment.

"That the adjuster have the power to fix the amount of deposit to be made in cash by the consignees of the cargo in case of a general average, as well as the power to order the sale of unclaimed and unidentified goods, in such quantities and in such a manner, at public auction, as appears to him to be likely to produce the largest sum of money.

"That the cash received for general average, as well as the cash received for unclaimed and unidentified goods, be deposited at interest in a chartered Bank in the Dominion, in the joint names of the average adjuster and the agent or owner of the vessel, and disbursed by their joint cheques, the interest being apportioned to the parties entitled to it.

"That the Executive Council of the Dominion Board of Trade take measures to have an Act passed by the Dominion Parliament giving power to Boards of Trade to appoint average adjusters at the principal ports in the Dominion."

The plan proposed in the above report is, in some respects, in force in France.

The undersigned trust that, at the next session of the Dominion Parliament, the Government may be pleased to introduce and pass a law in conformity with the foregoing suggestions, and adding that the parties to be appointed Average Adjusters shall be such as may be recommended by three or more Marine Insurance Companies of Canada, and agents of Foreign Marine Insurance Companies doing business in Mont-



real; that the Adjuster shall furnish such amount of security as the Board of Trade may deem advisable, and that the Adjusters shall cause a reasonable number of copies of the adjustment to be printed, as soon as the adjustment is completed, to be furnished to the Underwriters or Consignees, and that he may be allowed to charge the cost of the printing of these same, in the adjustment.

It is usual to print adjustments in Europe. Here an Adjuster has repeatedly refused to do so, and demands from twenty to forty dollars for a written copy of the adjustment, when required by an Underwriter or Consignee.

I have the honour to be, hon. sir,

Your obedient servant,

(Signed), J. W. MORRISON,

*Secretary Board Marine Underwriters, Montreal.*

Mr. DARLING concluded by reading the following report of the Committee,—which was mainly a repetition of the report made by said Committee at last annual meeting—and thereafter moved its adoption:—

That Boards of Trade in the principal ports of the Dominion of Canada should have power to appoint average adjusters, and that they make all average adjustments on vessels and cargo consigned to such port, unless the owners of the cargo, and the owners or agents of the vessel, unanimously agree to have the adjustment made by a person not having such appointment.

That the adjuster have the power to fix the amount of deposit to be made in cash by the consignees of the cargo in case of a general average, as well as the power to order the sale of unclaimed and unidentified goods, in such quantities, and in such a manner, at public auction, as appears to him to be likely to produce the largest sum of money.

That the cash received for general average, as well as the cash received for unclaimed and unidentified goods, be deposited at interest in a chartered bank in the Dominion, in the joint names of the average adjuster and the agent or owner of the vessel, and disbursed by their joint cheques,—the interest being apportioned to the parties entitled to it.

(Signed), WM. DARLING,  
*Chairman.*

Mr. W. H. HOWLAND (Toronto), had great pleasure in seconding the motion. The case on the lakes was very much worse than on the ocean, because on the former there were no really authorized average adjusters. Insurance Companies might choose anybody they pleased, and no deposit was made. The consequence was, there was no responsibility, and nearly every adjustment differed. It was exceedingly important that adjusters should be appointed who knew their business, and who would act upon some system.

Mr. MARSHALL said he was aware that the underwriters of the Maritime Provinces were anxious that adjusters, such as had been suggested by this Committee, should be appointed, and he believed

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it would be to the mutual advantage of all that there should be such officers.

The motion was carried.

It was thereafter moved by Mr. DARLING, seconded by Mr. MARSHALL, and resolved:—

“That the Executive Council of the Dominion Board of Trade present to the Government the Reports of the Committee on the Rights and Liabilities of Common Carriers, and Average Adjusters, as adopted by the Board.”

[Hon. Dr. TUPPER, C.B., here entered the room, and received the courtesy of the Board, the President inviting him to a seat on his left.]

#### THE CUSTOM'S TARIFF.

The next Order of Business was the consideration of the question of Changes in the Dominion Tariff.

Mr. ADAM BROWN (Hamilton), moved, seconded by Mr. MOSES STAUNTON (Toronto):

“That the depressed condition of the manufacturing industries of the Dominion, calls imperatively for such legislation as will afford protection to the capital already invested in manufactures, encourage further investment, and afford employment to the people in the workshops of Canada.

“That, while recognizing that the depression referred to may be due to some extent to over-production, it is, in the opinion of this Board, mainly owing to the competition of American manufacturers, who make of Canada a slaughter market for their surplus productions.

“That there is no reasonable ground for anticipating that this system of unfair and unequal competition will, without Canadian legislation to meet it, be lessened in the future; but on the contrary, this Board is of opinion that the gradual recovery among the people of the United States from the effects of the civil war, promises to increase it in intensity in the future.

“That in the opinion of this Board the true and patriotic policy for the Canadian Government would be to adopt a thoroughly national commercial policy, and with that view that in any readjustment of the tariff, reciprocal duties with the United States be adopted; and, further, that the products of the soil, the forest, and the mine, and the manufactures thereof, be also considered.

“That the Executive Council be requested to memorialize Parliament in the sense of these resolutions.”

After reading the motion, Mr. BROWN said: You will observe the resolution goes squarely for a national policy; and there can be no concealing the fact, that those of us who approve of this resolution are declared protectionists, and in favour of protection to our industries and our country—the advocates of a national policy. Those who have advocated protection have been a very much maligned and misunderstood people. Some think, and have stated, that protectionists are prepared to advocate protection to everything

—even to the codfish of Newfoundland. What we do mean by protection is this—I use the words of an abler man than I am:—  
 “Impose *higher* rates of duty on those foreign products which come into competition in our market with the products of our home industry, levying such duties on those which do not thus compete with the products of our own labour, according to the wants of the treasury.” This, I hold, is the only true policy for a new country to build itself up, and create its own greatness against nations, which by, in some cases, centuries of protection, have gained herculean power, and could smother any young industry. The free-traders have sought to make the masses believe that the protectionist is one who goes for the manufacture of anything and everything. Not so. We only advocate the manufacture in our country of articles which common sense tells us is natural we should manufacture, and such other articles as can be manufactured here with just as much reason as in any other country, such as cotton, blankets, tweeds, &c., &c. What is wanted is, to shield any legitimate industry of the Dominion, until our country’s industries shall have grown and acquired such strength as will enable them to compete with the productions of other and older countries. There should be no over-protection, but enough to secure perfect success, and make capital invested safe—permanently so. The life and future greatness of a nation, I maintain, depend on its own internal industries, by creating steady, increasing and successful labour, securing at its own door a ready market for a very large portion of the products of the soil,—and products indeed of a kind which could not be exported, and are comparatively valueless to the farmer, without a population near him to consume them. A recognized authority has said:—  
 “The increase and riches of commercial and manufacturing towns, contribute to the improvement and cultivation of the countries to which they belong, by affording a great and ready market for the rude produce of the country.” People talk of a country’s wealth in lands,—in its acreage,—and in Canada we are apt to do the same. We boast of the stretch of territory from the Atlantic to the Pacific; but I am bold to declare before this assembly, that the successful peopling of this grand country, and its future greatness as a nation, will most depend on the wisdom of its rulers in fostering and building up industries in it, creating at their own doors ready markets for the products of the soil. A wise protection will speedily, all over our country, cause natural industries to arise, dotting the Dominion over with settlements, and giving hope to the capitalist and the workingman; and it should be such protection, on national grounds, as would secure permanence, and cause these successful industries to make Canada the happy and prosperous home for many millions more than we now have. Adam Smith says: “The liberal reward of labour, as it encourages the propagation, so it increases the industry of the people.

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“The wages of labor are the encouragement of industry, which, like every other human quality, improve in proportion to the encouragement it receives. A plentiful subsistence increases the bodily strength of the laborer, and the comfortable hope of bettering his condition and of ending his days, perhaps in ease and plenty, animates him to exert that strength to the uttermost. Where wages are high, accordingly, we shall always find the workman more active, diligent, and expeditious, than where they are low.” Good wages means, in one sense, cheap labour. Let a man be well clothed and fed, his wife and family comfortable,—be able to educate his children and manage to have a “cosy fireside,” that man works with a will, and the wise employer has his good wages returned to him with interest. I wish to rivet your minds to the idea of the valuelessness of land without labour, and would quote the words of Webster in a speech which he, as an American, wise in his day and generation, delivered on one occasion in Buffalo. He put the statement thus:—“Land is a theatre for the application and exhibition of human labour; and where human labour goes, there it creates its value, and without it, it is not worth a rush, from ‘Dan to Beersheba.’” Now, I don’t pretend to say that the land must be a continuation of settlements; but I do say, that a wise encouragement of industry, enabling industrial interests to take root in the country, where convenience and comparatively better hopes of success may attract them, is for the material interests of the country;—and to none more than the farmers, who, as they hew out homes, plough deep the furrow, sow the seed, and reap the golden grain, will feel that a greater reward for their labor awaits them than by absence of protection, making them more speedily independent proprietors of the soil. Theorists talk of what they describe as buying in the cheapest market and selling in the dearest. Well, let us look at this. What is cheapest and what dearest? Self-interest is a governing power, both with men and governments. Let me, for example, take the cotton and blanket interest, in which some millions have been invested in Canada. I could name others, but these serve my purpose; and surely, no one will say that we cannot with as much right and reason manufacture such in Canada as any other country, where cotton is not produced—say England, or even the Northern States. Well, to come to the doctrine of free-traders, which would let all industries go to the dogs, if our infant effort could not battle with the giants who have grown up under the fostering care of protection—following out the idea of an able and memorable speech of the late Horace Greeley—this is really and squarely a farmer’s question, and it is well for Canada that the bone and sinew of the country are beginning to know that it is. Suppose you buy your blankets and your factory-cotton abroad, paying for it with grain? The question is, how *many* bushels does it take to pay for these things by the time you get it there, as against how *few* it would take to pay for them had you a healthy, prosperous



manufacture of them here—enabling the mouth of labour to consume the product at your own door? Apparently you would pay more in one way; but see how immensely you would gain in the lesser quantity you required to give. That point is undeniable; the thing is in a nutshell. We have only to look at England. Protection made her manufactures what they are. It suits her, in her great strength now, to be free trade; and one day it may this vast Dominion. Look at the States; see what protection has done there! Some theorists say: oh, it would have been even greater had there been no protection. The records of history tell us what protection has done, and that is our stronghold and defence against the argument of these theorists of what might have been. Having hurriedly given reasons which, to my mind, are sufficient to commend the resolution which I have read to your support, permit me to glance at the situation of matters as regards our industries in Canada at the present time. It is, alas, too evident that there is something wrong. I am not insensible that there are some who would go the whole length necessary to protect successfully our manufactures; but they fear offence to England. Now, Sir, I am a Briton, and will yield to no man living in devoted loyalty to Britains' Queen and throne, and would most stoutly resist any attempt to disturb our close alliance with the old land; but I do say, that as a British Canadian, Canada is our home; it is to be the home of those who succeed us when our bones are beneath the clods of the valley, and it is our right—a right which the heart of Britain would yield to us in spite of the selfish opposition of the Manchester School. A nation has to be built up on this continent, and we must have a national policy for our own commercial and industrial interests. The country is awake on this subject, and our rulers cannot much longer resist looking the matter squarely in the face. It has not been tackled bravely by any Government. See, for instance, our cotton and woollen interests,—see the depression which exists at present. What is the cause? Why, by the operation of our tariff, this country is made a “slaughter market,” and is strangling to the death these and other struggling interests. Is it not distressing that the remedy so clearly a cure is not applied? We want these things to flourish and the proprietors to grow wealthy. That wealth scatters, and makes others go and build up the country in other ways. When men of courage and capital invest it in such undertakings they ought to get a return; but where is there one cent of dividend? Here they are, struggling against competitors of strength and wealth, who, to keep up prices in their own market, send out to our convenient country their surplus stocks; it would not do to slaughter at home,—that would ruin them, as the slaughter price would of course govern the other. A friend of mine, from Montreal, gave a very apt illustration of the working of such a system as this, the other day. A gentleman was speaking to him about this

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"slaughter" business, and the way that the American manufactures were brought into this country, while we had no power to send our manufactures there, in consequence of the high duties imposed on them. Said he: "That is like two farmers whose lots adjoin each other. Both have splendid farms. But one keeps his fenced. He sends his cattle into his neighbour's rich pastures. The farmer who has no fence does not like to make a fuss, but he says, I will send my cattle to browse in my neighbour's fields. He does so, and immediately there is difficulty." Well, the conclusion that farmer came to was this, to put up a fence and prevent the neighbour's cattle from grazing on his fields. Now, that is just what we protectionists want to do with the manufacturers of the United States. We must have reciprocal duties with them, or put up a fence that will prevent them from destroying our industries. There are many of our manufactures that have sufficient protection; and this is a feature of the matter to which I wish to draw your attention. Such manufactures would be prosperous, provided other manufactures in the country were sufficiently protected. For instance, a manufacturer of ladies' cloths, knitted stockings and shirts, &c., informed me that the protection he had was ample, but that the large demand for his manufactures came from operatives who, in consequence of the depressed state of other industries in which they are engaged, could not buy the articles he produced. The advocates of protection are not insensible to this fact. They do not want over-protection; but they do want the industries which are natural to the country protected, to make others healthy and prosperous also. There is in Hamilton a manufacturer of saddlery hardware. After investing considerable capital, and when he might have built up a large business, the American manufacturers came in with their surplus stock of saddlery hardware, the duty on which in this country is almost compensated for by the discount on American money. Since the "slaughtering" business has commenced, this firm has its goods on the shelf, and cannot sell a dollar's worth, and all, not in consequence of any want of protection, but of the fact that the duty is so low that this country can be made a slaughter market for the American manufacture. It has been thrown in my teeth by gushing free-traders—for they all have some theory, instead of acting for the living present and the practical questions of the hour; they prefer to worship at the feet of some Gamaliel who lived half a century ago,—that if certain branches of industry languish they cannot succeed;—that God will provide some means of living for the workmen—they can turn to something else, go into the forest and clear farms for themselves. We have a practical illustration of how that works in the case of the Dacca hand-loom weavers, who manufacture goods for India. When British manufactures were introduced into that country, their means of living were taken from them; and the Viceroy wrote that they were

reduced to starvation and were dying, being unfit for any other kind of work. To illustrate the operation of our present tariff, I may refer to the stove trade. If a stove is to be sent to the United States from Canada—say a stove 300 pounds in weight—it pays a duty of  $1\frac{1}{2}$  cents per pound, or \$4.50 on the stove. Now, that same stove sent to Canada, practically pays nothing; the duties are compensated by the discount on United States money. But say that stove is worth \$8.50 in gold, the duty would be \$1.40, or a difference of over \$3 in favour of the American manufacturer. The town of St. Catharines recently advertised for a supply of water pipes. Among the tenders that came in was one from an American firm, and I assure you that they offered to deliver pipes in St. Catharines for just \$2 more per ton than we would have to pay in duty on them if we exported them to the United States. In other words, if we had to send them to the United States, we would have to pay within \$2 a ton as much as they offered to deliver them for in Canada. I have in my possession a memorandum from a firm, addressed to my friend and colleague from Hamilton, actually making the following offer: "The stoves we will offer at a reduction of sixty per cent. from list prices, and we think it likely that the discount could be made a little more, as the owner of the property must sell it. We thought the matter, if properly brought to your attention, would seem worth looking into, as a profitable branch of your present business." Well, looking at it selfishly, no doubt money could be made by such a business. But is it patriotic? Is it in the interests of the country that this thing should be allowed to go on? I am sure, gentlemen, you will take a broader view of this matter, and that in this great Confederation, while some interests may clash, we will not allow the lesser to interfere with the greater good to our country. Let us seek to carry out a national policy here, which will make our country a secure place for capitalists; not a policy to be tinkered with every day. I abominate the word "incidental." It may be protection of a sort,—on to-day and off to-morrow. We do not want protection according to the necessities of the hour and of the Government, but something which will give permanent inducements to capitalists to invest their money here. We have a great country. Our friend, from Detroit, tells of the extent of the United States, and the great growth of their western territories. That growth has been something marvellous; but you will find, if you trace it to its fountain-head, it is the result of the system of protection. We have a territory as large, a prospect as grand before us as ever the Americans had. We claim to belong to a country possessing, perhaps, the freest institutions enjoyed by any people in the world. We have all the blessings a people can want. We have civil and religious liberty. Ours is a proud heritage. We have a grand country, and all we want is wise and patriotic measures to make us as great and glorious a nation as any on God's earth. I ask you to consider this question as Canadians. I do

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not ask you to discuss it in any spirit of opposition or antagonism to the United States; I ask you to consider it in the light of the great future before us. We are standing in the position to-day, of uttering our words and giving our voices in favour of measures which are to be as important to the future of our country, as were the actions of our ancestors when they did such great things for the land from which we sprung. I will not occupy your time longer, but express the hope, that you will take such action as will induce this country's representatives to adopt the motto: "Consumption of home products and home manufactures by our own people." I trust that such steps will be taken by the Parliament, to whom this petition is to be addressed, as will make our country prosperous and great, and bring about the time when, in the words of the Good Book, we may hear "no complainings in our streets."—(Applause.)

Mr. MOSES STAUNTON (Toronto), said: I shall merely give you three heads, and strictly to the point, as there are persons who are far more able to do justice to this subject than myself. In the first place, I am pleased with the opportunity of speaking before this Board, which has done so much good in throwing out hints for legislation. I hope that it will long continue to keep its place. In saving a few words regarding the advocacy of, and the fostering, defending, and protecting of the rights of our manufactures in Canada, permit me to examine the time, and place, and origin of free trade. I am a free trader, when the proper time comes for it. And when did free trade begin in England? Was it at the start, or was it after the Government had protected their people manfully and well against every foe? It was after they became rich in relation to their manufactures, and after the country became so wealthy, that it has been said, she was able to invest a sum of money to the amount of one hundred millions sterling per annum. This was something like the condition of England when she commenced free trade; and why? Because she commenced free trade, when free trade to her really became protection. It may seem to be a contradiction in terms, but it is the fact nevertheless; it became a question, how to invest her vast amount of money, and keep it going,—for money, like other things, is of no use when lying idle. How to enjoy her great surplus profitably was the question, and she had the ingenuity—and I applaud her for it, and rejoice in that ingenuity—to adopt the plan of free trade. "We are the richest people in the world," they said, "and other nations are poor beside us; and we can afford to adopt a principle, which will keep us alive and save us;" hence, at that period of her existence she adopted free trade. Have we in Canada, arrived at such a time? Are we seeking to invest, or are we to go over to England and try to borrow? But recollect, that the borrower is a servant to the lender. You may deny it, but it is true; therefore, we are poor; we are rich in land, but we want something to



take the riches out of the land. These riches will remain there for ever, if you don't encourage companies to remove them, and if you do not protect our industries. Remain there for ever, did I say? But they will not remain there for ever, for the Americans are a wise people, and they come over and carry our iron ore in their ships, and work it up into bars, etc., creating their industries, and work and employment for their people—and success to them! But can we not carry our own coals to our own iron, and create an industry in Canada? I say, unhesitatingly, that that industry alone, in the course of twenty years, would exceed the trade of Canada at the present time. I don't want to exaggerate; I want to speak facts; because facts are stubborn things, and carry some weight with them. I want to confine myself to facts. Americans are carrying our ore to the shores of Lake Erie, and there they bring their own coals; they manufacture it, and sell it back to Canada. As much iron as we want at the present time in the manufactured state, we have to pay for, while they enjoy all the profits, and their workmen enjoy all the fruits. And what would be the effect of a proper protective policy? The interests of the people of Canada would not be injured by a moderate protection. I am no advocate of high protective duties. In Sir Alexander Galt's time, I had to do a little business, and I came up to Ottawa; I saw him, and was helped by the very spirit of the man; I differed from him on some points, but he gave me such encouragement at the time, that I gathered together the little means I had, and put it into manufacturing. We had for about seven or eight years, I think, something like twenty per cent. as a rule, and the country seemed to increase in prosperity in consequence; manufactories sprang up all around. But after some time, it was necessary for State purposes—I say for wise purposes—to bring in the gentlemen of the Maritime Provinces—men whom I am delighted to see; men who have built up a name in their country which is an honor to them, and will be an honor to them down to posterity for their exertions. I will now come again to the point, for I think after all, gentlemen, the great difference betwixt us is as to point of time; the great difference betwixt free traders, who look carefully and wisely into the matter, is in point of time. Hence the question is,—are we arrived at the point when we are able to proclaim free trade to the world? Is that really the case? France, you are aware, tried it. Under the former ruler of France the country flourished under free trade; but he did not go to the beginning, he began in the middle. We know what it is to begin in the middle, and we are poor compared with France, which is a rich country. The late Emperor invited some of the cleverest men from England—Bright and others,—with a bale of samples, and they arranged a policy of free trade, an arrangement which was to stand for seven years; but before seven years were over, the silly man was driven into exile in England, where he was glad to find shelter. Thiers stood up in the Emperor's place and said to the

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deputies :—"Gentlemen, we have tried free trade for seven years, and it is a failure; we must return to the system that France has prospered under. When I look round to see where are the merchant princes and the banks created by them, and the money made by them, I find them not; and we want them now, gentlemen, but we haven't them, and without them we are going to fail. We must return to the protective principle if we wish to prosper." And they have done so to a certain extent; they have so returned to it, and we see what France has done, after being crushed down under the iron heel of tyranny. They have been enabled to resume their position among the nations of the earth; and with all their faults we cannot but admire them for their chivalry. I think, therefore, that without the system presented by the gentleman who preceded me, you can never build up the interests of this country, or to so great an extent and so speedily as we desire, without calling in the aid of protection. I will only assert further—it may be limited to some extent, but I think that on the whole the principle is correct—and I do not offer it at random, for I have thought over it, that if any one business that has its raw material in this country be thus developed, that article can be sold cheaper before twenty years are passed than if we went on without protection. Gentlemen, this is a national question, and I cannot illustrate it better than by saying that if I go to a pond and throw in a stone, the waves will circle and expand until they reach the farthest limits; so the circles of the waves of protection will reach the Atlantic and Pacific, while this policy will make us prosperous. Does any man here dare say that during the prevalence of a twenty per cent. tariff he could not buy a suit of clothes without a twenty per cent. rise in the price, or that Canadian manufactured tweeds could not be bought as cheaply in Canada as they could buy tweeds coming from England, or anywhere else? Does any man dare say such a thing? Cloths at that time were selling wholesale from sixty to eighty cents per yard, as can be shown, and as you know. I state facts, and I hope that you will receive them with a good grace, and that we will go on harmoniously, and not divided into parties trying to dash and belittle each other, but that each party will only regard the interests of his country, making righteousness run down the streets as a river.

Mr. T. F. HAYES (Detroit): Our tweed costs a little over 80c. per yard. (Hear, hear.)

Mr. WILLIAM ELLIOTT (Toronto): I had the honour, in a very humble way, to introduce this subject for discussion in this Board at its meeting some five years ago; and I am very happy to see that national and patriotic principles have been steadily progressing ever since. I would suggest a few words as to the expression "free trade." It appears in the imagination of merchants to signify

great piles of merchandise coming into their warehouses, and great piles going out; that is the commercial idea of free trade. Well, it is very pleasant; but we should look at the matter in a slightly different light; we have to look at it not only as merchants, but also as lovers of our country; not only as merchants, but also as men of enterprise, intelligence, and patriotism. Those who really love their country have to consider the best interests of the whole, and they may rest assured that they will get their share of any prosperity which arises from the carrying out of any good principle in the government of this country. I will read a few simple propositions which I have pencilled on the spur of the moment, and having read, I will make a very few remarks upon them. First, our taxes must be heavy in consequence of the large expenditure on internal improvements. Secondly, the only means of providing for them is by productive labour. Thirdly, in order to procure and retain that use of the class of labour employed in manufacturing, we must have manufactories established in the country; it must be remembered that British labour is made up largely of artizans accustomed to manufacturing, and as we expect a large number of immigrants in this country to come from Britain, where the labourers, or a large portion of them, are of a class accustomed to manufacture, we must find employment for them, that we may retain them here. Fourthly, it therefore becomes important that the Government should take into serious consideration, such an arrangement of the tariff as will encourage manufactures. Fifthly, a certain amount of revenue being required, it is not material as to the form or way in which it is paid, whether it be paid on hardware, boots and shoes, cotton goods, glassware, woollens, or whether it be paid on spices, tea and coffee, sugar, rice, &c., &c. Sixthly, England having grown rich by manufacturing—in other words, by employing an enormous amount of machinery, thus saving manual labor—we, as a people, should imitate the good example set us by the Mother Country. Now, Mr. President, I think that these propositions are very simple, and that they can hardly be disputed successfully. No one will dispute the matter of fact that our taxes are large. I do not complain of them—for one—at all, nor do I complain of any of the improvements entered into by our Government, for I think that they will all turn out to be good paying improvements. Still, in the meantime, we have to raise a large amount of money in the shape of taxation to pay for them. I then lay down as the simple axiom, that the greater the population we have in this country, the easier it will be to pay these taxes, and the better it will be for the whole people; and I say again, that unless we find employment for the immigrants coming into this country, we cannot retain them, and when they arrive, they will go to some other country, where they can find the employment we cannot offer them here; therefore, in such a case, we cannot have the same amount of help,

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and we cannot have the same extent of population to assist us in bearing these burdens. This cannot be the case unless we take them in as a people, and encourage those kinds of employments to which the people of England are accustomed, and which we must have, in order that they may assist us in producing wealth in this country. I make this statement with confidence, for with the small extent of manufactures that we have, if the artizan class be driven out of the country, it is quite evident that every interest would suffer, that our population would diminish in number; our merchants would lose business; the few who had saved money would find it of less value; our mechanics would be lessened in number, and every class of traders—in short, every class in the country would be losers, suffering by the loss of any part of our population. While, on the other hand, if by any means we could increase our population beyond its natural ratio, it would be to the advantage of the whole—to the advantage of the merchant, of the mechanic, and of the laboring population; above all, to the advantage of the farmer. I think that in speaking of this matter, in this country, with its people so largely in point of numbers engaged in agriculture, and so happily settled, we must never lose sight of the farmers' interests; and I claim to have some knowledge of the country. I came out in 1827, as a boy; I have lived in the bush, and I know what bush farming is. I have also been engaged in commerce and in many other ways, and know a good deal about these things. Under these circumstances, I say, that the farmers are greatly benefited by having towns and villages in their neighbourhood, as they can then get a much better price for the articles they produce. They can find a better market for some articles, which they make and which are very profitable, in consequence of being in the near neighbourhood of towns and cities, and of large populations; this has been referred to already. Take the articles of potatoes and turnips as an example: they are too cheap and bulky, and too liable to damage to be exported any distance; but they are most profitable for farm labor; and it is only in towns, and villages, and cities, where they can sell them, and do so at great profit; under other circumstances they could not sell them at all. It is the same with many other things, and, therefore, that class of the community would be greatly benefitted by the addition of other classes of population which would not be farmers, but be manufacturers, and which they would supply with all the necessaries that their families would require to be supplied with. Now, I lay great stress on the proper arrangement of the tariff. I know that free traders, because England finds it convenient and advantageous to raise her large revenue from a few articles, and these articles, such as you may call luxuries and foreign products, hold that we should do the same thing; but I think that this would be a great mistake. I think, as I have already said, that it makes no difference whether a man, in paying his quota of taxation, pays his portion of it when he comes to buy a coat, or suit of clothes, or



when he comes to buy a few pounds of tea, sugar or rice; it makes no difference to him, because all these things, clothing, boots and shoes, and tea and coffee are articles consumed by all; therefore, I say that it makes no difference how he pays his taxes, if he pays them when he buys his tea, coffee and rice, &c. Hence I am of opinion that the proper policy to be pursued, is to tax most of those things which we can make, in order to give encouragement to those persons who come into the country to make them. We know very well that some classes of manufactures require protection, in order that they may be started at all; that the manufactures cannot succeed to any extent, unless they have a fair policy of protection. I do not advocate a very high rate of duty, but simply fair and proper protection. I do not go in for the high rates which the Americans have established, enabling them, by their greatness, to form rings and monopolies; I do not believe in them at all. But I do believe in that amount of protection that will give encouragement to capitalists to establish manufactures and carry on their operations with some degree of certainty that they will not be ruined in the operation. Therefore, I say that if our rulers only think over the matter, and adopt the plan of levying pretty heavy rates of duty on things which we can manufacture, and which we ought to endeavor to manufacture, they will raise a large revenue in that way, and will be acting considerably, wisely, and in the interests of the country. The matter has been discussed very ably by Mr. Brown and others, and I simply wish to raise my voice on behalf of that system of reasonable protection, which I am satisfied will redound to the prosperity and well-being of the country, as well as to its growth; and by-and-by, if the time shall come, which I hope will be a long time yet—redound to its prosperity as an independent nation.

Mr. WM. PENNOCK (Ottawa): I have no doubt that every member present thinks that Canada should attain the largest measure of prosperity possible. Differences of opinion would arise, however, and will prevail for a long time to come. Mr. Brown has used the word "incidental." It has given a large measure of protection, under which our manufactures were fostered and developed to a certain extent, until they have outgrown our markets for them. It is assumed by those who have brought this motion before the chair, that if American goods are excluded from our markets by a protective tariff, our manufacturers will resume work on full time, take on the full number of operatives, and bring back prosperity to our trade. I deny that if the slaughtered American goods were driven from our market, we would have that full measure of prosperity again, because we have not the markets to consume the surplus products of the manufactories. I remember some two or three years ago a large committee of the House of Commons was appointed. Manufacturers from all parts of the

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Dominion, representing all classes of manufactures were present. They gave their testimony, and were unanimous in saying that they could compete with the world on account of low taxation, cheap labour and superior raw material, if we had access to their markets. It was not long after that until there was a change. I believe that their opinion is correct; that to make our manufactures prosperous we must seek other markets, and the mere prevention of the slaughter of American manufactures in our own markets will not alone bring us prosperity. It has fallen from some that incidental protection or modified free trade will not, or cannot be guaranteed to us. From the very nature of our circumstances, it must be permanent. The revenue of the Dominion is derived almost wholly from customs and excise, and the very necessities of the case, then, will insure us incidental protection. If the circumstances of the country require more revenue to be raised for public works and improvements, Protectionists say, put it on manufactured goods; but the moment you make the tariff protective in its fullest sense, you lose revenue, as you keep the imports out. You have to put increased duties on what enters into consumption among the whole agricultural and working population of the country; in other words, ninety per cent. of the population will have to contribute to the increased revenue for the benefit of the others. I object to the word "retaliatory," as unfriendly in its nature. It is one that I regret should have been used at this meeting. It is unwise and injudicious. I do not think that Canada can afford to wall herself in by a high protective tariff, and say we will have no intercourse with the outside world. The word is calculated to give rise to irritation, and to destroy all those friendly feelings, that it is our true interest to maintain between this country and our neighbours; and I have no doubt that it will injuriously affect the prospects of a renewal of the Reciprocity Treaty. The abrogation of the old treaty came from the Americans, and I believe now that any overtures for its renewal should come from them. (Hear, hear, and applause.) I think the time is not far distant when our neighbours will seek for a renewal of reciprocal trade relations, and I opine that an arbitrary or retaliatory policy on our part at the present time would be unwise. We cannot have absolute free trade, as I said before, all our revenue being derived from excise and customs. We cannot ask for unfettered trade; we must either levy these dues, or resort to direct taxation. We hear much about a great national policy. That reminds me, Sir, that a few years ago, we had introduced to our Parliament a national policy; it came in amidst cheers, applause, and mutual hand-shaking and congratulation. It was said the result of it would be, that our neighbours would come suing humbly at our feet, and that the rest of the world would come asking us for our markets, while we should be supreme in our commercial strength. But that national policy contained in itself the germs of dissolution. It lingered in a puny state, and would have died a natural death, but its own friends put

it out of pain, and any attempt to resurrect it will prove to be in vain.

Mr. STAUNTON: What would the Americans do, provided we put on thirty to fifty per cent.? If the case was just reversed with them, would they submit to it as long as we have done?

Mr. Z. R. EVERETT (Fredericton): I rise with a great deal of modesty to oppose this motion. I do it for various reasons, as I believe that the Board I represent is opposed to any further protection. I think it will be found on the whole, that the manufacturers of this country, as a class, are probably as well off as any other class in the community. In coming from Fredericton I had occasion to pass through other cities. In Montreal I looked around and asked who owned this fine residence and that splendid mansion; and was answered, "That is Mr. So-and-so, a large manufacturer; this belongs to Mr. So-and-so, another large manufacturer." I rejoined interrogatively, "He seems to be very prosperous?" "Yes; he came here only a few years ago, not worth a dollar, and now he is rolling in wealth;" and it seems to be the case all over the country. Manufacturers ride in their carriages; and I cannot see why it is necessary to give them any further protection and grind down the poor man, in order that the wealth of the rich shall still be increased, and that they can revel in riotous living. (Laughter, and cries of oh! oh!)

Mr. STAUNTON: This is modesty! (Laughter.)

Mr. EVERETT: Manufacturers, as a class, are prospering in this country more than any others. We are just rising to the status of a nation, and we should be very careful how we increase the cost of living among us. We want to induce immigrants to come to this country from all parts of the world, by offering them cheap land and cheap living. I consider it a very unwise principle, to pass laws increasing the tax on a small population with a limited trade and a great deal of land to settle. A letter I read in a New York paper, from Mr. Abram Mills, on the relation of the tariff to the present condition of the woollen trade of the United States, shows that not only are the farmers suffering, but that the manufacturers of the United States are suffering to-day, owing to their high protective tariff. [Mr. Everett here read the letter referred to.] I believe that the United States is not the only market where we can dispose of our manufactures; there are other countries where we can sell. I know manufacturers who are exporting very largely to the United Kingdom; and even in this city, I understand that manufacturers are exporting to Australia. I am opposed to any greater protection, because I believe that the manufacturers of this country don't need it. If there is any depression in trade now, it is owing to over-production both in this country and the United States.

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It is because young men prefer leaving their farms, and enter the cities to go into trade, and manufactures, and mercantile pursuits. What we want is immigration to this country of those who will settle on and cultivate the soil. If we can induce them to come here, by cheaper land and cheaper living than any other country, then I believe we will have sufficient to compensate the manufacturers of this country.

Mr. ANDREW ROBERTSON (Montreal): The resolutions which have been submitted, are such as I fear that I cannot fully undertake to vote for at present; but after my action on the tea question yesterday, I must be prepared, and to a certain extent am willing, to follow the principle then laid down. I rise more at present to give a few figures and facts that may naturally help this discussion. The resolution says that "the depression in the condition of the manufacturing industries of the Dominion calls imperatively for such legislation as will afford protection to the capital already invested in manufactures, encourage further investment, and afford employment to the people in the workshops of Canada, &c." Mr. Brown, in the course of his remarks, has undertaken to speak of the cotton and woollen interests; but I am prepared to give him some figures that will astonish him, and show that there has not been the "slaughtering" in certain industries that is said to be so unusually prevalent. The Blue Book for the year 1874 shows that the total imports of woollens into the Dominion of Canada for the year ending the 30th of June, 1874, amounted to a total value of \$11,297,598, of which amount the total imports from the United States were only \$186,150. Now, it has been said, and I think with truth, that we have been over-importing for the last two or three years. But I claim that the present distress of the country is as much attributable to over-production and manufacture as to over-importation. It will surprise many of you when I say, that I believe there are now woollen manufactories enough in the country to manufacture as many woollens as the total importations of 1874. I say that I believe we have manufacturing capacity to equal in value the total woollen importations of 1874, and that this manufacture consists mainly in three branches—tweeds, flannels, and knitted goods—which are chiefly suitable for men's wear; whereas, the importations cover everything in the way of woollens, suitable for the wear of all persons and classes. I ask you if fifty per cent. protection put on American woollen goods will help the manufactures of this country in the least? Not the slightest. Twenty per cent. was mentioned as Sir A. T. Galt's tariff twelve years ago, and it is asked if it made goods any dearer. I say it did not make Canadian manufactured goods any dearer; but it injured manufactures, because it induced many men to enter into manufacturing who knew nothing about the business. People went nearly crazy on the head of build-



ing mills, and could not run them afterwards. I mention this simply to show you, that we may err on one side as well as on the other. Then we have heard of villages offering large bonuses to induce manufacturers to establish mills within their limits. Nearly every little village in the country holds out such inducements. I say this is a false policy, for if you go to Great Britain you will find that particular industries follow particular localities; for instance, Lancashire has her great cotton manufactures, Yorkshire has her woollen, Sheffield has her steel, Lanarkshire her iron, &c. If you establish a manufactory in a small village, you have to bring with you the skilled labourers; but if the manufactures of this country are to be fully developed, it would have to be done by concentrating them, so that when the operatives or employees require a change, they would get it without travelling to distant places. I know that I will be met with the statement that the year ending June, 1874, is not a fair criterion of the "slaughter" market in 1875. I have, therefore, fortified myself with the actual imports of woollens into Montreal for the calendar years 1874 and 1875, and they are as follows:—

Woollens from United States, 1874.....	\$42,419
“ “ “ 1875.....	39,433

The imports of raw wool into the Dominion, for the year ending June 30, 1874, were as follows:—

	Lbs.	Value.
From the United States.....	2,527,251	\$499,071
Great Britain.....	275,993	64,375
From other countries.....	951,718	162,267

or a total import of 3,754,962 pounds, valued at \$725,713.

The exports of wool from the Dominion of Canada during the same period were as follows:—

	Lbs.	Value.
To the United States.....	2,693,189	\$966,445
Other countries.....	71,607	17,401

or a total of 2,764,796 pounds, valued at \$983,846. The imports of raw cotton during the year 1873-4 were as follows:—

	Lbs.	Value.
From the United States.....	3,483,305	\$495,403
From Great Britain.....	30,982	3,067

Or a total of 3,514,287 pounds, valued at \$498,470. The importation of cotton goods into the Dominion for the same year, amounted to \$11,182,045, of which \$906,894 only was from the United States. The total value of cotton goods imported into Montreal for the calendar year ending December 31st, 1874, was \$429,950, and for the same period in 1875, it was \$391,239. The manufacturers of cotton believe, at the present time, that it has nearly reached the limit of consumption in Canada. I believe that

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the production of the cotton mills of the Dominion is almost equal to the consumption of the country, and it is quite impossible to sell English goods. In order that there may be no mistake with regard to the "slaughter" question, I have taken the trouble to obtain from the Collector of Montreal, the following list of imports of bleached and unbleached cottons imported into Montreal in 1875, which reached the modest sum of \$112,000. When I tell you that Montreal imports about forty per cent. of the whole imports of dry goods for the Dominion, you may judge for yourselves the effect of the slaughter market in these goods. Let us now take the boot and shoe interest, in which Montreal is largely interested. It is calculated that we manufacture yearly about four millions of boots and shoes, and our worthy Secretary, Mr. Patterson, in his Trade and Commerce Report of Montreal, for the year 1872, calculates that our manufactures are equal to about four and a half millions, employing seven thousand hands, representing twenty-five thousand dependent on that industry. This is a branch of industry that has been much depressed; the failures have been positively frightful, and the slaughter market has been complained of. The whole importation from the United States in 1874 was only \$146,311, of which \$55,935 went to British Columbia alone. The imports into Montreal for the calendar year ending 31st December, 1874, were \$27,510, and in 1875 it was only \$12,431; this shows that in the year 1875, Canada was not a slaughter market for boots and shoes; it was not so in Montreal, and that city is a fair index of the Dominion. I think it is right these facts and figures should be put on record, so that it will be seen where the importations from the United States may be affecting us. Having shown you that the "slaughter" market cannot have greatly affected the industries named, I have prepared a list of a number of manufactures from the 17½ per cent. list, the chief part of which have been imported from the United States. The total importations of cabinetware into the Dominion for the year ended 30th June, 1874, were \$325,370. Of this there came from the United States \$311,476. Cabinetware is a thing which, if it is considered desirable, we could protect without affecting England, for it nearly all comes from the United States. Of carriages, we imported during the same year \$131,221, of which \$120,033 was from the United States. I shall simply read the others as follows:—

	Total.	From U. S.
Gunpowder.....	\$ 74,930	\$ 27,553
Iron, Hardware and Cutlery .....	635,992	174,123
Spades and Shovels.....	114,837	80,494
Spikes, Nails, &c.....	223,388	139,442
Stoves and Castings .....	737,197	360,503
Other Hardware.....	3,618,057	2,043,149
Leather and its Manufactures .....	1,337,047	430,040
Wood Manufactures.....	470,756	453,582
Mowing and Reaping Machines .....	49,783	49,630
Musical Instruments.....	662,558	583,105

	Total.	From U. S.
Machinery.....	910,983	758,252
Paper of all kinds.....	389,791	175,650
Coach and Harness Furniture.....	151,274	49,630
Glassware.....	669,585	416,769
Locomotives.....	1,698,057	1,698,007
Varnish.....	107,591	107,591

My object in putting these figures before you, is simply this: that people will understand the proportion of these things imported that it is supposed we can manufacture ourselves, and say whether it is in their interest to go dollar for dollar in a reciprocal tariff in every thing with the Americans. I have great hesitation in saying that I cannot see exactly how to carry it through. Take the Coal question. We find that our imports were as follows for the financial year 1873-74:—

Imports from U. S.		Tons.	Value.
Ontario.....	523,525		\$2,372,250
Quebec.....	120,470		573,670
Nova Scotia.....	10,417		52,908
New Brunswick.....	16,611		80,724
British Columbia.....	30		394
P. E. Island.....	107		665
Manitoba.....	64		752
		671,214	\$3,081,341
Imports from G. B.		Tons.	Value.
Quebec.....	122,764		\$647,488
Nova Scotia.....	1,597		14,441
New Brunswick.....	9,230		61,779
British Columbia.....	12		314
		133,603	\$754,012
Exports.		Tons.	Value.
British Columbia to United States.....	56,671		\$278,213
Nova Scotia.....	265,752		784,254
Nova Scotia to other countries.....	101,934		289,272
		418,337	\$1,351,739

When it is seen that of the total imports of Coal from the United States, (671,214 tons,) 523,525 tons were imported into Ontario, I must say I feel great hesitation in going dollar for dollar with the Americans, and putting on 75 cents per ton on every ton of coal coming into Canada. With regard to Wheat, I was very much surprised in looking at the Blue Book, to find that the total imports of wheat, flour and rye from the United States, for the year 1873-74, were as follows:—

	Bushels.	Value.
Flour, meal and rye.....	8,407,497	\$9,923,832
Other kinds.....	231,791	846,420
Or a total value of.....		\$12,500,885

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Exports.	Bushels.	Value.
Wheat to G. B. ....	4,509,195	\$6,356,277
“ U. S. ....	1,874,202	2,248,200
Flour, etc., G. B. ....	307,391 bls	1,809,409
“ U. S. ....	138,845	802,895
Newfoundland .....	82,682	513,714
Other countries.....	11,399	68,656
A total value of.....		\$11,799,149

We, in Canada, who are supposed to export wheat and flour, are, I find, actually obliged to import wheat for our own necessities. I was perfectly surprised to find that this was the fact. I think there is a point to be noted here. We have spoken on the tea question, and I voted for the ten per cent. Under the circumstances, I thought it was the best thing we could do. But there is a point that must not be forgotten. We are not legislating against America alone, but against the Mother Country; for if we put on 25 per cent. against the United States, we are putting it on against her. I do not think Great Britain will have any objection to our charging them what we please, as long as we treat other countries the same. At the meeting of the Associated Chambers of Commerce, at Newcastle, in England, where I had the honour of appearing as your representative, they told me that they were afraid we were going to put on discriminating duties against them; but I said we would never give greater advantages to other countries than to the Mother Country. I speak of this because I find that the latter is a wonderful customer of ours; there is not a single dollar sent there on which you are charged the first cent of duty. Great Britain takes from us the largest portion of our exports. Our shipments of lumber in 1874 were as follows:

## EXPORTS.

To Great Britain .....	\$14,414,397
To United States.....	9,643,162
To other countries.....	2,218,374

Total value..... \$26,275,933

And our imports for the same year were:

Mahogany from the United States .....	\$342,714
Other woods .....	67,074

Total.....	\$409,788
Other woods from Great Britain.....	89,489

Total value..... \$499,277

Our exports of butter were as follows:—

	Lbs.	Value.
To United States.....	2,802,488	\$ 712,000
To Great Britain.....	9,430,558	1,908,303
Total.....	12,233,046	2,620,303



Our imports of butter for the same year were :—From the United States, 76,588 lbs, value, \$23,680. Of this amount, \$22,266 was imported into British Columbia alone. Our exports of cheese were :—

	Lbs.	Value.
To the United States.....	1,156,579	\$ 137,143
To Great Britain.....	22,894,403	3,386,028
Total.....	24,050,982	3,523,205

Our cheese imports for the same year were :—

	Lbs.	Value.
From the United States.....	97,683	\$13,424
From Great Britain.....	33,041	6,662
Total.....	125,724	20,086

I mention these articles, which cover some of our chief exports, to show the value of Great Britain to us as a market, and that we are not depending solely upon our American friends for a market, but that the best market we have is the Mother Country ; and I am quite satisfied the latter will allow us to do as we please in our own interests, if we do not treat her worse than the other nations of the world.

Mr. HAYES (Detroit) : I wish to ask for an explanation. The figures read by Mr. Robertson are very instructive. I wish to ask if the imports and exports he gave are taken from entries at your custom houses. For instance, you will all know that in the winter time when the River St. Lawrence is closed, very large imports for Canada come to Portland, and merely pass through the United States and are entered at Montreal. Now, I want to know whether they are taken as coming from the United States.

Mr. ROBERTSON : No ; these goods are entered for consumption. The figures quoted are direct importations from the United States.

On motion, the debate was adjourned until two o'clock P.M.

## AFTERNOON SESSION.

THURSDAY, *January 20.*

The Board re-assembled at Two o'clock P.M., the President in the Chair.

After the roll was called, a letter was read from the Commissioner of Inland Revenue, as follows:—

OTTAWA, *January 20, 1876.*

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

MY DEAR SIR,

It occurs to me that the President or some of the Members of the Dominion Board of Trade might like to look at our new standards. Our rooms are not yet very nicely fitted up, but should they wish to see them in their present state, I will be happy to make an appointment for that purpose.

Yours faithfully,

*(Signed)*

A. BRUNEL.

On motion of Mr. W. C. WATSON, duly seconded; it<sup>e</sup> was resolved:

“That the thanks of the Board be tendered to the Commissioner of Inland Revenue, for the kind invitation in the letter just read.”

THE CUSTOMS TARIFF (*continued.*)

The debate on the Tariff question was then resumed, the President giving the floor to

Mr. HUGH P. SAVIGNEY (Toronto), who said: I feel a great deal of diffidence in rising to speak on this subject. This is my first visit to this Board as a representative of an association which, I believe, has just affiliated with the Dominion Board of Trade, and, of course, I had certain interests entrusted to me when I left Toronto. Those interests were connected entirely with the iron trade of Canada. The manner in which this question has been brought before the Board, has amalgamated the iron with other interests. I therefore find that I shall have to speak to more than one, although I shall direct my remarks especially to the iron interest. I do not know from what standpoint the representatives from Ottawa and New Brunswick have addressed you antagonistically to the views contained in the resolution, but I should say it was from the standpoint of importers. I do not take that position. I will discuss

the question from a producer's point of view. The tariff question is a serious one indeed, at the present time, for Canada. We have for a long time been struggling, working and using our best energies for the purpose of trying to raise ourselves above the simple position of importers of foreign goods. We have our cotton manufactures lately established; our woollen manufactures established for some time; but we have not, in any instance, except in an incipient state, that of iron. Now, I contend that Canada is eminently well situated, not only to produce all the iron she requires for her own consumption, but also to supply the great markets of the world. It may be, and no doubt at first glance it is, considered an absurd assertion; but I am prepared to prove it, or argue the point at all events. England stands at the present moment in the enviable position of mistress of the world for manufactures. I believe she owes her position to the proper development of her iron manufactures and industries. The iron-masters of that country, it is acknowledged on all hands are the leaders, the head and front of the commercial world of England. The question is: how did England arrive at this position, and how are we to attain to something near or approaching to it? I will give a short epitome of the rise and progress of the iron interest in England, covering a period of one hundred and forty-seven years,—a rather long period. In 1679 the first duty imposed on foreign iron was ten shillings per ton. In 1715 the duty was advanced to £2 1s. 6d. per ton in English vessels, and £2 10s. 10d. in foreign vessels, thus giving a preference to the shipping trade of England. In 1782 the duty was raised to £2 16s. 2d.; in 1775 Parliament prohibited the exportation of tools, engines, models or plans of machines used in the manufacture of iron, under a penalty of one year's imprisonment of the shipper, £200 fine, and confiscation of the articles to be shipped, a fine of £200 on the master of the vessel, and the same on the Custom House officers, who were to be dismissed, and be thereafter incapacitated for ever to hold office. That is the way England built up her iron trade. In 1795 this Act of Parliament was made perpetual. In 1796 the duty on iron was raised to £3 1s. 9d. per ton, and then England had 121 furnaces, and made 124,879 tons of iron. In 1797 the duty was raised to £3 4s. 7d.; in 1798 to £3 15s. 5d. In 1802 there were 168 furnaces producing 170,000 tons of iron. Still that was not enough. In 1803 the duty was increased to £4 4s. 4½d.; in 1804 to £4 17s. 6d.; in 1805 to £5 6s. 7d.; in 1813 to £6 9s. 10d. Under this protection in England the production of iron ran up to 300,000 tons a year. Until 1825 England pursued this policy, when she had accomplished her work. She found then that she was not only able to compete with, but to beat the world in iron. In 1825 the prices of iron in the various countries were:—France, £25 10s.; Sweden, £13 13s.; Belgium, £16 14s.; Russia, £13 13s.; Germany, £16 14s.; England, £10. In 1826 the duty on bar iron was reduced to £1 10s.; on hammered rods, from £20 to £5; hoops remained at

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£23 10s., and pig iron at 10s. Thus it was England built up her enormous iron manufacturing interests. I will quote the conclusion of the article from which I have taken these figures. It is from an American standpoint:—"We honour the sagacious and resolute men who, for a century and a half, shut the doors of the British Custom House in the face of the world, and held them tight, while within the Kingdom, capitalists and workmen, undisturbed not only, but encouraged, built up by England's supremacy in iron making, England's supremacy in commerce, machinery and wealth." Such is the position of England at the present moment, and it is acknowledged to be attributable mainly to the encouragement given to the iron trade. How are we in that respect? England takes a very second rate position when compared with Canada for its deposits of iron. We have much larger deposits than England ever pretended to own. From Gaspé to the utmost limits of Lake Superior on the line of deviation between the Silurian and Laurentian formations, and further north, we have one continuous line of iron deposits, and yet from one end to the other we have but one instance where we are attempting to use those ores. The question arises: "Why do we not use them?" It is very easily solved: England has already an enormous amount of capital invested in this productive trade. The United States, under a protective policy, has built up for itself a very large trade. Those countries hold Canada as a farming ground, to which they can send their manufactured iron, so long as they can bring it in without paying anything for the privilege. We must confess that so long as we have the ore, and the material to convert our ore into iron, we are almost criminally negligent of our duty if we do not manufacture it. We have been for many years—upwards of half a century—paying out a very large sum annually for what is called the Geological Survey of Canada. The object of that is, to give information with regard to our mineral deposits. They have done their duty, no doubt, and made their reports. That is all they are expected to do; but it goes no further. About two months ago I was employed by the Government of Ontario to select specimens of the economic minerals of that Province, to be sent to the Centennial Exhibition. I wrote to the Geological Survey to obtain a knowledge of what minerals from Ontario they had, so that we should not have any collision. They replied that they had only seven samples from Ontario. I went to work, and I can here produce a list of forty-one separate and distinct deposits of iron-ore; and what is more, not one solitary specimen would yield less than 60 per cent. iron of a higher grade than can be produced in any other country in the world, except Sweden. Yet, notwithstanding the fact that we have these forty-one deposits—and I could increase it by a dozen more—we have but one single mine that is being worked, and that, in fact, is not in Ontario, but in the neighbourhood of Ottawa, in the Province of Quebec. All honour to those who are endeavouring to work it. I



allude here to the mine over in Hull, where they are making a good effort to manufacture iron. The question now is, simply, how are we to get this great desideratum? So long as Canada is open to the manufacturers of the world,—so long as they can send in their manufactured iron free of duty,—so long will they keep their capital invested in their own works in England and in the United States. If a duty were placed upon the introduction of the manufactured iron into Canada, they would naturally, for the sake of securing to themselves this market, introduce their capital into the Dominion, and manufacture here. It will be very startling to you, but nevertheless true, if I tell you that almost all the iron ore used in the frontier towns of the United States—I allude to Ogdensburg, Buffalo, Cleveland, Detroit, and other places—is drawn from Canada; and in Detroit, where they manufacture charcoal iron, they import not only the ore, but also the charcoal to manufacture it with; and so long as the doors are not closed, to a certain extent, against them, we will continue to be in our present tributary position. The duty on pig iron going into the United States is \$7.00 per ton, gold. Here it is perfectly free. The duty upon ore going into the United States is 20 per cent. *ad valorem*, but they have taken means to make this a *specific* duty, by making it absolute that the ore shall be valued at \$2.00 per ton. They take that ore from our mines, pay the duty and freight, manufacture it, and send it over to us again and sell it for hard money, which they take out of the country. In the course of my examination of this question—and I have spent some years at it—I went to the Catlin forges, Clinton County, N. Y. I took letters of introduction to Mr. Rogers. They would not allow me to see their works. I thought it singular, and told them the object of my visit. They said, "Where are you going to manufacture?" I said, "In Canada." They said, "Come along; we are not afraid of you. Come and inspect our works." And why was this? Because we are not protected. I have been met in my advocacy of this interest by parties engaged in casting. They say it is going to interfere with the business of casting stoves, &c. I contend that is a very foolish idea. I may mention an instance of protection, and perhaps the only one I can refer to in Canada—I mean the salt works at Goderich. I have the claim of being the instigator of that industry. I was called upon by Mr. M. C. Cameron to make an examination up the Maitland River with a view to boring for oil. I examined the rocks and satisfied myself there was no prospect of getting oil; but knowing the formation of the salt region of Saginaw, on the opposite side of the lake, I was satisfied if we went through the carboniferous limestone, we would find salt. They formed a company on my suggestion, bored and found salt. No sooner was it published to the world that salt of a superior quality had been discovered at Goderich, than the manufacturers of Onondaga and

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Syracuse flooded Canada with salt, and the nearer you got to Goderich the cheaper the salt was. The result was, the company had to shut down and do nothing. In 1870 Mr. Cameron, who was a member of Parliament at the time, came and asked from Sir John A. Macdonald protection to this branch of industry. I daresay most of the gentlemen present will remember the incident, especially those from Nova Scotia, because the Premier, desirous of carrying this measure, put 50 cents per barrel on salt and imposed a duty of 50 cents on coal; the latter was taken off the following year; but the duty on salt remains, and the consequence is, the manufacture of salt is not confined to Goderich, but has extended to Clinton, Kincardine, Seaforth, Mitchell and several other places, while we have now a cheaper and better salt than ever we had before, and export to the United States the very article we had to protect ourselves against. Is not that also a strong argument in favour of the protection of iron? Give capitalists some satisfactory assurance—something to guard them against being swamped by importations of iron from other quarters—and you will find cheaper iron than we ever had before in our markets. This subject of iron is a very exhaustive one. England, at present, imports a very large amount of a certain class of iron—that is to say, charcoal iron. She cannot manufacture that in consequence of the scarcity of timber. She goes to Sweden and Norway for it, and those countries supply England with the whole of this peculiar class of iron, which is used for the manufacture of nail rods, nails, armor plate, boiler plate, and all descriptions of iron and wire, where extraordinary tension-power is required. Now, I am perfectly confident, that we in Canada, if the Government would foster us for a little while, could cut out Sweden and supply England with that class of iron. The gentleman from Montreal made a serious error. I expected this matter to come up yesterday, and went to the Commissioner of Customs and obtained the iron statistics for 1874. Mr. Robertson said the importations of iron were something like \$3,000,000.

Mr. ROBERTSON: No; I said the importation of "other hardware" amounted to that.

Mr. SAVIGNEY: I would like if you had stated the whole amount of importations. I have got the statement, which I received from the Customs Department, for 1874; the returns for 1875 are not completed yet. The importations in 1874, under the free list, were \$7,575,548; the five per cent. list, including bar iron, \$3,443,432; the 15 and 20 per cent. list, including cutlery and highly finished goods, \$5,367,900. The locomotive engines, independent of all this, coming into Canada, were valued at \$1,699,507. I want to know if, in the face of such a startling statement as this, we can be blamed for coming before the government and asking protection—something

to go upon. We do not want a permanent affair. Give us an inducement to capitalists to invest their money, as something more than a simple experiment. I believe it is generally conceded that John Stuart Mill is one of the best authorities on political economy. Here is one extract which bears upon Canada, as a young growing country:—"The only case in which, on mere principles of political economy, protecting duties can be defensible, is when they are imposed temporarily (especially in a young and rising nation) in hope of naturalizing a foreign industry, in itself perfectly suitable to the circumstances of the country. The superiority of one country over another in a branch of production often arises only from having begun it sooner." That is the opinion of one of the greatest political economists that ever wrote; and it is to apply that good principle that I am advocating the fostering of this industry. With regard to the feasibility of manufacturing iron, I can only tell you this—we can manufacture it as cheaply, or cheaper than they can in the United States. We export the ore to them and we buy back the metal. But there is another view that I wish to present. Great exertions are being made by the Government of the day to induce immigration into Canada. Large amounts of money are paid annually for supporting an institution in London, for the purpose of sending us settlers. I suppose you are aware that almost the whole of the Silurian region of Canada is already settled. In fact, you can hardly find a hundred acres of land unsettled, and you have to go north to the mineral region for wild lands. I have travelled, in my professional capacity, over a great deal of this country, and I can say certainly that throughout the whole of that region between the Silurian and the Laurentian formations, there are ten deserted houses, for one that is occupied. Miles and miles I have travelled throughout the country back of Bobcaygeon, and found lots with ten or fifteen acres cleared lying quite deserted. And why? Because the settlers could not grow anything. It is all rock. There is plenty of timber, but no soil. Now, if the manufacture of iron were established in that district, where there is abundance of ore, every man who cleared his land could convert the timber which he burns up and scatters to the winds, into charcoal—make his \$2 per cord for every cord cut, and we would have a population there instead of a barren wilderness. By this means the policy of immigration would be subserved in a better manner than ever before. But there the country lies, because people will not put their money into those enterprises without some inducement. We ask some sort of protection to warm us into existence; that is all. In a very few years we would not be afraid of competition from the United States. Give us really free trade and we are now ready to go into competition with them; but with the locked-up door of \$7 per ton we cannot do it. Mr. Robertson says Canada produces more than she consumes. I should like to know whether it is his idea that a manufacturing country is only to produce what she can consume herself. Does England

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produce no more than she consumes? She manufactures for the whole world. Why should we not do likewise? It is a fallacious idea to suppose that because Canada produces as much as she consumes, that therefore she requires no protection. We are sending out of Canada at the present time 33 per cent. more money than we are bringing into it,—that is to say, we import 33 per cent. more than we export. We are constantly running in debt. We ought to be receiving money from England, instead of sending it to her. Here is \$18,000,000 we are sending out of the country for iron, which we might as well keep, if we would only manufacture for ourselves. I sincerely trust that this Board will take the matter into consideration, and recognize the necessity of doing something. If it can be managed otherwise than by a protective tariff, I, for one, will be satisfied. I would like to see the resolution before the Board slightly changed in accordance with a resolution passed by the Association, which I represent. I fail to see how the "products of the soil" can be included. Nobody wants to protect grain, and I think it might as well be left out. I would suggest that the resolution be changed by substituting "specially considered" for "also."

Mr. ADAM BROWN: I consent to that.

The resolution was accordingly amended as suggested.

Mr. W. H. HOWLAND (Toronto): I regret that one of our own friends has gone so lightly into the general question as to suppose that there are not other interests besides the one he represents involved in it. I address you not as a free trader or protectionist, or a new disciple of a sound political economy, but as one who is desirous of promoting the interests of this country. I may say for myself that I am not cosmopolitan. It seems to me that it is every man's duty, as far as possible, before he begins to spread his sympathy and philanthropy to the whole world, to do everything in his power to promote the interests of his own particular country. It may be from want of breadth of mind,—but I am not able, at the present time, to afford to consider the interests of the rest of the world before I have considered those of Canada. In regard to the general question of free trade and protection, I think it has taken a slightly altered phase; but I may fairly admit that we, as protectionists, have assumed the same position which free traders have generally taken up towards the tariff. They have taken up the ground that when the taxes were to be raised, the tariff should be so regulated as to assist the manufacturers of the country as much as possible. Free traders and protectionists have equally endeavoured to have a revenue tariff made into a tariff which would give some assistance to the manufacturing interests of the country, and we called that incidental protection; but, as I presume we have all discovered in life, the best plan is always to avoid little mistakes of that kind, and state clearly what is wanted. We are then more likely to have our



opponents converted to our views, than by saying we are all free traders, and only want this or that alteration made. I think, however the present aspect of affairs is most serious, and I must contradict my friend from Fredericton when he says the manufacturers are all prosperous. If he will visit any of the manufacturing villages of Ontario, he will find manufacturers working in the blackest work with their men. I do not know any manufacturers in our Province who ride in carriages and have servants dressed in livery. As a general rule they are a very hard-working class of men. A large number of them have begun with small capital, and have been perhaps too ambitious and extended too fast; but still their industry, enterprise and courage, are what have helped to make us what we are to-day. If you go into those villages, and there are a great number of them in this Province, you will find thousands of good operatives, men who can do good work in manufacturing, who are suffering for the necessaries of life. They cling to the country as long as they can. I must say for the population we have, they are desirous of remaining in Canada. They stay as long as they can, down to the borders of starvation, and then cross over the line. To retain these men in this country we have got to consider the best plan, and discover where the real difficulty lies. As far as competitors in England are concerned, our manufacturers are in a better position than those of them who have to compete with the manufacturers of the United States. It is from that country that the great bulk of our manufacturers have to meet competition in the shape of surplus goods, which the producers, unwilling to throw on the home market, and lower the price to their regular customers, sacrifice in Canada. If you go to any city or town in Ontario, you will find there are periodical sales of all classes of goods—furniture, hardware, &c., including everything produced by the manufacturers of this country. It is this last straw that is breaking the camel's back, because the hard times, and the dullness in the lumber and other branches of trade, have been sufficient to seriously affect the manufacturers. I have talked a good deal among the hard-working class of manufacturers I speak of, and they tell me they are nearly at the end of their tether. They are proud and ambitious, and will work as long as they can; but they will break down, as many others have done already unless there is a change, and I fear, instead of the returning prosperity of the States helping them, it will more likely make their position worse. I do not say this as an alarmist, but I express the opinion of a great many men who have given greater consideration to the question than myself. In looking at the remedy, we must deal, in the first place, with the country that is doing the greatest amount of mischief to our people, and that is the United States. I am not going to advocate retaliation, because we cannot retaliate. If we were to retaliate, it would be by sending the surplus manufactures of this country into the United States and sell

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them at a sacrifice. I advocate reciprocal duties instead of retaliation—a policy of defence; and when we take into consideration the manner in which our manufactures are being destroyed in this way, that we are suffering from the hardest kind of times combined with this kind of competition, I think it must be admitted our only course is to adopt this policy of defence. I know many gentlemen who are well informed on most subjects, have taken the impression that there is some kind of a clause in the treaties between the United States and England, which provides that the British Empire is bound to trade with the United States as with the most favored nation. That has been enquired into by Mr. Æmilius Irving, one of the ablest lawyers of Canada. He has looked into all the treaties; and the only thing he can find that has the slightest appearance of the kind, is the instruction to the Governor-General to reserve anything like a tariff which favours one country more than another. That was probably intended to prevent us from making a tariff in favour of the United States as against Great Britain; we may, therefore, dismiss that as an old-fashioned bugaboo, and not allow it to interfere with our discussion of the matter. There is a still more important matter involved in this than merely the trade question—a matter which, I think, was more in the minds of the framers of Confederation than anything else. There is no doubt that the theory of Confederation was to bring together these separate Provinces, to destroy the old provincial lines, to encourage trade and industry among them, and to increase the communication between them until we should become one country. The design was to make our people forget the provincial lines, and instead of thinking of old Canada, New Brunswick and Nova Scotia as separate countries, to make them realize the fact that the Provinces were portions of Canada, and that they themselves were all Canadians. To accomplish that, certain duties were imposed, with a view to making trade flow from Province to Province, and I have no doubt those who originated that policy were free traders. Now, the practice of Confederation has been different. The duties were imposed, it is true; but the feeling was so strong on these fiscal points that they were taken off again, and the result has been that the Provinces have returned to the old state,—the trade flows through the old channels. New Brunswick is New Brunswick still, Nova Scotia is still Nova Scotia, and Old Canada is Canada East and West as before. I do not consider the Provinces to-day to be anything more than a bundle of sticks loosely tied together; and we can well afford to sacrifice money, if need be, to pay increased taxes, and have a fiscal policy which many may object to, if we can only accomplish the larger object of having one country and a united people. That is what I call a national policy, and I do not think it should be considered in a fiscal light at all. It is the larger light we should look at, and I hope it will be the light of better times. When we consider the fact that in Nova Scotia they have the coal and iron

together, both of the finest quality ; and when we consider that we have a country rich in minerals, extending from the Atlantic to the Pacific ; that where there is no coal we have abundance of charcoal ; and that we have in the West grain to exchange for the coal which we ought to be able to get from Nova Scotia—when, I say, we have these means of keeping trade in the country, and giving employment to our own vessels, and to the Intercolonial Railroad, which we have constructed at so great expense, it is time for us to consider whether we have not been mistaken in our public policy, and whether we cannot afford to pay a little to stimulate home industries and inter-provincial trade, and thus bring these Provinces together. I had a conversation with a gentleman from the Maritime Provinces, on this question of exchanging grain and coal. We figured the freights, taking twelve hundred miles as the distance by the Intercolonial. The rate of freight which we have at present, and which is exceedingly low—lower than ever I knew it before at this time of the year, except once—is about 80 cents per barrel on flour, or about three-quarters of a cent per ton per mile ; and if we gave \$3.00 per ton freight for coal from Nova Scotia, we could land it here about 50 cents per ton cheaper than American coal without duty at the present time. At one cent per ton per mile freight, it would be cheaper than American coal. It looks as if we could utilize the Intercolonial Railway yet. At all events, it is something to look forward to in the future. I think we should look further than to the mere business and trade aspect of the question ; and the people of the country generally, as those I have met, have expressed themselves to me that they will approve of a national policy. The farmers of the country generally (the Grangers told me they would go unanimously for that policy), desire a change. I think we would all feel we were doing our duty in returning to what was intended by the framers of Confederation, by putting on just sufficient duty to keep our industries in full working order, to make the natural products of the country flow from Province to Province in Canadian vessels, and develop the vast resources of our country.

Hon. JOHN YOUNG : What rate of protection do you want ?

Mr. HOWLAND : I am prepared to advocate, so far as the United States is concerned, a reciprocal tariff.

Mr. R. R. DOBELL (Quebec) : I have listened very patiently to all the arguments made use of by my opponents. I am a free trader, though I would not call myself a "gusher." All the "gush" I have heard has been from the mover of the resolution. I hope free traders will discuss this question dispassionately and intelligently. I have not heard a single argument brought to bear against the conclusion of this Board for some years past, that incidental protection is all that this country requires.

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I mean by incidental protection, the collection of such an amount of revenue at the ports of the Dominion, as will enable the Government to pay the ordinary expenses of administration, but not duties levied as a pure and simple protection. I believe the best, the simplest, and most economical way of collecting our revenue, if it were practicable, would be by *per capita*, and not import duty at all; that the country would thrive better, that it would be a cheaper land to live in, and that people would throng to it from all countries where distress prevailed. The last speaker said people were preparing to leave this country for the other side of the line, where peace and comfort await them. I would like to hear from our American friends whether their manufacturers are prospering with a tariff of 40 per cent. Why, they are over a mine. I know iron manufacturers there, who are dreading every day that a fresh Government will come in and sweep away their protection of 40 per cent. and ruin them. Let the Western men once feel their power, and they will sweep away the protection which is building up monopolies at their expense. As the gentleman from Ottawa (Mr. Pennock) says, the real difficulty now is the want of fresh markets. He gave us the real cue to remedying the evils of which we complain. We keep running our eyes over the 40,000,000 people near us, and forget that there are hundreds of millions in other countries with whom we can trade. Why should we not pay more attention to finding new markets, rather than be hankering for what we cannot get from the United States until they choose to give it to us. Let us wait with quiet dignity until our own manufacturing interests, based upon sound principles of political economy, not upon pamper and milk, are able to compete with them. The sugar refiners of England have been suffering lately from the competition of beet-root sugar imported from France. They did not clamor for protection, but met together and resolved to improve their machinery, manage their establishments more economically, and notwithstanding the bounty offered to the sugar interest in France, still compete with them. For a time some of the locomotive manufactories of England were closed because labour was so high. Locomotives were imported from Belgium cheaper than they could produce them. Did you find the English manufacturers rush to the Government for protection? Not at all. They took the sound, practical course of business men—cut down expenses, and by their wise policy regained prosperity. It is thus that England stands now the most prosperous country in the world. Compare her position to-day with that of the United States. It is by a sound policy that England thrives, and it is by such a policy I would like to see this young country grow. I do not want to see manufactures fostered by Government. I want a fair tariff, distributing taxation evenly on all. If there is to be a differential duty against the United States, that is another thing. That question should be discussed in connection with the Reciprocity Treaty. I consider that we are



discussing this question now on the broad basis of the tariff. If protection is right for the manufacturers, our steamship owners have a right to demand it also. The country is suffering from what is experienced over the whole world—a commercial depression—and manufacturers are not the only class that feel it. Merchants are suffering too. Many houses have lost all their capital during the last few years; yet they do not ask for special legislation, but make up their minds to work harder and find other markets. Four or five years ago we thought we could not grow too fast, but we have found that we could, and have been taught a lesson by experience. There has been considerable stress laid upon the fact that American goods are slaughtered in Canada. As a merchant, I cannot see how that can be used as an argument in favour of protection. Mr. Robertson has given us figures showing that the amount of woollen goods thus “slaughtered” in one year was \$186,000. Now, I do not see why enterprising merchants should not take advantage of the slaughter, when the goods were sold 50 to 60 per cent. under the cost of production. If they had bought up all that was slaughtered it could not have paralyzed them. Rather than seek protection these gentlemen should ask a bounty, because that would be more likely to stimulate manufacturing. I think I heard Mr. Robertson say that the manufactures of this country already amounted to more than we could use, and I repeat, that the proper way to stimulate them would be to offer a bounty at once.

Mr. JOHN T. WYLDE (Halifax, N.S.): I regret that my colleague (Hon. Mr. Boak) has not been able to come here, from circumstances that I am not aware of at present, to take up this subject in connection with the trade of the country; yet I feel myself justified in his absence to support the motion introduced by Mr. Brown. Yesterday we were called upon to vote on a trade question, and I then recorded my vote in the affirmative for the legislation which was recommended on the articles of tea and coffee, from the conviction that we should endeavour to cultivate what has been termed here, an independent or national policy for the development of our own country's interests. We know that the Western people are looking to the legislature for relief—for something that will stimulate the enterprise of that part of the Dominion; and more particularly with regard to the coal interest, I feel that we cannot, in the Maritime Provinces, expect to get what we ask for, if we are not prepared to make some concession to the great body and majority of our countrymen in the West. Therefore, to be consistent with that policy, I sustain the motion of Mr. Brown to-day. I am more particularly charged—or we are—with the resolution which was passed in the Halifax Chamber of Commerce the other day, and which I desire to place before the Board. I am about to propose, Mr. Chairman, that it should be associated with this, in some way; and I hope that I

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will be able to get it in in such a way, that the Board will approve of it. The resolution adopted by our Chamber of Commerce had reference to the drawbacks; and the conclusion we came to was this: "That the system of foreign nations granting bounties or drawbacks equivalent to bounties on the exportation of manufactured articles to this Dominion, seriously injures the manufactures of the country; and resolved, that this Board urge upon the Government the advisability of passing an Act of Parliament, whereby the Governor-General in Council, when satisfied that such a bounty or drawback has been granted, may have the power of adding additional duty to such articles, equal to such bounty or drawback." I should like to move that as a rider to the resolution, seconded by my friend, Mr. White, of Montreal; but if the resolution should fail, I am not quite clear as to the course to be adopted about it; yet I suppose that it will have to be passed upon first. I do not know whether it will be objectionable in point of principle or not; if so, I should like to be associated with whatever conclusion this Board comes to on this general question. It seems the only way in which I can introduce the matter to-day. I suppose the gentlemen present are familiar with what this motion has reference to? Large quantities of goods, and particularly sugar, are brought from the United States into this country. The rate of duty under the tariff is quite sufficient, I believe; but the difficulty arises from the fact that the American Government returns a large sum to the exporters in the shape of a bounty, which enables our merchants to get it much lower than it can be produced for in this country. It is felt that this is one of the interests of the country that should be protected in every legitimate way in which we think fit to do so. I was very glad to hear my friend, Mr. Howland, bring to the notice of the Board, that there was such a thing as the Intercolonial Railway. Yesterday, it seemed to me, that some gentlemen, talking about the mode of getting merchandise into the country, could only find two ways—one by the St. Lawrence, only open five or six months in the year, and the other *via* the United States. I should hope that gentlemen in the West will not forget, that there will be communication with Halifax all the way by rail, and the tea question may have a very easy solution in respect to our Intercolonial Railway, which I believe will be run with the view of developing trade, instead of paying dividends, or adding very materially to the returns. I may say that I regret very much the absence of my co-delegate; but there is a gentleman present now who is very familiar with the coal interest, and if it were not irregular, he might speak. He has occupied a somewhat distinguished position in the Dominion, and he would not occupy more than eight or ten minutes in explaining to you what his views on the coal question are, and the policy that ought to be adopted—I refer to Mr. Haliburton.

The CHAIRMAN : It is moved by Mr. WYLDE, as an addition to the present resolution :—

“That the system of foreign nations granting bounties, or drawbacks equivalent to bounties, on the exportation of manufactured articles to this Dominion, may seriously injure the manufactures of this country, and that this Board urges upon the Government the advisability of passing an Act of Parliament, whereby the Governor-General in Council, when satisfied that such a bounty or drawback has been granted, may have the power to add additional duty to such articles equal to such bounty or drawback.”

Is it your pleasure to grant a hearing to Mr. Haliburton ?

Consent having been given,

Mr. R. G. HALIBURTON (Nova Scotia), spoke as follows:—It is with great pleasure, Mr. President and gentlemen, that I rise before this distinguished body of commercial men, representing the business sentiment and ability of the Dominion. It is now some ten years since I was compelled, from the want of such a body as this, single-handed, to fight the battle which I am speaking of on the present occasion. At that time there was no commercial body which could represent the wants of Nova Scotia, or the interests of the Dominion, and I was compelled to organize a Coal-owners' Association, of which many of you may have heard—it was a fictitious body, in fact; they presented me with an address, and let me pay my own expenses; and for the last six or seven years I have agitated this question at my own expense,—whereas it is a matter in which the country is most deeply interested, being one of the most important branches of industry in the Dominion. When we reflect that all our troubles here, as regards the United States, arose from the fact that they are possessed of coal and iron mines, and that these interests are so powerful that they, like Aaron's rod, have swallowed up all ours; we may well say that it is a sad day for the seaboard, especially when I come to tell you that the resources you possess—far superior from their seaboard position, which enables them to send coal far up into the Dominion, far superior to what the United States possesses—are now so utterly crushed that they have failed to be remunerative property. I, myself, although one of the largest interested coal owners in Pictou County at the present minute, recognize the fact that I must commence life again and resume my profession. That I am willing to do. But there is another consideration: it is a serious day for the Dominion if the Americans, by their policy, have been enabled to destroy one of the most important branches of industry in this country. As cold affects the extremities, and death attacks first the feet and hands, so will it be in this case. It looks like a small thing; but it is the beginning of the end, if you cannot find some remedy for an evil like this, which is affecting such an important industry. Now, I may say, that in 1867, at the request of the Dominion Government, I wrote a pamphlet, taking the ground which

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Mr. Howland has discussed—the necessity for promoting inter-colonial trade, and utilizing Nova Scotia coal for that purpose. I am inclined to think, however, that I was a little in advance of my time. The canal communication was hardly sufficient to enable us successfully to send up large quantities of coal to Ontario with a pretty heavy duty, and I therefore suggested in 1868, to the Board of Trade, that if this duty had to be met, we had better give a bounty at once, instead of a duty, for this reason—that a duty imposed for that purpose, pressed upon particular localities. And I am convinced that if we wish to remove this duty of 75 cents a ton which Pennsylvania coal owners place on our article, in the way of the consumers of the Eastern States, the only plan will be to make it a matter of pounds, shillings and pence. They have no feeling, no sentiment, and no reason and national pride in this matter, but they merely look at the ledger; and, therefore, if we simply neutralize the duty by granting a bounty, we shall effect our purpose. We may say: “You would punish us, but you will not do yourself any good; we are compelled, for the purpose of preventing one industry in Nova Scotia from being crushed out, to give a bounty in its favour, in order to put it exactly on the same footing as if your duty was taken off; take off your duty and we will take off the shilling or 25 cents that might be put on, from our own coal.” The circumstances of the case call for firm action, and I believe it is not so much for the Board of Trade as for the Government of this country to take the matter in hand. I consider that the people of this Dominion have a right to come to the head of the Government and say: “Here is an interest, one of the most important industries of this country, being crushed out, and we look to you to supply some remedy; this is one of your responsibilities towards the country, and we will expect you to fulfil it.”

Mr. JOHN WALKER (London): I regret that the attendance at this annual meeting of the Dominion Board of Trade has been comparatively limited, to what we have seen on former occasions; and I regret it the more, because of the importance of the motion which has been moved by Mr. Brown. I think that if that motion had been fully published, and the subject of it been made known throughout the country, we would have had a very much larger representation here to-day. It is a vital question, and is a new departure in this particular, that in former meetings it has been on all sides allowed, that as to the theory of free trade, there was no use in its further discussion at this Board. All parts of the country had agreed to give up the discussion of the theory of free trade, because, as our revenue is at present raised through a Customs' tariff, it was a necessity that there should be incidental protection to the manufacturers. We have had a good deal of talk about free trade, “gushing” free trade, and various kinds of free trade. Well, in the circumstances of the country, I am



no advocate for gushing free trade, or any free trade; I think it is not a theory that is applicable to the circumstances of the country; therefore I won't take up your time in discussing that subject to-day. But I am not in favour of going to the extreme in protection that Mr. Brown shadows forth rather indefinitely in his resolution (for it is quite evident that the intention is there), to put an excessive tariff on the imports of this country. I am against it in the interest of the consumer, and of the manufacturer; I do not think that it would benefit—I am sure that it would not benefit the consumer, and I feel equally certain that, in the long run, the manufacturer himself would have reason to resent and regret that any such action had been taken in his behalf. We have heard frequently quoted to-day the successful result of extreme protection in the neighbouring country; but I am sure that the gentlemen who are here representing that country will, in common with all their fellow-citizens, allow that they have been over-protected,—protected to death. The world is suffering under the stagnation of trade: but if one country more than another is suffering to-day, it is the United States. From thence we draw the supply of these “slaughtered” goods we have heard so much about; and it has been said, even by those in favour of this resolution, that these slaughtered goods have been sold in the markets of the United States very much under cost. That result has been brought about not only by natural circumstances, after a period of over-trading, but also by the over-stimulation given to manufactures by over-protection; and this system, I believe, is one which Mr. Brown, in his resolution, desires to inaugurate in Canada—and I favour it in the negative. I desire to raise my feeble voice against the inauguration of any such system in this Canada of ours. We have on previous occasions discussed fully the question of incidental protection to our manufactures. I am in favour of that; I have always lifted my voice at this Board in favour of it—first, for fifteen per cent., and in the second instance, for seventeen and one-half per cent., which we have now. If it is demanded by such a large and important section of our fellow-citizens as the manufacturers in their interests, that they should have twenty per cent. protection on their manufactures, I say by all means let us figure out a scheme, and show the Government some practical plan whereby they can give, in response to this demand of our fellow-citizens and manufacturers, twenty per cent. on their goods,—if that scheme can be worked out without being made too onerous to the consumers of the country. I think that that scheme may be worked out, and that it would be good policy to state to the Government—“if by giving manufacturers twenty per cent. on articles at present manufactured in Canada, you thereby raise too large a revenue, you can relieve the consumer to some extent on articles that are imported, and which are not manufactured in Canada; you can square your revenue in Canada in that way, and square the interests of the consumer,

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“and protect the latter by giving him off one thing what is put on another.” The resolution might be changed so as to recommend a duty of twenty per cent., which would give satisfaction to the manufacturers of this country; and I may mention that that was all these gentlemen asked at their meeting in Toronto; they only asked that an extra two and one-half per cent. should be put on the customs’ tariff; they desired only twenty per cent. protection as against the manufacturers of England, and I heard—for I was present at that meeting—some of our largest manufacturers state, and more especially the woollen manufacturers, that it was English goods they had to protect themselves against in this market, and not American goods in these great staples. We have heard, I think, that one of the great reasons for our rushing into this new idea to-day, has been that all the suffering we have had to undergo has been due to the amount of goods sent in from the States to be slaughtered in our market. I have good reason to think that it will be found, when the public returns are issued, that during the last year there has been no indication of an increase of that evil. On the contrary, I think the indication will be that it is curing itself; that they are continually losing by the slaughtering of the goods which they are sending into Canada; that they find they cannot continue to do that, and that it has been discontinued in a large measure. I think it will be found, in other words, that the imports from the United States of the great staples of wool, cotton, iron and hardware, for 1874 and 1875, were less than for any previous year in amount, so that I contend the evil is curing itself—that evil which has been held up *in terrorem* over us to-day, to induce us to go into this scheme propounded by Mr. Brown. Then another portion of that gentleman’s motion is also new. He proposes that a discriminatory tariff should be put on the imports from the United States. This, I think you will also allow, is a novel theory; and it would have been useful if all the Boards of Trade in the country had been warned that such a principle was proposed to be established to-day. To adopt that principle of a discriminatory tariff against our neighbours in the United States, would be playing, I think, with edged tools. I think the Government of the United States would have good reason to feel offended, if we should do anything so illiberal. Had it been a tariff, however,—not that which Mr. Brown proposes, which should have been put in force to take effect at all our ports as against the world, the United States could not in reason say a word against it; but this proposition is to make the tariff discriminatory against that country. Well, Sir, I hold, that in the eyes of the civilized world, and in the eyes of all their own citizens, the Government of the United States would be justified in quickly discriminating against us in the most disagreeable manner. I think they would very likely shut the door on us in the month of November, when the frost came down and locked up the St. Lawrence, and prevent our produce, and the grain—the backbone

of this country—from reaching the Atlantic seaboard, and the countries of the Old World, until the following months of May and June. (Cries of no, no.) I think that the supposed benefit to the farmer, that was insidiously introduced into the resolution, would be found to exist only in fancy; and that the farmer of this country would be the man who would feel it more severely than any other citizen in the country. I believe that we would all suffer, and rightly too, if we made ourselves parties to the organization of such a thing as retaliation, by means of a discriminatory tariff against our neighbours to the south of us. It is probable the Americans and the United States Government, in answer to that, would state:—"Well, if you wish to play that game, we will put a prohibitory tariff—for it amounts to the same thing—on your barley, and on your wool, and on your animals—(and they are our best customers among foreign countries)—and on your horned cattle, sheep, horses, and all other animals that you produce in Ontario." They would put a duty on our lumber, and where would the Ottawa Valley be then? Where then would the interests of this great back country be? They might fairly retaliate on us in that way. I only open up a limited view as to what may be the consequences—what very possibly would be the results, and what would serve us very rightly if they were the consequences—that would follow the adoption of such a proposition as that which Mr. Brown brought forward regarding a discriminatory tariff. To come nearer home, there is a proposition there, at the end of the resolutions, that interests us all: "Further, that the products of the soil, of the forest, and of the mine and manufactures thereof, be also considered;" and as if this was not strong enough in the original resolution, more power had to be put into it, and a little more latent power given it, and so were inserted the words, "specially considered." Well, what would be the effect of that? I think that precedence is given to the soil, most justly and rightly, for I think that the soil is the great substratum upon which all prosperity is built. The products of the soil are to be specially considered under this tariff—that is to say, that under this heightened tariff we are to have wheat, our food, the staff of life, taxed; and we are to have our corn, which is so largely imported, taxed; and what for? Because it is the only way of encouraging manufactures. I do not think the distillers would thank my friend, Mr. Brown, for that. Then, we are to have lumber taxed; well, as it happens, you would not get much from the lumber tax.

Mr. DOBELL (Quebec), here made a remark to the speaker, who, in reply, asked—Do we import lumber?

Mr. DOBELL: Very largely.

Mr. WALKER: But it is in a small way compared with exports. I do not think any of the people in the West, who import, as Mr.

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Dobell informs us, from Michigan and from the forests of the States, would thank us if we were to put an additional tax on their clear lumber, that they bring in for the purpose of building their houses. I think they would find it to be a very great hardship, if at the outset of their career, through the instrumentality of this Board of Trade, they found that the price of the houses which they were building over their heads, was increased; and I trust that we shall have no such result to contemplate. I hope this motion will be negatived, for the reasons I have stated to you. I think it would be a departure from what we ought always to bear in mind, to pass such a motion. I think that in all the motion—in every word of it—the complexion is too “hyfalutin” for the Board of Trade to pass; I think we ought to aim in this Board to adopt resolutions that there is some fair chance of carrying. We should not propose impossibilities here,—what we all know in the temper and circumstances of the country, to be impossibilities. As I said in my opening remark, I am in favor of encouraging manufactures; I only take a different view of it from Mr. Brown. I am in favor of encouraging manufactures, as I have stated at this Board, and as has been well stated on many occasions by many gentlemen whom I see around me, and as repeatedly affirmed by this Board. I find, that at the third annual meeting my friend, Mr. White, moved “That without offering any opinion upon some of the details of the present Customs’ tariff, or upon 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 a 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 manufacturers;—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, and that no changes should be made in the tariff not demanded by the absolute necessities of the revenue.” So say I, Sir, but so well was it said on that occasion by Mr. White, that I will take the liberty of reading a few of his remarks, which I think are very appropriate to this discussion. I remember admiring them exceedingly at the time; I admire them now; there is no change in me in that respect; I think now just as I thought then. Mr. Walker then read an extract from Mr. White’s speech, and continued:—Sir, I go further than Mr. White; I go for a re-arrangement of the tariff, even if revenue purposes did not demand an increase at the present time. I would go for a re-arrangement of the tariff to 20 per cent., in favour of the manufactures at present existing in Canada. I would advocate that cheerfully, and I think that we will find the signs of the times are such that there will be abundant protection granted through the necessities of revenue. I



think that we will find—I will be glad myself to find—that not over 20 per cent. is required for that purpose; and if it should not be needed, I would vote for a resolution in the shape of perhaps 20 per cent, to be substituted for the  $17\frac{1}{2}$  per cent. on the manufactures now established in Canada. But in the shape the question is in at present—hampered as it is by a clause concerning the soil, the forests and mines—hampered by the retaliatory discriminating business, and these three or four long preambles, I must vote decidedly in the negative to it. I am sorry that our friend from Nova Scotia has attached that motion of his as a rider to this resolution; I think the adoption of his proposal would do great harm, and after calm consideration of his motion, attached to these resolutions, I think it will be lost—at least, I hope that it will come to the same grief as I anticipate for the resolution.

Mr. THOS. WHITE, Jr. (Montreal): I am very glad that my friend, Major Walker, has read from the proceedings of the Dominion Board of Trade of some three years ago, because it saves me the trouble of reading the extract which he has read. I intended in the remarks which I propose to offer to this Board, to have read that extract, as well as the resolution to which it had reference, and which he has just read to you; and I am much pleased that his having done so has not only relieved me from the necessity of taking up your time in that regard, but has afforded him the opportunity of saying, that if the motion which is to-day presented to this Board were for a twenty per cent. tariff, he for one would vote for that motion. Now, Mr. President, I quite understand the object of my friend Major Walker, in reading that extract from the speech I made in this chamber some three years ago; his object was, if possible, to place me in contradiction with myself. And yet if you will look at the resolutions submitted at the time, and at the resolutions submitted subsequently, you will find that our friend, Major Walker, voted at that time against twenty per cent., because regarding twenty per cent. as being altogether too high. The fact that he voted against it then, and is in favor of it to-day, is no evidence of inconsistency, but it is evidence of wisdom—it is evidence that he recognizes the fact which we should not ignore in this country, that we are constantly changing in our condition, in our relations with our neighbours, and in our necessities; and that wise men, whether they be merchants or statesmen, will watch carefully these changes as they occur, and will be ready to meet them by such a policy as may be necessary. Sir, the remarks which Major Walker has quoted, I intended to have read, to put it beyond doubt, that when we discussed this question three years ago it was not a question of protection against our neighbors on the other side of the lines, but a question of protection against the Mother Country; and the remarks which I made at that time were intended to show that fifteen per cent. amounted in reality to

twenty per cent., because of the cost of transport from the other side of the Atlantic, this being assumed to be equal to five per cent. additional,—thus proving that the question, as I have said, which we were then discussing, was not a question in relation to the competition of American manufacturers, but was a question of protection against the Mother Country. I looked upon it then, and I look upon it now, that twenty per cent. in the then condition of trade, imposed on articles imported from the Mother Country, in which we compete, is abundance; and I think that fifteen per cent. is equal to twenty per cent., when the cost of transport is added. When we were here three years ago, the manufacturers of Canada, everywhere, were in a vastly different condition from that in which they are to-day; and what is more, the condition of this country in its relation to the country lying adjacent to us, was then entirely different from the position we occupy to-day. At that time, Sir, our friends, the Americans, were only emerging from the difficulties which came upon them, owing to that terrible fratricidal war, and were subject to a system of internal taxation which had not yet managed to accommodate itself to the growing and more normal condition of the country. The burdens imposed upon them at that time were very heavy, and all their industries were paralyzed by that system of internal taxation. Why, Sir, what was the fact at that time? I can put it to the experience of every gentleman in the room who knows anything of the commerce of our American neighbours, who were in the habit of visiting us during the summer months. I know what the result was in Montreal; and I venture to say that it was the same throughout the various cities of this Dominion. Our neighbours who visited us at the time, made large purchases in this country, sufficiently large to contribute substantially towards the maintenance of some of our retail stores in the city of Montreal, by the goods they purchased, because they could obtain them at so much less a price than they could purchase them for on the other side of the line. Those persons brought to Canada large sums of money, buying what they wanted, and taking it over to the other side—often, I am afraid, by the under-ground railway—and to so great an extent as to save in the difference of cost of their purchase, between this side and the other, the expenses of their summer trip. Is that kind of thing going on to-day? No, Sir. On the contrary, it is the fact to-day, that you can go down to the city of New York, where at that time purchases were made on so expensive a system, and you can buy certain classes of goods cheaper—actually cheaper—than you can in some of the cities of this Dominion; while the cost of living, which was so great at that time in the United States, is to-day in many parts of the American Republic, less than the cost of living in similar districts in the Dominion of Canada. I believe that to be a fact, from information which I have derived from persons living in the States, with whom I have conversed on the subject. (Mr. Joseph—No, no.) Mr.

Joseph says "No;" but what is the position to-day? I can tell you from personal knowledge, and not as a question of mere surmise, that you may in New York now buy certain classes of goods cheaper than in the retail stores of our leading Canadian cities.

Mr. DOBELL: That is not my experience.

Mr. WHITE: I dare say that if my friend, Mr. Dobell, goes down to New York and stops at the Brevoort House, that he would not live as cheaply as at the Russell here; but I say that the working-man, the ordinary workingman living in the manufacturing districts of the United States, and knowing how to live, can live as cheaply as in similar parts of this Dominion of Canada to-day; and I believe this to be the case from a comparison of facts—from a comparison of statements made between men on this side and men on the other. It is due altogether to the fact that they are there coming back to their normal condition—to a condition of great prosperity notwithstanding the present depression; and I am sure that there is not a gentleman on this side of the lines who would envy them that prosperity, and not desire them to go on prospering even to a larger extent. Now, that is unfortunately the position in which we stand to-day; and the position in which we stood when we discussed this question three years ago in this Dominion Board of Trade was an entirely different one. The question then was protection against the Mother Country. We stand to-day in this country, in the position of having our manufacturing industries crushed out by the competition from the other side, in which the question of transportation does not enter at all. Take, for instance, a manufacturing establishment in the city of Montreal, and take a manufacturing establishment in the State of New York, and let any part of the country in the Western Peninsula be the point where the goods are to be marketed, and they can take them on the American railways, across the Suspension Bridge, into the Western Peninsula as cheaply as from Montreal. There is no question, therefore, of additional cost of transport between the American manufacturer with relation to this country as compared with the Canadian manufacturer—that is, American manufacturers along the line; and, therefore, the statement in the remarks I made three years ago, in discussing this question—that fifteen per cent. amounted to twenty per cent., because the cost of transportation from the other side of the Atlantic to this was equal to an additional five per cent.—does not apply, in any sense whatever, to our relations with the United States.

Mr. JOSEPH: We have  $17\frac{1}{2}$  per cent. now.

Mr. WHITE: I am aware that we have  $17\frac{1}{2}$  per cent. now; that is a piece of very important information I admit, though unfortunately it has little influence on the question we are discussing to-

day. We have heard a good deal in this debate about the evils of discrimination. But what are we doing now? We are discriminating against the Mother Country. That is the position in which we stand. To the extent of the difference in the cost of bringing goods from Great Britain to this country, as against the cost of freight from the American place of manufacture to the place of sale in this country, the policy of this country is to-day a policy of discrimination against the Mother Country; and I do not think that that is a position which we as Canadians should desire to maintain. But I must say, Mr. President, I was rather astonished at the statement of my friend, Major Walker, when he asked, what the Americans would do if we ventured—that was the word he used—to adopt this policy. Thank God, we do not live on this continent by the tolerance or by the consent of the Americans! Thank God, things have not come to this, that we must go to Washington and ask whether protection can be carried out,—for that is the statement with which the representative of the Chamber of Commerce of London comes down here to insult this Board, and through it the people of Canada. It was nothing less than an insult to threaten us with the disapprobation of the American Government, if we ventured to adopt such a policy as we believed to be in the interests of this country. We will adopt what policy may be best suited to the interests of the Dominion; and, I do not doubt, whatever Government may be in power, that it will be patriotic enough to do that, without consulting the disposition, or enquiring how it may affect the people living on the other side of the line. And if that people choose to punish us, they will be only doing what they have done since they first gave us the Reciprocity Treaty down to the present time. Their policy from that time to this has been one of coercion. I do not make this statement from mere suspicion—it was admitted by a citizen of their own, who came direct from the late Mr. Seward, at the Detroit Convention, that their object in giving the treaty, in the first instance, was to crush out all national sentiment in this country, and bring about its annexation to the United States. This statement was made by Mr. Potter at Detroit, when he got the American delegates alone; but unfortunately for him, and fortunately for us, the fact came out. And why did he make that statement? The policy in question had failed, he stated, and it was necessary that another policy should be adopted; and the policy that has since prevailed was then adopted, and has since been carried out with similar intentions. It has not had the effect intended. The people of Canada are to-day as loyal as then, as proud of their institutions as then, and as determined to maintain their autonomy as a separate nationality on this continent as then; and I venture to think that, notwithstanding all that Mr. Walker may say, although we are a small community, that in view of the



record of our history in the past, any attempt on that side of the line to undertake to force us into the adoption of a policy which will not be in accordance with our own views, or our best interests, will never be submitted to by the people of this country. But how is this punishment to be inflicted? We are told that the bonding system will be abolished. Who, Sir, are interested in the bonding system? It is quite true that it is greatly to our advantage; but are we the only parties interested in it? Has it no interest for our friends on the other side of the line? Suppose we stop the bonding system on our canals, and say to them that they shall not go through the Welland Canal, for instance, what would be the effect on the transportation interests of the Western States, which are fast becoming the controlling influence of the United States? But, fortunately, the question of the bonding system, as a measure of coercion, has passed away; and that much-abused Intercolonial Railway, which many people thought was money thrown into the sea, by the very statement of Major Walker to-day, (although it has cost us something,) is proved to have been a sound, patriotic, and national enterprise; and if it has cost us something, it at least places us in a position in which we can bid defiance to anything done on the other side with relation to the bonding system. We are not—and let us be thankful for it—any longer dependent upon American ports for a winter outlet for our grain, or our produce; and we can, if it is forced upon us, build up the ports of Halifax and St. John—our own ports—and we can get our stuff in, and send our stuff out, without reference to the wishes of the people of the United States. This is a matter for sincere congratulation; and it ought especially to be a matter for sincere congratulation, when a gentleman like Mr. Walker, comes and threatens this Board.

Mr. WALKER: I beg your pardon—I cannot allow it, I ask the Chair to rule on the matter; I did not threaten or use any threats to this Board—

Mr. WHITE: If you would allow me to finish my sentence, you would know what I am going to say,—threatens this Board with the disapprobation of the American people, if we ventured to adopt a policy in our own interests. We may well congratulate ourselves that we are by the wise foresight—a foresight condemned strongly by certain people in this country, as throwing away the public money—of the statesmen who held office since the Confederation, that we have to-day an independent outlet, and can bid defiance to anything the Americans may desire to do—with relation to the bonding system, at any rate. But, Sir, what has been the experience of the past? Do we run any risk by adopting a policy of our own? This is a purely business matter, into which sentiment ought not to, and will not enter. Our friends on the other side have adopted

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a policy because it is their interest to do it. But do we feel any the worse towards them for it? Not one whit. We are as friendly socially, and, to the extent that we can be so, commercially, as any peoples in the world. We meet them on this side of the line, and recognize in them brothers in blood, in sympathy, and in sentiment and all our traditions. But they have adopted their policy because it was their interest to do so, and we can surely adopt our own course for the same reason. That is all that is asked for in this resolution. What is going to be the effect of it? We adopted for a little while what was called at the time—sneeringly called, I will admit—a national policy in this country. Did it cause the people on the other side of the line—and it was a practical and definite policy—to increase the taxes or duties, as against us? Not a bit of it. The fact was this, that the duties on coal, grain and lumber were reduced. They looked at this question as at any trade question, not from the mere point of view of sentiment, but from that of business; and I am perfectly satisfied that the policy in this country, which would recognize the duty of our people to maintain its commerce, and its industries for the benefit of the people themselves, would be a policy which would be recognized on the other side as a wise one, and would much more tend to the early promotion of those closer commercial relations between the two countries, which I believe all parties on this side, and I hope a very large party, soon to be a majority, on the other side, desire. Now, Mr. President, some reference has been made to the testimony of manufacturers, given before a Committee of the House of Commons some time ago in this city, and it has been stated that they were ready at that time to enter into absolute free trade with the American Government relative to the particular articles in whose manufacture they were interested. That is perfectly true. And then it is said, by way of attack—because it can be nothing else—on the manufacturers, that when they had the chance of that free trade, under the Draft Reciprocity Treaty, all their feelings with regard to it changed at once, and they opposed it. We discussed that point last year, and I will not discuss it at any length now. But there is this to be said, which constitutes a good defence against that charge. When the manufacturers came here and intimated that they were willing to have a free market on each side, and compete fairly with the Americans, they did not intend to say that they could compete with the Americans, and with all the world besides—and that would have been the effect of the Draft Reciprocity Treaty, that is of the manufacturers' clauses of that Treaty. The effect of these clauses was simply this—while the United States would protect themselves along their entire frontier against the manufacturers of the rest of the world, by the large duties they imposed, they would have no duties, it is true, against the manufacturers of this country, and they would have our market; while our frontier would have been open to the

Americans and to all the rest of the world at the same time. That was the position, forcing upon Canadians an unfair competition with the manufacturers of Great Britain and Europe, as well as of the United States; and it was on that ground alone that the manufacturers of this country, when that Treaty was suggested, objected to it with singular unanimity. I have no doubt whatever, that if, for instance, we had free trade with the world over,—that if the United States would throw open their markets to the world; that if we had in fact that actual free trade which is alone entitled to be so called, the manufacturers of Canada would probably stand in as good a position as those of the neighbouring Republic. But that was not what was proposed at that time; it is not what we can possibly get; and not being able to get that, we must look to our own interests and try to get something else that will answer in its stead. We were told by one gentleman, from Fredericton, I think, that the effect of passing these resolutions, or the adoption rather by Parliament of the principle involved in these resolutions, would be to tax 90 per cent. of the population for the benefit of the remaining 10 per cent. Now, it seems to me that no possible fallacy is greater than that. The assumption is, that if you put on a duty, say 30 per cent.—and I merely mention 30 per cent. by way of illustration—if you put on a duty of 30 per cent. on manufactured articles, you increase the price of the manufactured article in this country to the extent of that 30 per cent. But has that been the result? Has any protection, any incidental protection, which we have enjoyed, added to the price of such articles?—or is it not the fact that local competition between the different manufacturers in this country has kept down the price, while it preserves to the home manufacturer the market and affords employment to the people in the country? But, suppose that we admit that to some extent, at any rate, it increases the price of the article locally produced. Is it taxing 90 per cent. of the population for the benefit of 10 per cent.—assuming that 10 per cent. of the population is engaged in manufactures, that is, as principals, or even including the workmen engaged in the manufactures, the rest being agriculturalists? Is it a fact, that you thereby tax 90 per cent. for the benefit of 10 per cent. of the population? Look at it for a moment as a farmer's question. What is it that gives to a farm in the vicinity of a large town a greater value than a farm of equally good soil, and equally well cultivated, at a more remote point? What is it that makes a farm in the County of Bruce, for instance, which is really, in some respects, almost the garden of Upper Canada, worth less money than a farm in the County of York, near Toronto? Not because the farm is any better, but because the farmer near Toronto has a large local market for everything he may raise. It is a notorious fact, known to every one, in relation to farms near a large town, that the money obtained for the mere poultry, and the ordinary fresh vegetables that

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are grown in the kitchen-garden, will actually almost keep the house, while these things at a remote distance, away from manufacturing business centres, are comparatively valueless. Will any one pretend to tell me that the building up of these large centres of industry, and large populations, is of no importance to the agriculturalists for a distance around them, and that the building up of these centres is not worth much more to the farmer, in view of what he can get for these perishable articles, than the difference between what he would pay for the article imported free, or pay for the article on which thirty per cent. was charged on the frontier, even supposing the whole thirty per cent. was additional cost? But there is a further fact, and one that ought not to be forgotten. Let us go on as we are going on to-day, and let this undoubted and unfair competition on the part of our American neighbours crush out the manufacturing industries of this country; let this be effected, and let the factories, one after the other go on closing, as they have unfortunately been closing during the last year, and I tell you, gentlemen, that this market does not then remain a slaughter market for American goods; but it becomes a market to which they will send their goods, and ask their own price for them; and you have in that way to ensure such a result, simply to permit the continuance of this system of slaughtering—a system occasioning serious loss, not only in the cost of the article you have to buy, but in the destruction of the industries that before existed, and which might have continued to exist, as well as in the loss of the population which had been engaged in those industries. Look, for a moment, at an illustration from the other side of the line: It is quite true that the great increase in population has been in the Western States—in that part of the United States lying west of Lake Erie. But take all the States known as the older States, and what do we find? That there is only one single State among them which has come up, or nearly up, to the average of the increase on the whole United States, and that is the great controlling manufacturing State of Pennsylvania, which has increased 21·19 per cent. during the last census decade, while the whole increase was some twenty-two per cent. Take two States as an illustration, the State of Pennsylvania and the State of Ohio—the one a large manufacturing State, and the other more largely an agricultural one,—both, however, so large that they have become almost controlling elements in the politics of the United States at the present moment. Take them, and what do we find? That the agricultural State of Ohio, during the last ten years, increased under fourteen per cent., while the manufacturing State of Pennsylvania—a large State, mark you, and, therefore, involving a greater increase when giving a larger percentage—increased some 21·19 per cent.;—or, giving the figures, the manufacturing State of Pennsylvania increased some 615,736 of population during these ten years, while Ohio,—the agricultural State,—increased by some 325,749 souls. We in Canada have



increased fairly during the census decade, and that very largely in consequence of the growth of our manufacturing industries, under a policy which, in view of the assistance which that policy had from the condition of things in the United States, was strongly protective. We had a strong protective policy during the past ten or fifteen years, and if it is passing away, it is not by any act of the Government of this country, or by the Parliament of this country, but by the changed condition of things, as I have already said, on the other side of the line; and it is that altered condition which places us in a different position to that we occupied in any previous discussion at this Board, and which causes the resolution to be drawn in the form in which it is submitted here to-day. I hope, Sir, that the resolution, with one exception, will pass. I do not believe, and have no hesitation in saying it here—and I propose to move an amendment when the rider now before you is disposed of, with the view of striking that part out—I do not believe that it would be to the advantage of this country to put a tax, say on the wheat coming into the country. I do not see the possible necessity for it. But I must say that there are large national reasons, in favor of the duty on some classes of coal, and for the development of the iron industries of the country. I believe that on such development depends the future greatness of this Dominion. England to-day owes the largest measure of her prosperity to the progress of her iron industries, and we ought, in this country, to adopt such a policy, if we can adopt it, as will develop the same industries. With this change, I will vote for these resolutions; and I believe that if adopted they will be,—if carried out in substance, at any rate, with that greater care which a minister preparing a budget for Parliament will have to give them—for the advantage of this community. I daresay Hon. Mr. Young will ask me, as he has asked a number of gentlemen here, what rate of duty I want. Now, Sir, I for one have always voted against any attempt in this Board to fix rates of duty. That is for the Government to arrange, and with it we should have nothing whatever to do. We lay down general principles; we declare in general terms what, in the opinion of the Board, would be for the interests of this country, if carried out according to our view; and it is for those who especially devote themselves to it, who have all the figures at their command, assisted by experts in the different departments, and who can sit down and carefully prepare a budget—it is for the Government of the day to do that, and not for this Dominion Board of Trade. We lay down as far as we can do so, for the information of the Government and for their guidance, so far as they may be guided by a body of this kind, certain principles, and we give our opinion to them for whatever that opinion may be worth. I believe that the general principles laid down in the resolution are strongly sustained in all parts of this Dominion to-day, and are such that, if it had been known out of the Board of Trade, that

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they would be presented, would have brought a larger representation to sustain, and not to oppose them, as was suggested by Major Walker; and are such moreover as, if adopted, will largely promote the material prosperity and national advancement of this Canada of ours.

Hon. JOHN YOUNG (Montreal): As one believing in the principles of political economy, I must vote against the resolutions before you. I believe, although I feel that commerce is a very large interest, and manufactures are another large interest, that agriculture is a still larger interest,—in fact, the great pillar that sustains all. It is for that reason that I think anything which would give a preference to one class over another, would be highly injurious. I do not think, Sir, that the small number of manufacturers in the country, which I do not believe are ten per cent. of the agriculturists, should be supported and made rich by a tax upon the many—that, I think, is the correct principle. I am sorry to hear, in the speech of Mr. White just now, his remarks in reference to the United States. I have had occasion to see a good deal of the United States, and have taken part in the negotiations in reference to a reciprocity treaty. I was sent out by the Government, under Lafontaine and Baldwin, in 1853, to Washington, to ascertain whether a reciprocity treaty could be agreed upon. That treaty was ultimately carried, and I again revisited Washington in 1864, under the Holton-Dorion Government, with a view to its continuance. At that time, if you remember, there was a very serious feeling in the United States against the Canadians for taking the part they did in the civil war in that country, and the people there were exceedingly angry about it, and the treaty was given up. I am one of those who think that a treaty for commercial purposes with the United States, is of great benefit to this country. I know it to be a fact that out of the eighty-five millions of dollars exported from the Dominion, forty-five millions of that eighty-five millions is exported to the United States;—in fact, we export more of our products to the United States than to all the world besides. It is therefore with great regret that I have heard Mr. White speak in the way he has done to-day about the United States; for I believe that the day is approaching when we will be able to secure more favorable trade relations with the States; but it is not in this way, in the way that he has spoken, that there can be created any kind of friendly feeling. In reference to that, with the vast interests of the country before us,—with the fact of Nova Scotia with her coal, which she is not able to send into the United States, and with the fact of our own agricultural products which we desire to export to the United States, I think that it is wrong for us to put on, or to try to put on any kind of differential duties against that country. It is a very simple thing to illustrate; if you take the farmer of Canada, who has a horse, he walks the horse across the line, and gets

\$100 for it ; in the States he is obliged to give \$20 to the Customs' House, and bring back \$80 to Canada. Or, take a man who produces barley in Western Canada ; he gets his dollar in the States for his barley, and is obliged to pay fifteen cents a bushel for it, and he brings back eighty-five cents of it. When you come to look at the fact, that this barley can be raised elsewhere in the same latitude and in more northern regions, and look at the difference of the labor given to the one and to the other,—of course the farmer goes to the United States. And our immigrants go there ; they come out here, but soon go to the United States ; and we cannot be in a favorable position until we have perfect free trade with the United States in the great agricultural commodities of the country. Now, as regards manufacturers and the tariff—the tariff is incidentally protective, and so long as we do not raise by direct taxation the duties necessary for paying our debts, whatever duty we may have must be incidentally protective. It has been advanced from five, ten, and fifteen, to  $17\frac{1}{2}$  per cent. ; and I am sorry to say, that I believe, that it will rise further in consequence of increased indebtedness. Well, that  $17\frac{1}{2}$  per cent. is protection undoubtedly ; you may call it any name you like, but it is incidental protection, whether it be  $17\frac{1}{2}$  or 20 per cent. I do not agree with the present arrangement of the tariff,—there are a great many things, which I think are entirely wrong. As I said yesterday, I am decidedly in favor of *ad valorem* duties, and against specific duties. By these *ad valorem* duties, I would encourage trade through the country, and not throw it into the hands of the United States. I was misunderstood by some gentlemen yesterday, as regards my views, but that was the idea I had. I am against differential duties entirely, and wholly in favor of *ad valorem* duties,—and the principle of *ad valorem* duties of course applies to everything ; it applies to inferior articles, and to good articles, and to wines. For instance, I remember once advocating that wines should be admitted free into this country ; at present they pay three hundred per cent. on low brands, which is a great encouragement, in my opinion, to intemperance. I think that principle of encouraging trade should be followed, and that we should stop a little while to see what is done in the United States ; I believe that the period will soon arrive when the Government of the United States will meet us—aid us in fact ;—for I have always found that the Government of the United States have acted in a liberal spirit. I remember when we could not send a letter to the United States but through an agent there ; all that has been changed, while in other respects they have acted as liberally as we could possibly desire ; and as regards the bonding act, originated I believe by the late Daniel Webster, no doubt as Mr. White says, it was in their own interests that that was done. I remember being in Washington and being examined by the committee there ; at that time the Reciprocity Treaty was being given up, and I was asked what would be the effect among Canadians if they

repealed the Reciprocity Treaty? What would we do? And I told them that we would do nothing at all, as I supposed, and that we wanted the carrying trade of their crops; and I think that it is a great credit to Canada that our relations towards the United States to-day are just in the same position as when the Reciprocity Treaty existed. They then asked what we would do if they repealed the bonding bill, and I stated that we would simply admit all the world's products into the St. Lawrence duty free, and allow everything to come duty free into Canada, and would leave them to provide a protective force to guard their frontier against smuggling.

Mr. W. M. LUKES (Newmarket) : I propose making a few remarks on this question, from the fact that I have taken considerable interest in the manufacturing industries of the country. I may state that I endorse all Mr. Howland has said, and pretty much all of Mr. White's remarks; but I am prepared to admit that I do not go quite as far in some respects as the latter does. It may not be out of place to say that I am here as a representative of the Manufacturers' Association of Ontario, and I might mention a few of the industries which are in connection with that organization. Among them are manufacturers of knitted goods, chemicals, paper, stoves, owners of cotton mills, manufacturers of boots and shoes, hardware, clothing, and a variety of other articles, which were very ably and numerously represented at the manufacturers' meeting, recently held in Toronto. The conclusion arrived at there, with reference to the necessities which were forced upon the attention of manufacturers, was a unanimous one; and I think that one of the gentlemen has gone so far as to read the resolution which was adopted, respecting the tariff which we have now under consideration. I beg to correct, as far as possible, a statement that, I think, slipped from Mr. Savigney, when advocating the iron interest, wherein he did not exactly say why the produce of the soil should not come under the immediate attention even of this Board. If you carefully read the resolution, which was unanimously adopted by the Manufacturers' Association, you will see that it was made a special article; the manufacturers of Ontario came to the conclusion that the farmers should benefit as well as the manufacturers, if they were to be expected to buy their goods. I must say that an erroneous idea prevails concerning the present and prospective trade of this country, and especially of the trade of Ontario; and I propose giving a few remarks, and making a few observations, more particularly on the flour milling question, as that is the branch of industry with which I am connected. It is only very recently that it has been considered a manufacturing industry; in fact, I suppose that is because it has relation to the produce of the soil; and as there was more manufactured than was wanted for consumption in the country, we needed no protection on this



article at all, because the surplus being exported, rules the price. I would mention, gentlemen, that we in Ontario have over twelve or fifteen millions of dollars of capital invested in machinery for the manufacture of flour; we number some ten or twelve thousand strong, engaged in that manufacture alone, in the Province of Ontario. Consequently, when you take the two matters of capital and the extent of population engaged in the manufacture of this article, into consideration, I think you can only come to the one conclusion, that we are entitled to a very fair hearing on this question. Being a practical miller, I could go into the cause of the continued depression, and of prospective failure. The cause of this depression may be said—and I think the remark may be applicable in a certain sense, but only in a qualified sense as it is applicable to other manufactures—to lie in the fact that there are too many mills. I admit, on certain conditions, that there are too many mills merely to supply the home-wants and the home-market; but we have the machinery, and we have the plant, and we have the men; and we want to use up all the surplus and grind up all the wheat into flour, and export it if we can find Provincial markets, and even to send it across the Atlantic to feed the inhabitants of the Old World. But there is another cause, in the bad policy adopted by the principal railroad of the Dominion with respect to the freight tariff. I will forbear making any extensive remarks on this matter, on the understanding that this question is to be taken up at a later period by the Board; we have free trade in the business, that is, there is no duty on flour brought into the country. When we consider this thing in connection with that, the unfair tariff of our railroad—the principal railroad in the Dominion—we find a state of matters that will do more to crush out, cause loss to the Dominion, and be fatal to the milling interest, than any other two causes put together. The home market is not entirely in our hands; and how can we compete with the United States manufacturers who send flour into this Dominion? It would take too long to go into the entire question, which you would not be able, or at least some of you, to comprehend; but it might be advisable to appoint a committee which should report in detail on the subject. The United States can to-day, through no duty being put on their flour coming into this country, beat us out of our own market; and it is even a fact, that flour can be transported from the States of Wisconsin, Illinois and Michigan, and laid down in our Provinces and at Halifax, or St. John, or at Boston, for less money than it can be carried thirty-five miles north of Toronto, or twenty miles north of Port Hope. Then we are prohibited from carrying this stuff so cheaply down to the seaboard, as even from Minnesota; and my friend from Detroit can send his flour, if engaged in the manufacture of that article, and feed and supply our own people in spite of all that we can do, owing to the fact that the *pro rata* rate of freight, preferential regard-

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ing the carrying of this article from the States, is more than any profit I have seen our millers make during the last five years. This may be shown in another way, as the "slaughter" question is coming into consideration. The question was this very forenoon asked me—why cannot I manufacture as cheaply as the United States' millers? We have the machinery; we have the capital, and we have the men; but there is another thing which comes in conflict, unfortunately, with our prosperity every day we manufacture; they have their own people in the United States to consume their produce, and they make an article of flour—which it is impossible for us to make, unless we take a very long time for it—which they supply to our people. They make, probably a handsome profit on a given quantity (say 75 per cent.) of their manufacture, which they can dispose of at home; and consequently they may do what is called a slaughtering business,—for what hinders their disposing of the balance, (25 per cent.) very largely in this country at a fair profit also, when they can get *preferential* rates of freight on the trunk line of railroad,—laying it down at St. John or Halifax, at a less rate than we can do as millers. I think, gentlemen, that I have made sufficiently plain why we are laboring under this difficulty, and why we cannot manufacture so cheaply as the Americans, and it amounts to this: I believe that there are men engaged in this business who have drawn upon their capital for running their mills for a considerable time, and the question naturally arises: Are our mills to be stopped? Are we to lock up all that capital, and allow the American manufacturer to come in and surfeit this market with such articles as we can manufacture? If we were only put on an equal footing, I would be the last man to come to this Dominion Board of Trade and ask for privileges, or ask for bonuses; for in reference to competing with the Americans, we only want to be put on equal footing with them—a remedy which is available and practical. There are remedies, but the question is whether they are practical. The Hon. John Young has spoken about what at least is very necessary, and has quite rightly referred to a Reciprocity Treaty; and as far as I am concerned in my own manufacture, I do not think that we want anything better, for nothing would suit us at present better than a Reciprocity Treaty; but at the same time, gentlemen, this is not obtainable, from the very fact that the United States are not disposed to give it; they are in no mood to give us a Reciprocity Treaty, because it is evident that they are reaping a very large benefit from their protective tariff, as they are keeping their own manufactures in operation and their operatives employed, while they are supplying the Dominion. There are several reasons which might be given, if it would not be diverging from the question, why reciprocity is not obtainable. It has been certainly said by the last speaker, that the people of the United States were very generous, and that they are very liberal.

It is very true; I endorse all that,—but it is in the way of gathering in all they can from every other country, and giving nothing in return! Do you maintain, gentlemen, that a nation—I do not care whether it is the United States or any other nation—which takes advantage of their position to tax even a fish-can that comes from our Provinces, are of a character likely to give us any liberal measures whatever? Not in the least. The experience of the past goes to prove that we need not expect anything of the kind. It may not be known to some of you, that every manufacture there has its organization; the millers there have their organization, and do you suppose that it is in the interest of any American miller that the Canadian miller should send over his flour to the Eastern States? Not at all. Their millers would not permit this, and they are very practical; they are determined that they will protect their own industries. Are the manufacturers wanting anything from Canada? No; they have combinations, and they bring them pretty much into force for the protection of their own interests and for their own benefit. I maintain also that the farmers of the United States do not want to see any Canadian produce come over there; they would far rather that the Eastern States would grind the Western States wheat. Therefore, all combinations which are in active force there, and which are for a material purpose, are opposed to us, and we cannot expect anything at the present time; nor do we see anything in the future that would give us relief on this question at all, save this national policy of ours, which will have the effect of enabling us to grind up our grain, and to manufacture for and supply the wants of our own people, exporting the surplus to a foreign country. Therefore, this is the reason why I go in for a retaliatory measure. What do we care particularly about the United States on this question? We cannot trade with them while the States do our business; and as for a truly national policy, this is what is required for the Dominion of Canada. Another point might also be gone into—a fair and equitable railway tariff. This question is surrounded with considerable difficulty, from the fact that there is no legislature—no matter which party you may appeal to, whether they come under the denomination of Reformer or Conservative—that is exactly prepared to attack the Grand Trunk on this question. I hold different opinions. I do say, that if it was not so expressed, it was certainly implied, when the Grand Trunk got a charter to run through a certain part of the country—

Mr. DOBELL (Quebec): Are we discussing the tariff, reciprocity, or transportation?

The PRESIDENT: We are discussing the resolutions which are before us.

Mr. DOBELL: We have heard so much about reciprocity—

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The PRESIDENT: If the time for speakers were limited, it would probably be of advantage to us. The speaker might keep a little closer to the resolutions.

Mr. LUKES: I wish to have a little information as to whether this question of railway freights will come up again. (A voice—It is coming up again.) Well, then, if a protective policy is under our consideration, a national policy best suited to the interests of the whole Dominion, which would make everything subservient to our own interests, without the slightest reference to the sentiments, feelings or policy of any foreign nation whatever—it expresses my sentiments, and the sentiments I have come to advance in this Board of Trade, or otherwise I shall be recreant to the duty imposed upon me by the Manufacturers' Association of Ontario. Protection, gentlemen, is not monopoly—

Mr. DOBELL: Is Great Britain a foreign nation?

Mr. LUKES: No, sir; but it has been fully explained that legal advice had been taken on this question, and that we had the right to legislate even with reference to the Mother Country. Protection is not a monopoly; there are a great many free-traders who consider that it is a monopoly; but I say, gentlemen, that it is not so, from the fact that every man, every individual or every company can enter into the manufacture as long as they are in the Dominion. And this is what Mr. White argues: it is a defensive policy—a policy intended to promote our own interests. Some affirm that if we put on a protective tariff it will be injurious to the consumer; but I am not prepared to admit that. Who are the individuals in the community who are suffering most to-day from the want of a protective tariff? They are those persons who are out of employment, numbered by hundreds in our cities and towns, and in our country; they have not got anything to do. It is useless for the poor man to look at a cheap loaf, if he has not the wherewith to purchase it, and useless if he cannot earn the money to buy it; he may longingly look at it in a window and starve. The law of Canada will not allow the poor to take what another has, unless he gives some value in return. This may suit the insensate pride of some speculative politicians, but I am prepared to take the admission of the Premier of Canada, who said, that no matter what duty might be put—I think that these were his very words—on produce and breadstuffs, it will not enhance the price one cent to the consumer, from the fact that often we have a surplus that must be exported, and that would rule the price. I accept that position, and am prepared to show even now, that it would not raise the price, because it would cause more to be produced. Take an instance: Suppose I am supplying some one with flour; I can make a profit sometimes of five cents, and I am



grinding twelve thousand barrels, running less than five cents a barrel; but if I can get ten cents, and only get one-half of the supply, the balance being supplied from Detroit and Michigan, the Americans being prepared to take it through for ten cents, it would be a very great injustice to me. I do maintain that a duty would not enhance the price to the consumer. We want to do the trade of the Dominion, and would be quite satisfied with it; we ask for nothing more, and will be content with nothing less. Now, I might go into the results of prosperous manufacturing. You take the thousand mills to-day,—the twelve hundred mills in Canada, employing six thousand coopers, and an aggregate of twelve thousand individuals,—and I can see, gentlemen, if my business was prosperous, where I could spend from three to five thousand dollars; and you can put it down as a positive fact that other mills are probably in the same condition as mine. If my business was prosperous, I could make extensive repairs and additions to my buildings; and the effect would be this: there are in Montreal, a Rubber Company and a belting company, and there are nail factories, and these all enter into our subject; we do not want to send money out of the Dominion;—with my prosperous mill, and prosperous manufactures, no matter what might be the circumstances, we would keep the industries of the country at work, and our working population would be able to earn their living by this operation. If you take \$3,000 for one mill, I think it is a very nice thing to send to Montreal; and \$200 might be sent from each mill in order to repair belting, &c.,—giving employment in Montreal, or somewhere else;—whereas, without protection, factories are closed—others will have to stop working; the doors will be shut, and the population must emigrate. Now, gentlemen, I will not take up more of your time; but I must appeal to the judgment, the candour, the heart, the honour, and the fair commercial principles of the Maritime Province men, and the men of the Province of Quebec. You must be prepared to admit, gentlemen, that we gave you a very fair hearing, when Mr. Grant was so ably setting forth the advantages of telegraphic extensions, and in which was included a money question, recommended to the consideration of the Dominion Government. I thought him quite at home; and when he appealed to our judgment through our vision, he completely convinced us that this was a necessary thing. Now, gentlemen, we want a little reciprocity on this question—(hear, hear). I may not have the eloquence or power to move the hearts of some—Ontario men may be of more plastic stuff; but I say, gentlemen, viewing this question in a practical light, we should go on working out the intentions of Confederation, by bringing about more intimate connection with the whole Dominion, and by building up a nationality on this continent. (Hear, hear, and applause.)

Mr. HUGH McLENNAN (Montreal): We are on a discussion

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that has occupied this Board at each of its meetings, with reference to the policy that should be adopted in connection with the tariff of the country. Hitherto it was discussed simply in view of the necessities of the Government for revenue purposes; but it appears to-day to take a wider range, as a great national policy. I like the word "national," because it has a good ring about it, and I hope some day, that the people of the Dominion of Canada may fully appreciate whatever may conduce to the building up of that feeling, and sympathize very fully with it. But this is a very particular question which is placed before us. It comes in the form of providing occupation for the labor of the country. I recollect that on a previous occasion in discussing this subject, I said if ever we came to a condition when the labor of the country was not fully employed—when men were idle, and it became a question of supplying them with bread without labor—that then would be the time when we might fairly consider the question, whether the country was in a position to accept arbitrary rules, keeping in view the employment of labor, even to the disadvantage of the consumer. That condition of things may be said to be upon us now, in that we have in all the larger centres many men thrown out of employment, many of them having been hitherto employed in the manufactories of this country. And yet, when I look across the line, I find that a similar condition of things exists. In the first place, it is said that there shall be no enhancement of price to the consumer; and in connection with other matters introduced into that resolution, I see that it is apparently going to give protection to the farmer. Now, I deny that you can, in any way, protect the farmer; that effort was made in the United States upon one occasion; they undertook it, having multiplied indefinitely the protective system, until cloth cost \$2 per yard, which could be made for \$1 without. Touching this matter, when Mr. Robertson, who went so ably into figures with reference to our imports, took eleven millions for these woollen cloths, and explained that there were manufactories enough in the country to produce that, it just occurred to me at the time when looking about the room, to ask whether any man in this room had got a suit of Canadian-made clothes upon him; I do not think that very many men would rise and show me that they have, if it is the case.

Mr. ADAM BROWN: Here you are!

Mr. McLENNAN: Only one among so many! (Laughter.) I do not think that it takes many cloth factories to make the supply at any rate, bought in the Dominion altogether. Now, that is one of the points, I think, worthy of consideration. Now, how are you going to protect the farmer, except by paying duty on wheat and corn and flour? This country produces all the wheat which it, as a whole,—I am speaking now of it

as under Confederation—consumes, but we buy wheat in a foreign country. This is another point I want distinctly understood—whatever we draw from another country we buy and pay for, to carry down the St. Lawrence to be distributed in the way of adding to our riches, so that the alternative is not yet perfectly clear that this policy of protection, which they have employed to the fullest extent elsewhere, is likely to give any relief in this direction. I think that while the subject should be fully discussed, we should consider it in all its bearings. There is one truth, however, I should like in all candour to see admitted—when we talk of protection, that it implies simply some contribution from some, quarter or other; and I do not see how it is possible to act otherwise than by making the manufactured article dearer to the consumer than it would be if the rate imposed under such a system were not upon it. It is a question then of drawing money for the present from some source or other, and receiving an advantage at some future time as an equivalent. The farmer appears to be the only one that can make this contribution at present; and I speak more particularly on this subject, because I think that there is a fallacy current in this relation; I am of opinion that this trade gives a good deal of employment to the men engaged in the industries of the country. Every time the axe is laid to the tree to make timber with which the vessels are built, is because wooden vessels are used in the navigation of our inland waters; and men are employed in manning them, and in building them, and in supplying them, and families are dependent upon them for support; so that all this will show a very large amount of employment given to men engaged in the industries of the country. Then there is another point. We see it proposed to represent to the Government the advisability of putting this fallacy with respect to protection for the farmer into force, in the face of their expending large amounts upon the enlargement of our canal system; and what for? We have got canal facilities far in excess of any extent of business that we have in hand, and certainly far beyond any business we are likely to do, if we are going to put obstructions in the way; because it is neither giving protection to the farmer, nor supplying revenue to the Government to place any embarrassment upon this trade in grain, which we take from the Western country, and send to the people of Europe. With reference to what had been said concerning flour,—and it is a very important subject,—there are many mills scattered through this country, wherever water power is found; and before other factories were brought into existence, these were utilized for the construction of flour mills. The result has been, that this country is very fully supplied with flour mills, and there is no doubt, that very many of them are idle; but I do not see that relief will come by the imposition of a duty upon flour. I am open to conviction on that subject, however. But there is one point that

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I would make with reference to that. The gentleman who has just sat down, spoke of the western miller, having a sale in Canada for 25 per cent. of his manufacture of flour, at a good profit—in addition to his profits on the 75 per cent. disposed of at home. Now, I know a little about this trade, and I will give a little further explanation of what this twenty-five per cent. may be, although it is a larger proportion than is really the case. It is inferior grades of flour, that come to this country for a particular trade; it is not worth while going into details as to where that trade is done; but it is an inferior class of flour; and what I am stating now is a positive fact, that the proportion of first-class flour, ever brought into the Dominion from the United States, is not worth considering—a very few car-loads would represent it all. I know what I am speaking of when I make that assertion with reference to the imports of flour, so that our own flour mills do supply all the first-class flour that is used in this country. Now, gentlemen, I am not a free trader; there is nobody who is a free trader to-day; we all have sometimes to go to the polls and vote, while some are candidates—and in all such cases, apparently the protective system really seems to be the one most in vogue. But one of the points I would dwell upon is—are we ready to count the cost if we undertake this protective system? It is well for us, in this part of the country, to speak of giving protection, for instance upon flour, and, we will say, protection on manufactured goods. Now, what is our relation to the Maritime Provinces and the gentlemen there? If they are called upon to pay higher for goods than they can get them for from Boston, New York and the New England States, because of a protective policy, and are obliged to go into Ontario for manufactured goods, they will say—What return are you going to give us? And are our Ontario friends, and are we in Montreal, ready to submit to a tax of seventy-five cents, \$1, or \$1.50 on coal, in order that we may develop these mines in Nova Scotia, that to-day are suffering? Perhaps, although we have not heard so much about it, the suffering down there in consequence of the entire prostration of that trade, not only among those who are principals and owners of the mines, but also among those who are traders, is very severe, and a greater degree of destitution has arisen from that than from any other one cause we can show in this Dominion. Although we have not heard very much about it, it exists, and if any relief is to be given, it should be given in that direction. I could go on and show that while protection is a very good thing, and while we sympathize very completely with those interests, which we would like very much to see prosperous—when it comes to a question of \$1 or \$1.50 on coal, it becomes a question whether we are going to win very large industries when many of our factories are closed. Some of them cannot use this coal; and the coal brought into Ontario was bituminous, while the coal of Ohio is of



a different quality, and suits manufacturers better; the consumption of anthracite coal has also been very large, and the imposition of a tax upon coal would be a great hardship, and do a great deal of injury to the country. In the same way, the Maritime Provinces would complain of a duty being put upon them; so that if we are going to take up a protective policy, we must be ready to make very many sacrifices; and that is one of the points that was fully impressed upon my own mind—that when we come to the practical application of it as a national policy, and as a patriotic policy, we will find that there are these difficulties, which will surround it. I object particularly to the clause that has reference to the “products of the soil;” it is ambiguous, and Mr. White, who so very ably spoke on the subject, exposed the fallacy. There is simply a point that I would like to make in that connection, as to the imposition of a duty, for I believe that it is intended to throw out that sop to the farmers of this country, and say—We are going to protect you too. I think if that policy is undertaken, and if it is a just, national, and patriotic policy, which is to be good for the community, we can afford to take things as they are, and take them without any apparent deception on the face of it—(hear, hear.)—and take them after counting the cost, and in the measure in which it may be a necessity for the country; and as this discussion goes on,—

Mr. LUKES: I rise to a point of order; the speaker has no right to impute these mean motives; it is no sop to the farmer, but a reality.

Mr. McLENNAN: This point I would like very fully considered. And in this connection, if all the others are ready for this protective principle, in so far as it is necessary, many of those who have spoken, and who have undertaken to point out difficulties in the way, may be as ready to submit to it as those who are most favorable to it.

Mr. WILLIAM DARLING (Montreal): Mr. Chairman, I will not occupy many minutes; the first part of this resolution, I notice, is that the investment of capital in manufactures would be increased. Those who wish to invest capital in manufactures just now, as in the shoe trade, in the furniture trade, and I think also in the manufacture of cloth and in the woollen trade, may do so at very much less money than by getting up any new company; it is well known that these manufactures have increased to so vast an extent that the manufacturers themselves do not know very well how to get rid of the articles they can produce; and it does not appear to me that the imposing of a higher rate of duty is going to remedy this matter; because as you increase the duties upon such articles you increase the rate of wages, and the cost of living, and you increase also the price of all articles that are used in manufactures; therefore you

will certainly not be in the same position England is in for doing business with any other country. The freer trade is, and the less duties you have, the better position are you in for manufacturing articles for exportation. The next point in the resolution is, that the apparent over-production of manufactures would be remedied by the exclusion of American goods;—I think that some of the facts brought out by Mr. Robertson to-day show that the real remedy for the present state of things is not the exclusion of these goods. We must have the opportunity of disposing of our goods in other markets than our own, by producing them cheaper, or as cheap as any other country, and this can never be done with high rates of duties. The next point is that the introduction of American goods is likely to increase, unless they are kept out by high duties; but are times better in the United States because of high duties? The same objection to high duties applies to the United States as to Canada. The enormous duties which have been put on in favor of their manufactures have excluded them from many of the markets of the world. They did a very large business abroad in the line I am engaged in, but these markets to-day, for many of the articles they dealt in, have been closed to them; and other countries have taken the position which the United States once occupied, because of the increased cost of many of these articles in the United States, owing to the duties that are imposed upon the articles that are used in their production. It has always appeared to me that the only reason for imposing Customs duties is to obtain revenue, and that the less that the Government interferes with the commerce of the country, and with its manufactures the better. Now, it does not appear to me that there should be any special rate of duty applied to any one country that is not applied to all others; and if the proposition that is made now were acted upon, and forty or fifty per cent. duty levied on articles coming from the United States into Canada, and manufactured by the former country, it appears to me that England would at once become the distributing place for American goods. If American goods were imported into England, they would be in the same position as French, German, and other merchandize imported into Great Britain, and would at once become articles to be exported under the name of British manufactures. Therefore all the articles upon which you want to put forty or fifty per cent. coming into this country from the United States, would be carried by ship to England, and from thence imported by the larger merchants of Montreal, and of other large distributing cities; and in place of the people all through Upper Canada, and all through Nova Scotia, being able to get these manufactures at the prices they now paid, they would be imported by the merchants of Montreal, Quebec, Halifax, St. John, Toronto, &c., *via* England. These goods would be introduced in that way at the ordinary rate of duty levied on British manufactures.

Now, it has been said that if you impose high duties upon manufactures, that you get them into such a position that you are able to keep out the manufactures of all other countries, and that ultimately such articles will be manufactured in Canada cheaper than they can be imported, if other countries do not in the meantime compete with you. Well, I have been engaged in manufacturing for the last twenty years, and I can tell you that if the duties were removed from the article which I manufacture at this moment, I could not continue to manufacture the article one day longer, and I consider, in addition to that, that the men who have been and are employed in that manufacture, have been losing, and continue to lose, their time;—that actually it is the Government placing a duty on that article, from which the Government collect almost no revenue, which prevents that article coming into the country, and that the price is maintained in consequence of the rate of duty in question; and at the same time that the employment of these men is entirely lost time. The manufacture of that article, I now tell you, could not continue one day if there were no duty upon it. This remark is not confined to that article. The rate of duty on many articles that I could tell you of, is such that little or no duty is obtained on them at all. If the duty were increased, it would seriously tend, certainly not to increase, but to decrease the public revenue. I therefore, gentlemen, must vote against the resolution.

Mr. J. D. HAYES (Detroit): Mr. President, I only wish to make a remark or two with regard to the manner in which these slaughtered goods are driven in here, in order to state that this is the natural course of trade, when over-production takes place in any country. Now it is the cause of complaint to you here. In Michigan, the State where I live, we raise and ship two millions of pounds of wool a year, and the position of capital is such, that it is taken to Massachusetts, and is there manufactured, and sent back again—and in the very identical town, probably, from which the wool started, is a woollen mill closed, because it cannot compete with the same manufactures in the Eastern States. That occurs in all countries where manufactures are in advance of the market, and you suffer from it. That will regulate itself. Our manufacturing interests are in such a condition, that we try not only to supply your market, but even the English market with that class of goods; but all that will pass away quietly, and the manufacturing interests of the country will come back to a healthy condition. With regard to the policy of retaliation, spoken of here, I can assure you, gentlemen, that the people of the United States took their leaf from the English policy; and we did not ask Canada whether she was going to be satisfied with it or not, nor did we ask England whether it would please her. Now, gentlemen, so far as that is concerned, the one great diffi-

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culty that we have is in not being able to understand—I mean the majority of our people—that you *are* a people (hear, hear), with a responsible Government—responsible to your own people,—and that you have the power to levy duties—just such duties as you like (applause), without regard to the United States, and even without regard to England, only so far as you may comply with certain conditions; and that right has been recognized, so that you do not legislate in favor of the United States. I can tell you, gentlemen, that the policy of maintaining yourselves as a nation as England has done, and as the Americans have done, is, and I hold it to be, your true policy. (Applause.) So far as flour is concerned, which a gentleman has spoken of, I am happy in being able to respond to his allusion; I probably manufacture more flour than any other miller in our State, and I occupy the position of the President of the Millers' Association of the State of Michigan; and I will tell you, gentlemen, that you may put on a duty of fifty cents a barrel on flour coming into Canada, and the only complaint you will ever hear in the world on account of it will be from some free trade, political demagogue. We do not fear it at all; and we ask you to adopt such a protective tariff as will put you on a proper footing as a nation alongside of us, which we can respect and honor; and if we do not do you justice, we want you to stand up and make us do it. (Hear, hear, and applause.) With these remarks let me also say in regard to your responsible Government, that it is not thoroughly understood; we know that you are all loyal to the Queen, and we respect her ourselves. There is no greater respect that could be paid than that which is paid to your Queen, and also the Representative of the Queen in this country. We all understand that; but I think you fail to reflect that the great mass of our people do not understand the position which you occupy, as a responsible Government towards yourselves; they suppose that you are under the control of the Representative of the Queen. Now, I know, and I presume that you all are aware, that while the representative power and the maintenance of the principles of the Crown in this country are a matter of loyalty,—whenever your Governor-General does not come up to the standard of the business intelligence of this country, he is taken very ill, and returns very soon to his home for the benefit of his health, and another man is sent out. Now, that is the particular point I want to call your attention to: that if we get to understand that you are a nation by yourselves, dealing with us as a nation, we have no business to interfere with anything that you do, and we must put up with such rules and regulations as you establish, whether they suit us or not. (Applause.)

Mr. W. C. WATSON (St. John, N. B.): I simply rise to make a brief explanation relative to some remarks which fell from my friend, Mr. Lukes. I think, with regard to the importation of



flour into the Maritime Provinces, he seems to take it for granted that we use flour that comes from the United States very largely; but I can only say, that there is a very small quantity of American flour used in the Maritime Provinces—at least, I speak of New Brunswick. On the North Shore, you know that it comes down the St. Lawrence to some extent, and we use that medium of communication and transport ourselves in St. John; but the bulk of the flour comes down the Grand Trunk Railway, and is shipped from Portland to St. John. I simply want to correct any impression that exists from the remarks that gentleman made. I am satisfied that in connection with the matter of ship-building, we have an industry which, I think, ought to be a little taken into account in the deliberations of such a Board as this; it is an industry which to-day employs, and does it profitably, fifty million dollars of the capital of Canada. I was about to ask some of these gentlemen most interested in the manufactures of the West,—how much capital is invested in these manufactures? It may be a sum larger than that which I have named; but at least an interest that gives employment to fifty millions of capital, should have a little attention from this Board. I ask you, Sir, how is it possible that we can be protected,—for I think that if all the other industries are to be protected, ship-building should receive a little attention also. The only way I can see, is to provide for granting a bonus on every ton of shipping built in the Dominion—say \$10 a ton—this would probably suit! I am not backward about naming a price, as my friend, Hon. Mr. Young, would probably ask how much I wanted, and I should say—about ten dollars a ton (hear, hear), being on the average about \$15,000 for every ship that is built at St. John! I think that would be all, and that it would be little enough to make up for the increased cost of construction, which we would be put to by the higher cost of living, and the increased cost of articles that enter into the construction of ships. I am sure, that there is no gentleman in the room who has not long ago made up his mind on the elementary principles of Free Trade and Protection entering into this discussion; the resolution is one, for which I cannot vote.

The CHAIRMAN having put Mr. Wylde's motion, (see p. 142), it was added to the main resolution, being inserted before the last paragraph.

Mr. THOMAS WHITE, Jr., then moved:—

"That the said resolutions be amended by adding after the words 'United States,' in the fourth paragraph thereof, the words 'on such articles as enter most severely into competition with Canadian industries;' and by striking out all the words after the word 'adopted,' in the said paragraph."

Mr. DOBELL (Quebec): Do I understand that the paragraph

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being amended by Mr. White is really in favour of reciprocal duties with the United States?

Mr. WHITE: I would simply point out to Mr. Dobell that the effect of this alteration will be merely to restrict the principle under the resolution as moved. It does not recommend reciprocal duties with the United States on all articles;—the proposition is limited to such articles as enter most severely into competition with Canadian industries; and, of course, those opposed to reciprocal duties, as a whole, should vote for this amendment, as it limits the principle—very particularly striking out the part relating to “the products of the soil, the forest and the mine.”

Mr. W. W. OGILVIE (Montreal): I will second Mr. White's amendment with very great pleasure. This is a question of protecting the products of the forest and soil, and it is not new. It was brought before the Board three years ago; and it was enforced for nearly two years, when wheat brought from the Western States had to pay four cents a bushel; but permission was granted to bring it down in bond, the wheat being ground in Liverpool, and, therefore, it was of no value whatever to the farmers of this country;—neither was it of any value to Government, for no revenue was derived from it. The following year, however, saw a short crop, and we had to import two million bushels, paying duty upon it, and so making it a bread tax. There is another feature in the resolution, gentlemen. I maintain that wheat is raw material. I am also a manufacturer, carrying on business in Ontario and Quebec—a miller, if you will—and wheat is my raw material. We cannot shut our eyes to the fact, that, year after year, the crop of wheat in the Dominion is deteriorating. Well, we need not regret that fact very much, when you take into consideration that farmers can turn their attention to other products that will pay them equally well. The eastern part of Ontario now does not require the wheat crop, and they are now growing in this section what probably pays nearly as well. Well, gentlemen, we have got now to seek the virgin soils of the West, and bring down the wheat needed to make the flour that is required. We have to seek Minnesota and Wisconsin—particularly the former—but I hope that in three or four years we will buy at home in our own country, in Manitoba and in the valley of the Saskatchewan. We are now purchasing within two hundred miles of Manitoba, and within the time I have stated I am inclined to think that we may be buying in that Province. I sympathise strongly with the manufacturers of this country. I am an out-and-out protectionist, but I cannot stand by and have my raw material protected, for that would be carrying the principle too far.

The CHAIRMAN having read the amendment again, Messrs. DOBELL and JOSEPH, of Quebec, stated that they were prepared to

vote for the fourth paragraph, as amended by Mr. White, as a substitute for the entire resolution.

Hon. JAMES SKEAD : Are we to understand that the iron question is shut out ?

The CHAIRMAN : Yes.

Hon. Mr. SKEAD : Shut out entirely ! I protest against it most decidedly.

Mr. WHITE : The object is to leave the whole question to be determined by the Government. We lay down a general principle, and we leave it to them to determine its application.

Mr. DARLING : Leave out the reciprocal duties.

Mr. WHITE : You do not adopt the reciprocal duties by carrying my amendment ; you simply agree to amend the resolution in that form ; but as to the adoption of the entire resolution as amended, that is another question.

Mr. DARLING : Exactly—exactly !

The amendment being put to the vote was carried, and incorporated in the resolution.

Mr. THOS. CRAMP (Montreal) : May I ask one question : that is a rider to the resolution. I see that the matter is so thoroughly discussed, that I will not take up your time except to point out this in relation to the matter of drawbacks. Are you aware, that if you pass a resolution of that kind with reference to drawbacks, you go a long way beyond putting the same duties on here as are put on in the United States ? The drawback will include an additional duty equal to the drawback granted by the United States, which is said by some to exceed, and which is intended by them to be only equal, to the actual duty put on by themselves. In other words, take the article of sugar, which is probably intended ; the present value of white sugar—the ordinary white sugar imported into this country—is six cents per pound ; and this resolution will run it up to  $12\frac{1}{4}$  cents per pound—and that is over one hundred per cent. on the article, the commonest in consumption—an article used by every family in this country.

Mr. JOSEPH (Quebec) : I understood that Mr. White's motion was an entirely new one, and not an amendment ; and that it was carried unanimously.

VOICE—No ! No !

Mr. WHITE : I distinctly stated that its effect would be simply

to alter the motion in the hands of the Chair, which motion would have to be put again.

The original resolution as amended was then read, as follows :

*Resolved* :—“That the depressed condition of the manufacturing industries of the Dominion calls imperatively for such legislation as will afford protection to the capital already invested in manufactures, encourage further investment, and afford employment to the people in the workshops of Canada.

“That, while recognizing that the depression referred to may be due to some extent to over production, it is, in the opinion of this Board, mainly owing to the competition of American manufacturers, who make of Canada a slaughter market for their surplus productions.

“That there is no reasonable ground for anticipating that this system of unfair and unequal competition will, without Canadian legislation to meet it, be lessened in the future; but on the contrary, this Board is of opinion that the gradual recovery among the people of the United States from the effects of the civil war, promises to increase it in intensity in the future.

“That in the opinion of this Board the true and patriotic policy for the Canadian Government would be to adopt a thoroughly national commercial policy, and with that view that in any re-adjustment of the tariff, reciprocal duties with the United States, on such articles as enter most severely into competition with Canadian industries, be adopted.

“That the system of foreign nations granting bounties, or drawbacks equivalent to bounties, on the exportation of manufactured articles to this Dominion, may seriously injure the manufactures of this country, and that this Board urges upon the Government the advisability of passing an Act of Parliament, whereby the Governor-General in Council, when satisfied that such a bounty or drawback has been granted, may have the power to add additional duty to such articles equal to such bounty or drawback.

“That the Executive Council be requested to memorialize Parliament in the sense of these resolutions.”

On being put to the vote, it was carried by the following division :—

*Ayes*.—Messrs. Archer, Brown, Clemow, Clements, Desjardins, Elliott, Farrell, Grant, Lukes, Marshall (Walter), Mingaye, Neilson, Ogilvie, Perley, Robertson, Stewart, Spratt, Savigney, Staunton, Tibbetts, Thompson, Wylde, White.—23.

*Nays*.—Messrs. Cramp, Darling, Dobell, Dinning, Everitt, Fairweather, Harding, Joseph, Lord, Pennock, Skead, Thomson, Walker, Watson.—14.

It being now six o'clock, the Board was, on motion, adjourned until ten o'clock to-morrow morning.



## FOURTH DAY'S PROCEEDINGS.

## FORENOON SESSION.

FRIDAY, *January 21, 1876.*

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

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

Hon. JOHN YOUNG asked to have his name recorded among the *nays* in the division on the Tariff question. He was unavoidably absent when the vote was taken.

Mr. W. H. HOWLAND (Toronto), and Mr. ROBERT MARSHALL (King's County, N. B.), asked to have their votes recorded among the *yeas* in the same division.

Hon. Mr. SKEAD, protested against such an irregularity.

The PRESIDENT said the names could not be recorded, unless the Board allowed it.

The SECRETARY read the following letter, from Dr. J. C. Taché, of the Department of Agriculture and Statistics:—

OTTAWA, *20th January, 1876.*

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

SIR:

I have to acknowledge, with thanks, the receipt of a copy of the Report of the Executive Council of the Dominion Board of Trade for the year 1875, which you have been good enough to forward to me.

I have no wish to intrude, nor to impose myself on your attention; but finding in this Report from such an important body as the executive of the Dominion Board of Trade, a quotation seemingly with endorsement of the statement contained in the "Trade Report," I feel bound to add to the refutation contained in my letter of the 18th instalt, the rebuttal of two assertions made in complete misapprehension of plain and simple facts.

It is stated, in the way of argument, against the Census of 1870-71, that:—

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1st. "The area under cultivation has largely increased during the decade."

2nd. "The yield of 1871, was the largest for many years."

*Answer.*—1st. The area under cultivation, in 1870, was largely greater than that of 1860; but the area sown in wheat was smaller in 1870.

2nd. The yield of 1871, whatever it was, has nothing to do with the last Census, in which the crops of 1870 only are returned, having been regularly ascertained in the month of April, 1871. The year 1870 had an inferior crop of wheat, as proved by every return or document worth quoting.

Allow me, Sir, to express the hope that your Board will see, that in strict justice in the interests of the country, and in respect of exactitude, such statements of a nature to mislead, ought not to stand on its records without correction.

I have the honour to be,

Sir,

Your obedient servant,

J. C. TACHÉ.

The PRESIDENT: The matter which Dr. Taché brings forward, is simply referred to in the Report of the Executive Council, in the following words:—"The question might have been given notice of " in the usual way in the Official Programme; but it is one rather " for careful *enquiry*, than for oral *discussion*."

On motion, the letter was referred to the Executive Council.

#### UNIFORM POLICIES OF INSURANCE.

Mr. ROBERT MARSHALL (Kings Co., N.B.), presented a report from the Special Committee appointed by the Executive Council, as follows:—

Your Committee have to report: That at the last Session of Parliament, provisions have been provided, similarly to a suggestion, made by this Committee, in its original report at the fifth annual meeting, for the appointment of a "*Superintendent of Insurance*," under "*An Act to Amend and Consolidate the several Acts respecting Insurance*, 38 Vic. Chap. 20," the 23rd Section of which reads as follows:—

"For the efficient administration of the insurance business in the Dominion of Canada, and to enforce strictly the provisions of this Act, with the necessary details resulting therefrom, the Governor in Council may appoint an officer, to be called "the Superintendent of Insurance, acting under the instructions of the Minister of Finance, whose duty it shall be to examine and report to the said Minister of Finance, from time to time, upon all matters connected with Insurance, as carried "on by the several companies licensed to do business in Canada, or required by this "Act to make returns of their affairs."

This Act was assented to on the 8th April, 1875, and already a properly qualified officer has been appointed.

That your Committee have received the following "Conditions of Insurance," which have been recently adopted by a large number of the leading fire insurance companies of Great Britain, viz:—

1.—Any material mis-description of any of the Property proposed to be hereby Insured, or of any Building in which Property to be so Insured is contained, and any mis-statement of or omission to state any fact material to be known for estimating the risk, renders the Policy void as to the Property affected by such mis-description, mis-statement, or omission respectively.

2.—If, after the risk has been undertaken by the Company, anything whereby the risk is increased, be done to Property hereby Insured, or to, upon, or in any Building in which Property hereby Insured is contained, or, if any Property hereby Insured be removed from the Building or place in which it is herein described as being contained, without, in each and every of such cases, the assent or sanction of the Company, signified by endorsement hereon, the Insurance as to the Property affected thereby ceases to attach.

3.—The Policy does not cover Property held in Trust, or on Commission, unless expressly described as such; nor China, Glass, Looking Glasses, Jewels, Clocks, Watches, Trinkets, Medals, Curiosities Manuscripts, Prints, Paintings, Drawings and Sculptures; Musical, Mathematical and Philosophical Instruments; Patterns, Models, and Moulds, unless specially mentioned in the Policy; nor Deeds, Bonds, Bills of Exchange, Promissory Notes, Money, Securities for Money, Stamps, and Books of Account; nor Gunpowder; nor Loss or Damage by Fire occasioned by or happening through any Invasion, Foreign Enemy, Insurrection, Civil Commotion, Riot, or any Military or Usurped Power whatsoever, or by any person or persons engaged or concerned in notorious resistance to the Authority of Magistrates, or to any other lawful Authority, or by or through the Spontaneous Fermentation or Heating of the subject Insured; nor Loss or Damage caused directly by Explosion, except Loss or Damage to a Building, or Property contained therein, caused by Explosion of Gas in such Building.

4.—The Policy ceases to be in force as to any Property hereby Insured, which shall pass from the Insured to any other person otherwise than by Will or operation of Law, unless notice thereof be given to the Company, and the subsistence of the Insurance in favour of such other person be declared by a memorandum indorsed hereon by or on behalf of the Company.

5.—On the happening of any Loss or Damage by Fire to any of the Property hereby Insured, the Insured is, forthwith, to give notice in writing thereof to the Company, and, within fifteen days at latest, to deliver to the Company as particular an account as reasonably practicable of such Loss or Damage, and of the estimated amount thereof, having regard to the value at the time of the Fire of the Property Damaged or Destroyed, and of the several Articles or matters to which the Loss or Damage applies, and in support thereof to give all such vouchers, proofs, and explanations, as may be reasonably required, together with, if required, a statutory declaration of the truth of the account, and in default thereof, no claim in respect of such Loss or Damage shall be payable, until such notice, account, proofs, and explanations respectively, are given and produced, and such statutory declaration, if required, is made.

6.—If the claim be in any respect fraudulent, or any false statutory declaration be made in support thereof, or the Fire was occasioned by or through the procurement or connivance of the Insured, all benefit under this Policy is forfeited.

7.—The Company may, if they think fit, re-instate, or replace, the Property Damaged or Destroyed, instead of paying the amount of the Loss or Damage, and may join with any other Company or Insurers in so doing, in cases where the Property is also Insured elsewhere.

8.—On the happening of any Damage by Fire to any Building, or Property or Effects within a Building, in respect of which a claim is or may be made under this Policy, the Company may, without being deemed wrong-doers, by their authorised Officer and Servants, enter into, and for a reasonable time remain in possession of such Building, Property, or Effects, for all reasonable purposes relating to or in connection with the Insurance hereby effected, and this Policy shall be evidence of leave and license for that purpose.

9.—If, at the time of Loss or Damage happening to any property insured by this Policy, there be any other Insurance or Insurances, whether effected by the Insured or by any other person, covering the same Property, this Company shall not be liable to pay or contribute in respect of such Loss or Damage more than such proportion as its liability, separately ascertained, shall bear to the aggregate liability upon all the Insurances covering such Property, separately ascertained in like manner, according to their respective Terms and Conditions, irrespective in each case of this or any similar Condition as to contribution.

10.—In all cases where any other subsisting Insurance or Insurances, whether effected by the Insured or by any other person, on any Property hereby insured either exclusively or together with any other property, in and subject to the same risk only shall be subject to average; the insurance on such property under this Policy shall be subject to average in like manner; and in ascertaining the separate liability of this Company, as provided in the last preceding Condition, this Condition as to average shall be taken into account.

11.—If any difference shall, at any time, arise between the Company and the Insured or any Claimant under this Policy, as to the amount of any Loss or Damage by fire, or as to the fulfilment or non-fulfilment of any of the Conditions herein set forth, or as to any question, matter, or thing concerning or arising out of this Insurance, every such difference, as and when the same arises, shall be referred to the arbitration and decision of two indifferent persons, one to be chosen by the party claiming, and the other by the Company; or in case of disagreement between them, then of an Umpire to be chosen by the Arbitrators before entering on the reference, and the costs of the reference shall be in the discretion of the Arbitrators or Umpire, as the case may be, who shall award by whom and in what manner the same shall be paid; and the decision of the Arbitrators or Umpire, as the case may be, shall be final and binding on all parties, and this Condition shall be deemed and taken to be an Agreement to refer as aforesaid.

12.—In all cases where the Policy is void, or has ceased to be in force under any of the foregoing Conditions, all moneys paid to the Company in respect thereof will be forfeited.

\* \* \* All reasonable Expenses attending the removal of Goods insured in this Office, out of any House or Premises on Fire, or out of any House or Premises adjoining or contiguous to any Building on Fire, will be paid, provided the danger shall appear to have warranted their removal.

When Insurances are made in one undivided sum on two or more detached buildings, or on two or more buildings separated or partly separated from each other by party walls, and not communicating internally, or on any building or buildings, and also on any goods, wares, merchandise, and other property lying or being in two or more buildings or other places, separate and apart, or on any other separate and distinct subjects or parcels, having no mutual communication, and occasioning a plurality of risks, such Insurances must be subject to the following

CONDITIONS OF AVERAGE.

1.—It is hereby declared and agreed, that whenever a sum insured is declared to be subject to the Conditions of Average, if the property so covered shall, at the breaking out of any Fire, be collectively of greater value than the sum insured thereon, then this Company shall pay or make good such a proportion

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only of the loss or damage as the sum so insured shall bear to the whole value of the said property at the time when such Fire shall first happen.

2.—But it is at the same time declared and agreed, that if any property included in such Average shall, at the breaking out of any Fire, be insured by any other Policy which, whether subject to Average or not, shall apply to part only of the buildings or places, or of the property to which such Average extends, then this Policy shall not cover the same, excepting only as regards any excess of value beyond the amount of such more specific insurance, which said excess is deemed to be under the protection of this Policy, and subject to average as aforesaid.

3.—And it is further declared and agreed, that if the Assured shall claim under this Policy for Loss or Damage to Property embraced in the terms of any Average Policy extending as well to any other Buildings or Places, or to other property not included in the terms of this Insurance, and if at the breaking out of any Fire there shall not be any Property in such other Buildings or Places, or any such other Property actually at risk to be protected by such Policy, then so far as regards the settlement of any Claim under this Policy, the terms and liability thereof shall be held to be concurrent, in all respects, with those of such other Policy.

N.B.—A BRICK-BUILT HOUSE is understood to be when the Front and Back Walls are built with Brick, and a perfect Party-Wall on each side. A BRICK and TIMBER-BUILT HOUSE is when the external Walls are partly constructed of Brick, and partly of Wood or Lath and Plaster, or not having Party-Walls.

*Specification required on Insuring Dwelling Houses and Offices, Household Furniture, &c., and Utensils in Trade.*

On Dwelling House and Offices adjoining to and communicating therewith .. ..	..
Household Goods, Linen, Wearing Apparel, Printed Books, Plate, Wine and Liquors ..	..
China, Glass and Earthenware, including Looking Glasses .. .. .	..
Watches, Jewels, Trinkets, Medals and other curiosities .. .. .	..
Pictures, Prints and Drawings .. .. .	..
<i>A descriptive Catalogue and Valuation are required for all Pictures, Prints or Drawings, valued at above £10 each.</i>	
Musical Instruments .. .. .	..
Stock and Utensils in Trade .. .. .	..
Fixtures in Trade and Fittings up (exclusive of Plate Glass and Plate Glass Fronts)..	..
Plate Glass and Plate Glass Fronts .. .. .	..
Goods in Trust or on Commission .. .. .	..
Horses, Harness, Carriages, Stable Utensils, and Fodder in .. .. .	..

N.B.—Goods held in trust, or on commission, must be insured as such, otherwise the Policy will not extend to cover them.

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That the Government of Ontario have recently, under authority of 38 Victoria, Cap. 65, appointed a Commission, composed of Judges of that Province, to draw up conditions for Fire Insurance Policies; which conditions were to be submitted to the Legislative Assembly of the Province for confirmation. The following is the result of the labours of that able Committee:—

I. If any person or persons shall insure his, her or their buildings or goods, and shall cause the same to be described otherwise than as they really are, to the prejudice of the Company, or shall misrepresent or omit to communicate any circumstance which is material to be made known to the Company, in order to enable them to judge of the risk they undertake, such insurance shall be of no force in respect to the property in regard to which the misrepresentation or omission is made.

II. After application for insurance, it shall be deemed that any Policy sent to the assured is intended to be in accordance with the terms of the application, unless the Company shall, in writing, point out the particulars wherein the Policy differs from the application.

III. Any change material to the risk, and within the control or knowledge of the assured, shall avoid the Policy as to the part affected thereby, unless the change be promptly notified, in writing, to the Company or its local agent; and the Company, when so notified, may return the premium for the unexpired period and cancel the Policy; or may demand, in writing an additional premium; which the insured shall, if he desire the continuance of the Policy, forthwith pay to the Company; and if he neglect to make such payment forthwith, after receiving such demand, the Policy shall be no longer in force.

IV. If the property insured is assigned without a written permission endorsed



hereon by an agent of the Company duly authorized for such purpose, the Policy shall thereby become void ; but this condition does not apply to change of title by succession, or by the operation of law, or by reason of death.

V. Where property insured is only partially damaged, no abandonment of the same will be allowed unless by consent of the Company or its agent ; and in case of the removal of property to escape conflagration, the Company will rateably contribute to the loss and expenses attending such act of salvage.

VI. Money, books of account, securities for money, and evidences of death or title are not insured.

VII. Plate, plated ware, jewellery, medals, paintings, sculptures, curiosities, scientific and musical instruments, bullion, works of art, articles of vertu, frescoes, clocks, watches, trinkets, plate glass, and mirrors, are not insured unless mentioned in the Policy.

VIII. The Company is not liable for loss, if there is any prior insurance in any other Company, unless the Company's assent thereto appears herein or is endorsed hereon ; nor if any subsequent insurance is effected in any other Company, unless and until the Company assent thereto, by writing, signed by a duly authorized agent.

IX. In the event of any other insurance on the property herein described, having been assented to as aforesaid, then this Company shall, if such other insurance 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 without reference to the dates of the different Policies.

X. The Company is not liable for the losses following, that is to say :—

(a.) The Company is not liable for loss of property owned by any other party than the assured, unless the interest of the assured is stated in or upon the Policy ;

(b.) The Company is not liable for loss caused by invasion, insurrection, riot, civil commotion, military or usurped power ;

(c.) The Company will make good loss caused by the explosion of coal gas in a building, not forming part of gas works, and loss by fire caused by any other explosion or by lightning.

(d.) Where the insurance is upon buildings the company is not liable for loss caused by the want of good and substantial brick or stone chimneys ; or by ashes or embers being deposited, with the knowledge and consent of the insured, in wooden vessels ; or by stoves or stove-pipes being to the knowledge of the assured, in unsafe condition or improperly secured :

(e.) The Company is not liable for loss or damage to goods destroyed or damaged while undergoing any process in or by which the application of fire heat is necessary ;

(f.) The Company is not liable for loss or damage occurring to buildings or their contents, while the buildings are being repaired by carpenters, joiners, plasterers or other workmen, and in consequence thereof ; unless permission to execute such repairs had been previously granted in writing, signed by a duly authorized agent of the Company. But in dwelling houses fifteen days are allowed in each year for incidental repairs, without such permission ;

(g.) The Company is not liable for loss or damage occurring while petroleum, rock, earth or coal oil, camphine, burning fluid, benzine, naptha, or any liquid products thereof, or any of their constituent parts (refined coal oil for lighting purposes only, not exceeding five gallons in quantity, excepted), or more than 25 lbs. weight of gunpowder are stored or kept in the building insured, or containing the property insured ; unless permission is given in writing by the Company.

XI. Proof of loss must be made by the assured, although the loss be payable to a third party.

XII. Any person entitled to make a claim under this policy is to observe the following directions :

(1.) He is forthwith after loss to give notice in writing to the Company.

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(2.) He is to deliver, as soon afterwards as practicable, as particular an account of the loss as the nature of the case permits;

(3.) He is to furnish therewith a statutory declaration declaring, (a) that the said account is just and true; (b) when and how the fire originated, so far as the declarant knows or believes; (c) that the fire was not caused through his wilful act or neglect, procurement, means or contrivance; and (d) the amount of other insurances;

(4.) He is in support of his claim, if required and if practicable, to produce books of account, and furnish invoices and other vouchers; to furnish copies of the written portion of all policies; and to exhibit for examination all that remains of the property which was covered by the Policy;

(5.) He is to produce, if required, a certificate under the hand of a magistrate, notary public, or clergyman, residing in the vicinity in which the fire happened, and not concerned in the loss or related to the assured or sufferers, stating that he has examined the circumstances attending the fire, loss or damage alleged, that he is acquainted with the character and circumstances of the assured or claimant, and that he verily believes that the insured has by misfortune and without fraud or evil practice sustained loss and damage on the subject assured, to the amount certified.

XIII. The above proofs of loss may be made by the agent of the assured, in case of the absence or inability of the assured himself to make the same, such absence or inability being satisfactorily accounted for.

XIV. All fraud or false swearing in relation to any of the above particulars shall vitiate the claim.

XV. If any difference shall arise as to the value of the property insured, of the property saved, or amount of the loss, such value and amount, and the proportion thereof (if any) to be paid by the Company shall, whether the right to recover on the Policy be disputed or not, and independently of all other questions, be submitted to the arbitration of some person to be chosen by both parties, or if they cannot agree on one person, then to two persons, one to be chosen by the party insured and the other by the Company, and a third to be appointed by the persons so chosen, and such reference shall be subject to the provisions of the Common Law Procedure Act, and the award shall, if the Company in other respects be liable, be conclusive as to the amount of the loss and proportion to be paid by the Company.

XVI. The loss shall not be payable until thirty days after completion of the proofs of loss, unless otherwise provided by statute or the agreement of the parties.

XVII. The Company, instead of making payment, may repair, rebuild or replace, within a reasonable time, the property damaged or lost, giving notice of their intention within fifteen days after receipt of the proofs herein required.

XVIII. The insurance may be terminated by the Company at any time, by giving ten days' notice to that effect, and by repaying a rateable proportion of the premium for the unexpired term, and the Policy shall cease after the expiration of ten days from the receipt of such notice and repayment.

XIX. No condition of the Policy, either in whole or in part, shall be deemed to have been waived by the Company, unless the waiver is clearly expressed in writing, signed by an Agent of the Company.

XX. Any Officer or Agent of the Company, who assumes on behalf of the Company to enter into any written agreement relating to any matter connected with the insurance, shall be deemed *prima facie* to be the Agent of the Company for the purpose.

XXI. 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.

*The above are the conditions settled and approved of by the undersigned, under the authority of 38 Vic. Cap. 65.*

J. G. SPRAGGE, C. }  
J. H. HAGARTY, C.J. } Commissioners under  
C. S. PATTERSON, J. } section 2 of above  
Act.

Dated 14th January, 1876.

These conditions are at present under consideration in the Legislature now in Session at Toronto, and have passed a second reading, and will doubtless be fully confirmed.

That your Committee have as carefully as possible, during the *interim*, attended to the important duty assigned to it; and have had frequent consultations with the representatives of Insurance Corporations, as well British and Foreign as of Home Companies. While some progress has been made, your Committee would respectfully request that further time be given to it, and that the same Committee be continued, with instructions to make a final report, at the Seventh Annual Meeting of this Dominion Board.

Respectfully submitted on behalf of Committee.

(Signed,)

WM. J. PATTERSON,  
*Convener.*

ROBERT MARSHALL,  
WM. DARLING.

Mr. MARSHALL continued: That the Board may thoroughly understand the position of this matter, I wish briefly to state, that when this Committee was appointed, it was felt that some means should be arrived at, whereby a merchant or any person residing in Canada, might feel assured that when he received a policy, no matter how great a disaster might occur by fire, his indemnity was secure if he suffered loss. We suggested the appointment of an inspector by the Government, and a very able man was appointed as Superintendent. Most voluminous reports are being prepared, so that people may know whether a company offering an indemnity is able to give it. That part of our labors has been accomplished. In reference to conditions of insurance, chancing to be in New York last summer, I met one of the ablest of the London agents. He entirely endorsed our view that we should have uniform policies of insurance, and wrote to London at once on the subject. The people of Ontario have legislated in regard to some general matters which, perhaps, in New Brunswick, we would think belong to the general Parliament; but in a large Province the matter is entirely different. Last winter the Ontario Legislature appointed a Committee of Judges to submit conditions. They have performed their work admirably and have submitted conditions which will doubtless become law in Ontario. I believe these conditions are to be non-compulsory, but they are so reasonable that any insurance Company doing business in Canada will adopt them. In our first report we submitted a draft uniform policy; we now submit conditions, and we hope to be in a position at the next meeting of this Board, to submit a well-considered, wise and comprehensive uniform fire policy, such a one as we think the good sense of Underwriters doing business in Canada will adopt; and I imagine the Dominion Board of Trade, will be requested to recommend the Government to enact a measure, and send it to all insurance

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companies requesting them to adopt it. I feel that our labours will then be ended. I therefore move, seconded by Mr. WM. DARLING (Montreal):

"That the Report be received, and that the Committee be hereby requested to continue its labors, making a final report at the next Annual Meeting of this Board."

Motion carried.

#### RECIPROCAL TRADE RELATIONS.

Mr. JOHN WALKER (London): I think it is quite unnecessary for me to take up your time with a lengthened argument, which would lead to a tedious discussion on the question of reciprocal trade with the United States. That matter has been fully considered at previous meetings of this Board. We have been furnished with facts and statistics, and have had the pleasure of hearing the subject discussed at the meetings of the National Board of Trade of the United States at Chicago, St. Louis, New York, and other places, where our delegates attended, and were received with that courtesy which they always meet when they visit our neighbors. We have affirmed and re-affirmed this resolution which I am about to submit, at our various meetings; and I think it is well we should continue to affirm it at every meeting of this Dominion Board of Trade until it is an accomplished fact. I am glad to think that the signs of the times are such, that we have a fair hope that within a reasonable time the object of this resolution will be attained. I think it is a fact known to many of you, that some of the most prominent opponents of a liberal, comprehensive, and fair treaty of reciprocity in trade with Canada have now changed their opinion; and it is quite probable that we will have a treaty ere long that will be beneficial to both countries. I have added to my resolution a hope that our Government will not take the initiatory steps to obtain this Reciprocity Treaty. I think it would not be right or proper for them to do so. It belongs to the United States Government to take the initiatory proceedings. They abrogated the old treaty, and it is only fair and just that they should make the next proposal to renew it. We are anxious to deal fairly and liberally with our neighbours, on condition that they meet us in a similar spirit. I move, seconded by Hon. JOHN YOUNG:

"That this Board is of opinion that it is very desirable that a Treaty of Reciprocity in trade with the United States, on a comprehensive, liberal and fair basis, should be obtained; and is also of opinion, that the initiatory steps thereto ought to come from the Government of the United States, seeing that it was by their action that the old Treaty was abrogated."

Motion carried.



## RECIPROCAL USE OF CANALS.

Mr. W. M. PENNOCK (Ottawa) moved, seconded by Mr. FRANCIS CLEMENTS (St. Johns, Q.):

"That the Dominion Government be urged to take such action as may result in securing the right of Canadian Vessels to navigate American Canals."

Mr. CLEMENTS: This is a very delicate question. Our neighbours have failed to comply with their engagement to give us reciprocal rights in their canals. I regret that due protection is not being given to our shipping interests by our legislation. I have here a petition from Captain Jones, who is a shareholder in the Ottawa and Rideau Forwarding Co. Being deeply interested in the coal business, and the transportation of lumber from Ottawa to the United States, he has investigated the matter very closely, and enquired if there was any law in the United States, preventing our vessels from going through their canals. He found that there never was anything of the kind; and this point being established, the Ottawa and Rideau Forwarding Company despatched several barges laden with lumber from Ottawa to New York. At the first port of entry—Rouses Point—they made their entry, paid their duties, and proceeded to New York. On their return, finding it would pay, they loaded with coal and came back to Canada. This time there was notice given at Plattsburg that foreign vessels were not allowed to go through the United States, and Captain Jones having written to the collector at Plattsburg to ascertain if such was the case, received for reply that he had asked advice from the Secretary of the Treasury at Washington, and received the following answer:—

TREASURY DEPARTMENT,  
WASHINGTON, D. C., June 16, 1875.

JACOB PARMINSTER,  
Collector, Plattsburgh, N. Y.

SIR,

I have received your letter of the 4th inst., transmitting a letter from the Secretary of the Ottawa and Rideau Forwarding Company, stating that he had forwarded a number of his British barges from Ottawa to New York via Lake Champlain, Champlain Canal, and the Hudson River, and that he intended continuing that trade, if it be not illegal.

I will thank you to inform the gentleman that the laws, as construed by this Department, prohibit the trade in question, so far as British vessels are concerned. The fact that the vessels mentioned as having gone to New York were British, was overlooked at that port, and they were treated as American. Section 2,771 of the Revised Statutes, requires that the vessels in question shall unload at your port.

(Signed)

B. H. BRISTOW,

Secretary.

It is clear that it is by order of the United States Government that our vessels are stopped, and in that case the remedy can easily be applied. The State Legislatures have enacted no laws to

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prevent our vessels going through their canals. Mr. Dunscombe, in 1850, was Deputy Collector of Customs, and spent three months in Washington. The following Act was then passed :—

Chap. LXIX.—“An Act to authorize the Secretary of the Treasury to permit vessels from the British North American Provinces to load or unload at such places in any collection district of the United States as he may designate.”

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled: “That the Secretary of the Treasury, with the approbation of the President of the United States, provided the latter shall be satisfied that similar privileges are extended to vessels of the United States in the Colonies hereinafter mentioned, is hereby authorized under such regulations as he may prescribe, to protect the revenue from fraud, to permit vessels laden with the products of Canada, New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island, or either of them, to unload or load at any port or place within any collection district of the United States which he may designate; and if any such vessel entering a port or place so designated, to load or unload, shall neglect or refuse to comply with the regulations so prescribed by the Secretary of the Treasury, such vessel, and the owner or owners and master thereof, shall be subject to the same penalties as if no authority under this Act had been granted to load or unload in such port or place.”

Approved, *Sept. 26th*, 1850.

The foregoing has been a dead letter ever since it was passed. American vessels have been allowed to go through our canals, but Canadian craft have never been permitted to go through theirs. It has also been stated by some of the members present, that we were bound by the Washington Treaty, for a few years more, to allow their vessels to pass through our canals; but Articles 26 and 27 of the Treaty do not give this privilege. We have allowed American vessels to navigate the Richelieu and Ottawa Rivers without their being mentioned in the Treaty, and I think they should grant us similar privileges on their side. In fact, the favours extended to United States vessels coming into Canada, are of the most liberal and comprehensive character. On arrival at the first port of entry, they and their cargoes are duly reported, and, if required, cleared to any port in the Dominion without bonds or security being given to the Government, that they will proceed to the port of destination without breaking bulk, except the declaration of the master, which is attached in his manifest in the United States. On the contrary, if the entry is not made, and duty paid at the first port, bonds have to be given to the Collector of that port, that the goods will be delivered, or duty paid to the Collector of the port of destination, or go forward in charge of a Revenue Inspector. Again, if the entry is made and duty paid at the first port, they go forward from place to place disposing of the cargo as traders, after which they take in cargo at one or a hundred different places, and when ready to leave the country a clearance out is given them, covering the cargo taken in as above stated. In brief, American vessels are permitted to navigate any or all of these canals on terms of equality with the inhabitants of the Dominion, and any and all of the rivers, without restriction, except

coasting. I have a statement here which I would like to read, obtained from the Collector of the port where I reside:—

Mem: of number of Vessels arriving at the Port of St. Johns, (Q.), Inwards and Outwards from and to the United States during the undermentioned years, *not inclusive* of Vessels Inwards from the United States *with cargoes for Montreal* or other Ports, or of Vessels Outwards for the United States, cleared the Customs at other Ports in Canada. In 1868, the number of Vessels was, 4,657; in 1869, 5,387; in 1870, 4,709; in 1871, 4,261; in 1872, 4,389; in 1873, 3,012; in 1874, 2,434; in 1875, 1,423.

The average tons burthen of the above would be 86.

The great decrease in the number of vessels from 1872 to 1875, as shown above, is not to be attributed to the same decrease in the number of vessels passing the port, but to the fact that vessels, no matter where laden in Canada, used always to clear at this port, and entered accordingly in the Customs' books; whereas, during the last three years, it has become the practice to clear at the port where the cargo is taken in. The marked decrease in the last year is owing to the small carrying trade in lumber.

Gross tons of coal imported from the United States, *via* the Port of St. Johns, during the season of 1875,—114,291.

Number of vessels to be added to above, passing through the Port of Montreal, &c., with cargoes, during 1875,—1,137.

It is sometimes very hard to get American vessels to report, because it has been the rule of late years to give a clearance to vessels where they are unloading, and before they go out they have got to report at the last port of entry. Very few of them will comply with that regulation. I think we have been ill-treated in this matter, and we should take steps to protect our navigation.

Mr. J. D. HAYES (Detroit), said that in the United States they have private rights, corporate rights and State rights, and upon these rights the Federal Government have no power to trespass. The very facts mentioned by Mr. Clements were an illustration. American vessels passed down to New York with Canadian lumber, unloaded there, and in coming back they loaded at Rondout with coal. No better illustration could be given of a trespass on private rights if Canadian vessels were allowed to do this. This is a private right over which the United States Government have no control whatever. The Delaware, Lackawanna and Hudson Company own the boats, the canal and the coal; therefore, when Canadians want to take their boats through the Company's canal to New York and unload, they simply trespass on the business and rights of a private corporation. If this Company are unwilling to allow Canadian vessels to pass through, the United States had to protect their rights by compelling them to discharge at the first port of entry. He did not see why Canadians in return should not compel any vessels of the United States, or any vessels of the Delaware, Lackawanna and Hudson Company to discharge their boats at the first port of entry in Canada. He thought it was only just and right that Canadians should not allow the D., L. & H. Co. privileges that they would not grant themselves. He did not see why a fair reciprocal arrangement could not be made between the two companies,

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(the Ottawa and Rideau, and the D. L. & H. Company) for the navigation of the Champlain canals. If it were laid before the Treasury Department at Washington, he was sure the whole matter could be settled in an hour, for an interchange of trade. With regard to the canals of the State of New York, the United States Government had nothing to do with them. They were State property, and the individual States claim that they have rights independently of the United States Government; therefore, when you trespass on a State right, you have to deal with that State, and the Central Government are bound to protect them in that right. It cannot be arranged by treaty stipulations, simply because the United States have not the power to stipulate to do away with private or State rights. When the private companies agree to an interchange of trade between themselves, I would undertake to say that it can be ratified at Washington summarily. With regard to cars passing through Canada without unloading, I had the honor to make the first arrangement of the kind myself with the Treasury Department at Washington. It was done in an hour, because the parties had settled the matter among themselves. This difficulty could be arranged with equal ease.

On motion of Mr. ADAM BROWN, speeches for the remainder of the Session were limited to ten minutes.

Mr. WM. PENNOCK (Ottawa), said Canadians believed that under the Treaty of Washington and the Act of 1850, they had certain rights guaranteed to them. At all events, the canals being State property, the Federal Government agreed to use its influence to secure the use of them to Canadians. Had we been excluded by the action of the State Government, after the Federal Government had exercised its influence as promised, we would have had less reason to complain; but our exclusion is owing solely to the regulations made by the Federal Government itself. When this matter was brought to the notice of our Government, they complained of the injustice done to Canadian vessels. They were met with a denial, and asked to produce a specific case. Such a case was prepared and submitted. The receipt of it has been acknowledged, but no action has yet been taken. If justice should not be done us, we have the right to exclude the Americans from the privileges we granted them at the request of the Imperial Government. The necessity of unloading at the first port of entry is a practical exclusion of our vessels.

The motion was put and carried.



## FINANCES OF THE BOARD.

Mr. WM. PENNOCK here presented the Report of the Committee on Finance, as follows:—

The income for the past year was \$1,848, of which \$1,813 was for contributions of local Boards, being the *per capita* tax of 75 cents each for 2,418 members, and \$35 for sundry rebates and sale of copies of the Annual Report. The expenditure of the same period was \$1,798.19, leaving a balance on hand of \$73.19. Outstanding accounts amount to about \$230, showing the income for the year to be \$157 less than the expenses.

A sum of \$244.50 has been lost to the Board from the failure of certain local Boards to respond to the drafts made on them for their contributions. Should any such failure occur during the ensuing year, it will prove very embarrassing, a smaller membership in *actual attendance* at this meeting having been reported, viz., 2,040. The estimated receipts and expenditures for the year are as follows:—

INCOME.	
2,040 members, at 75c .....	\$1,530 00
EXPENDITURES.	
Secretary's Salary .....	\$750 00
Printing Annual Reports, &c.....	700 00
Incidental, Postages, Express charges, &c.....	100 00
Deficit on year 1875.....	157 00
	1,707 00

The foregoing figures are based upon the Boards *represented at this meeting*; but it is proper to state, that Boards affiliated and not represented here, represent an amount equal to \$290 *per capita* assessment, which, if continued, it is hoped will cover the estimated expenses of the year, as the income would then be \$1,820.

The Special Fund subscribed to defray the deficit in the revenue up to close of 1874, amounting to \$513.06, was used to the extent of \$462.50, leaving \$50.56 on hand, which will appear to the credit of the revenue of 1876.

Your Committee have examined the several vouchers and accounts, and declare them correct.

All of which is very respectfully submitted.

WM. PENNOCK,  
*Chairman.*

## PREFERENTIAL RAILWAY FREIGHTS.

Mr. S. W. FARRELL (Toronto): Any resolution that I could frame here would scarcely meet what is wanted. There is no doubt that the Grand Trunk Railway, and other companies, grant preferential rates to foreign merchants. For instance, they carry grain from Chicago to the sea-board at a very small advance in rate upon what they charge Canadians for transporting the same kind of

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produce much shorter distances ; and we have found it very detrimental to our commerce in having to contend against this. I find, however, on looking into the matter, and speaking with some of the officials, that they are placed in such a position that they can scarcely avoid this practice. At Chicago, for example, they have the competition of other companies, and must name special rates in order to get that trade. But, while protecting their own interests, they are injuring ours. How are we to meet this ? I confess I cannot find out. Mr. Stevenson, the Freight Manager of the Grand Trunk Railway, says, with regard to the local traffic, when a "spurt" in grain comes and the prices rise, everybody wants cars. They have 1,500 cars at Chicago and Milwaukee, 1,000 cars in the east, and 1,000 more scattered over their lines, and it takes time to move them to any given point. Really, I cannot suggest any way in which a resolution can reach this case. I merely bring it before the Board to-day, in order that a discussion may take place on the subject. There are some gentlemen here who probably suffer from it, and who might explain their position.

Mr. WM. LUKES (Newmarket) : Considering the great injustice that is being done to our people, the Dominion Government should endeavour to provide a remedy.

Mr. THOS. WHITE, Jr. : I rise to a point of order ; there is no resolution before the chair.

Mr. FARRELL, then moved, seconded by Mr. LUKES :

"That, considering the injustice done to the majority of shippers of produce in Canada, a memorial be presented to the Government, asking them to take the subject of Preferential Railway Freights into their consideration."

Hon. JOHN YOUNG : I do not think the Government have anything to do with the Grand Trunk Railway Company.

Mr. LUKES : I am an individual sufferer by this injustice along with one thousand millers in Canada to-day. Representing such a large amount of capital, we want to be put on an equal footing with any other commercial enterprise, or with any country. We do not ask for any privilege or bonus ; but when we reflect that the system complained of is working so injuriously to the milling interest, we incline to ask the Government to take it into consideration. Whether there comes a demand from Europe for produce or not, certain people are in a position to enter into arrangements with the Grand Trunk to carry so much American merchandize to the exclusion of Canadian produce. If we had the facilities to meet such a demand, we would have no right to complain ; but there are individuals who can monopolize all the rolling stock of the Grand Trunk, and keep it until this demand is supplied. But all this time, Canadian millers and producers, unable to get cars,

have to stand still and see American competitors using a Canadian road, built by Canadian money, to cut out Canadian trade. I was glad to see the *Toronto Globe* come out on this question, and show that without doubt the influence of this road was being used to-day, as in the past, to the disadvantage of Canadians and in the interests of a foreign country. Now, this road owes the Canadian Government \$25,000,000, and our Parliament can say to them: "You are doing our commerce an injustice. If there is any preference to be given, it must be to our own people." Quebec has met with opposition from the Grand Trunk. When she wanted a railway on the North Shore, she found the Grand Trunk opposing her in England. We in Ontario think Quebec has a right to that road, and that the Government should assist in building it. I say, if the Government would bring their influence to bear on them, it could either prevent them from carrying freight to our disadvantage, or make them pay up, and then construct an opposition line. I hope we shall be heard, and our interests considered on this question.

Mr. JAMES LORD (Montreal): I quite sympathise with the gentleman who has just spoken. No doubt he has felt it a very great injustice; but I don't see how the Government could interfere and make the Grand Trunk offer special rates to Canadians. I would ask Mr. Lukes if he thinks the Grand Trunk would pay if it had to depend on Canadian freight alone? It would not pay for the grease on the wheels.

Mr. LUKES: The Grand Trunk earnings are from Canada. They say they carry American produce at a loss.

Mr. LORD: I have had occasion to speak to Mr. Stevenson on this point. Comparing their rates with those of the Great Western, he told me positively that the trade of Ontario would not sustain the Grand Trunk, and that they were obliged to go elsewhere to maintain themselves. I am sure if Mr. Lukes had an explanation from Mr. Stevenson, he would not be quite so hard on the preferential rates. I am opposed to the resolution, and hope it will be withdrawn. It would be a disgrace to us to send such a resolution from this Board.

Mr. WM. DARLING: I think there is something in the Railway Act, under which the railways must submit their rates to the Government.

Mr. THOMAS WHITE, Jr., (Montreal): No doubt that is a fact, but it is only to prevent the railways from charging excessive rates. The complaint is not that excessive rates are charged here, but that too low rates are given to American produce. Now that may or may not be the case; what I desire to point out is—that it is not a matter with which the Government have a right to interfere. If you lay down the doctrine that the

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Government can interfere with these freight rates, you come to the conclusion that the Government must take hold of the road altogether and be responsible to the Company. I don't think it can be shown they have charged excessive rates; and I think this Board would act unwisely if they asked the Government to interfere with a private company, unless we went further and asked them to take the road themselves. When this question is thoroughly considered, it will be found that this country has gained largely by that very traffic. Without it we would have only one train a day instead of two. It is the through traffic that enables us to have the enormous number of trains which run over the line and are so advantageous to local traffic. It must be admitted, that you cannot pretend to have a fixed rate of freight per mile over a railway. You can carry freight at a lower rate per mile for 1,000 miles than for 100, and cheaper in proportion for 100 miles than for ten. The Board will stultify itself if it passes this resolution.

Mr. W. W. OGILVIE (Montreal): This is a matter of private contract between the Company and the merchants. A good deal has been said about carrying American produce cheaper than Canadian; but I think the Company are willing to carry Canadian freight to the seaboard at as low rates as American lines would. It is principally American cars that carry the through freight, so that Canadian merchants are placed at no disadvantage in that respect. The Grand Trunk Company have a tariff, no doubt; but they are just as ready, if you offer such a quantity of freight as the western people do, to carry it at cheap rates to the seaboard. The complaint in New York has been, that the Grand Trunk and the Vermont Central carry too cheaply.

Mr. LUKES: The resolution is not understood. It has reference to preferential rates to private individuals in Canada as well as to Americans. I would scorn to allow myself to be benefitted as a private individual, by any underground railway. We are here for the public good, and not to sanction a monopoly in the interests of private individuals or foreign corporations. That monopoly is in existence in Toronto to-day. I want to be put on an equality with every other private individual, in dealing with this road.

Mr. WALTER MARSHALL (Stratford): I am certain this monopoly in freights exists. I know Mr. Ogilvie speaks very well in his own interest, because he gets the greater part of his freight from the American side. We do not, and we have to pay the local rate, which is very high. I know I can get freight taken from Chicago to the seaboard cheaper than I can from my own vicinity. It will always be so until the Government, if they have the power, shall interfere. The Grand Trunk is subsidized by the Canadian Government, and owes them, I believe, \$30,000,000. I don't see



why Toronto and other places, or private individuals, should be favored; there is no doubt that such preference is given to certain localities and persons. I know Mr. Ogilvie ships a good deal of freight from the same station that I do, but receives privileges from the Company that I do not.

Mr. ADAM BROWN (Hamilton) : Mr. Darling made the remark that he believes the rate of tolls of the railways of the country, according to law, must be submitted to the Governor in Council. I have always had the same impression, not only in relation to freight, but passenger fares. If that is the case, this is a matter that might fairly be submitted to the Government. There is no doubt that the statement made by Mr. Lukes is correct. The railways of Canada have neglected the development of their local interests, by giving a preference to the direct trade from the West to the sea-board. I am not prepared to go the length that Mr. Lukes does, in saying that when you apply for cars you cannot get them.

Mr. LUKES : That is a positive fact.

Mr. BROWN : I don't think it has been the case for a year or two, at any rate. If the law is, that the rates of freight and passenger fares must be submitted to the Governor in Council, it is perfectly proper for this resolution to go before the Chair.

Mr. W. C. WATSON (St. John, N. B.) : I come from a section of country where the Intercolonial Railway takes a large share of the trade, and it is an important matter to the community I represent that their interests should not be neglected. There has been great complaint there against preferential rates on Government railways since the management has been changed. I should think that resolution does not refer to the Grand Trunk alone.

The motion was put and carried.

#### ACCOUNTANTS IN BANKRUPTCY.

Mr. WM. DARLING (Montreal), moved :

"That the Executive of the Dominion Board of Trade again press upon the Government the necessity for the appointment of one Accountant in Insolvency for the Province of Ontario, one for the Province of Quebec, and one for the Maritime Provinces, to be paid salaries out of a fund to be obtained from an assessment on the proceeds of each Insolvent Estate."

He said : The Insolvent Act of 1864, as well as the Act of 1869, closely followed the terms of the Scotch Bankruptcy Act, except in making no provision for accountants in bankruptcy, while that is one of the chief provisions for carrying out the Act in Scotland. It is apparent to many merchants, that our new Act cannot be worked without a similar officer in Canada.

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The duties of the office in Scotland, are as follows :—

The Accountant should be a person versed in law and accounts, and hold no other office, nor be engaged in practice by himself or partner before any Law-Court, nor have any management of any Insolvent estate. He should concur in the sales of real estate when sold by private bargain, and in framing the terms and conditions of sale, regarding price and otherwise.

Keep an extract of the discharge of the Assignees to Insolvent estates, and enter it in his register of such estates.

Every Assignee should before his discharge transmit his minute book to the Accountant, who should direct the Assignee to deposit the unclaimed dividends in the bank, and the Accountant should keep a book called the Register of unclaimed dividends, in which there should be a list arranged alphabetically of all the creditors entitled to such unclaimed dividends and where deposited, and this register should be open to all persons, and the deposit receipts for the unclaimed dividends should be held by the Accountant, and a warrant issued by the judge for payment of any unclaimed dividend, which the Accountant should enter in the register.

The Accountant should keep a register of all insolvents, in which County the proceedings were instituted, the names of the Assignee and Inspector, the discharge of the Insolvent, whether by composition or otherwise, and the Assignee's discharge. Assignees to send the minutes of all meetings and resolutions to the Accountant.

The Accountant to take cognizance of the conduct of all Assignees in the Province, and to receive complaints against them, and to make enquiries on such complaints being made, and if not satisfied with the conduct of the Assignee, to report him to the judge of the County in which the proceedings are taken. The Accountant should frame an Annual Report, shewing the state of each estate returned to him by the Assignee.

The Accountant should have power on the application of one or more creditors, or of his own account to have the minute books of any estate brought before him as well as any vouchers or documents he may think necessary, and direct that a meeting of creditors be held to take any measures he may think necessary for the preservation or management of the estate, or more speedy realizing and division of the funds or winding up the estate.

The Accountant when requisite should report to the Judge the disobedience by any Assignee of any requisition or order made by him—or of the conduct of any Assignee as to the management of an insolvent estate, and provision should be made that the Court deal summarily with the matter reported.

If the Accountant possess information that would lead him on reasonable grounds to suspect fraudulent conduct on part of the Insolvent, or misconduct on the part of an Assignee or Inspector, he should be entitled to give information that criminal proceedings be instituted against them.

In addition to that, it will be found that a large amount of real estate goes into the hands of Assignees, and is held by them. The titles to that real estate will become complicated unless there be some depository for the documents, because reference must be possible at any future time in the event of disputes as to how titles were obtained, or whether all the proceedings in bankruptcy had been regular. There is no particular person just now appointed for the depository of any papers where the Assignee is not an Official Assignee.

Mr. WM. THOMSON (Toronto), seconded the resolution.

Mr. DARLING further explained that one-half per cent. upon

the amount realized by insolvent estates, would be far more than enough for the payment of the Accountants.

Mr. F. CLEMOW (Ottawa) : I believe the establishment of this office would be exceedingly beneficial, and give satisfaction to the creditors. I deem it in the interest of the community generally, and doubt not it would meet with general approbation. Unfortunately, creditors do not take a great interest in the winding up of estates, and I believe this official to be necessary.

The motion was put and carried.

#### THE PILOTAGE LAW.

Mr. R. R. DOBELL (Quebec) : I think it is unfortunate that we have again to bring before this Board the unsatisfactory condition of the Pilotage Act of Quebec. I regret that the gentleman who has so often taken up this matter is not present to-day ; but, for another reason, it may be as well that he is not. It was stated last session that Mr. Fry was the only gentleman who wished for an amendment to the Act. I am putting that statement right by saying I do not believe there is a merchant in Montreal or Quebec who does not wish for it. In the meeting of 1871, a long paper was read by Mr. Fry, which was very satisfactory to this Board, and the following resolution was carried :—

"Whereas, the safe navigation of the River St. Lawrence is of great importance to the commerce of the Dominion, and requires pilots of skill, energy and sound judgment ; and

"Whereas, the present system is based upon unsound principles and leads to serious evils ; therefore,

"Resolved—That the Dominion Government be respectfully asked to bring before Parliament a Bill, modifying the present law, so as to introduce the element of competition amongst the pilots ; providing also that the pilots shall be paid in proportion to the services they perform, and that shipowners, merchants and Underwriters shall have a voice in the administration of the system."

At the following meeting this Board again took up the question of pilotage, and came to this conclusion :—

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

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

The same resolution was passed, with some slight alteration, at two successive meetings of this Board. In 1873, the late Government promised they would take it up, and to that end the late

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Minister of Marine held conferences with the merchants of Quebec and Montreal, and agreed upon a basis. It was thought we had secured our object. Well, that session an infant was born; a bill was put through; but the child was a dead one,—not only dead, but, worse than that, it nearly killed the parent. Mr. Fry, in 1873, stated that we did not intend to interfere with the system of compulsory pilotage, but that we wanted certain ameliorations. We wanted competition, and vessels of a certain tonnage free, so as to encourage our trade with Newfoundland. It was considered that vessels of 300 tons could safely navigate the waters of the St. Lawrence. The Bill was introduced, but political expediency crept in, and the result was this dead child; for the Act was passed, leaving pilotage optional, and thus removing the safeguard that steamship owners and owners of ships had in navigating the St. Lawrence; but the payment of pilotage was held to be compulsory. The Government at once sanctioned vessels coming up without a pilot, but made them pay the dues! Worse than that, a new clause was introduced, that if the sum to be divided among the pilots, on the share-alike system, was less than \$600 per annum to each pilot, increased rates must be levied on the ships. Can you imagine anything more unjust to a body of merchants, than a measure like that? Mr. Mitchell's explanation was that he brought in his Bill, but had to see whether the Opposition would oppose it. He went to one member from Montreal, and said:—"Now, if I bring in this measure, which is satisfactory to the merchants, will you oppose it?" The Montreal member replied:—"Bring in your Bill, and take the responsibility." The honorable gentleman took fright, dropped the Bill he had drawn up, and brought in the measure which we have. One of the anomalies of the Act is, that a vessel can run from Quebec to Gaspé, covering the complete pilotage ground, without paying pilotage; but a vessel clearing for Prince Edward Island, Shediac, or Pictou, has to pay the dues. I move, seconded by Mr. WM. DARLING:—

"That this Board again deeply regrets that the Government have not complied with the wishes of the trade in amending the Pilotage Law, as indicated by the previous resolutions of this Board, and that a deputation from this Board do wait upon the Minister of Marine and Fisheries, and impress upon him the gross injustice of the present system, strenuously urging an immediate change in the law."

Mr. JAMES LORD (Montreal):—I fully coincide with all Mr. Dobell has said. I would suggest that a deputation wait on the Minister of Marine, and urge the necessity of removing compulsory pilotage from coasting vessels. All obstructions to our own vessels in the coasting trade should unquestionably be removed.

The motion was put and carried.



## THE STAMP ACT.

Mr. WM. THOMSON (Toronto), moved, seconded by Mr. WM. ELLIOTT (Toronto) :—

"That should any alteration or re-adjustment of the Tariff take place, this Board expresses the hope that the Government will take into their favorable consideration, the removal of the Note and Bill Stamp Act, which is fraught with much trouble and expense to the Banking interest and the mercantile community, and which, in the rural districts, causes much inconvenience."

Mr. THOMSON said: I do not intend to argue this question, because on repeated occasions this Board has had an opportunity to express its views upon it. I will only say that it is my wish, and I think it is the feeling generally of the mercantile community, that all such vexatious taxes should be done away with. It was brought into force, as most of us can remember, to meet the exigencies of the public chest. It was a temporary expedient; but so lucrative did it become, that when once established it was difficult to remove it. I think this resolution will appeal to the sense of every member present. It does not ask the Government to give us money, but should any re-arrangement of the tariff take place, to collect the amount derivable from that tax from some other source. Through its existence it has caused a great deal of litigation. A case came before our Courts recently where an insufficient number of stamps was attached to a Bill, and the plea of irresponsibility for the amount was set up. The judge ruled that the Bill was valid, and only required double stamping. That an issue of that sort should be raised on a sound commercial transaction is a hardship, and leads to a great deal of trouble to the mercantile community. It is a source of much difficulty to the banks. They are obliged to keep clerks to look after the stamps, and many instances of mistakes occur. I can speak, from my own knowledge as a merchant, when I say that frequently business operations have been delayed from not having stamps in the cash box at the time. It does not add validity to the paper, and in rural districts it is a great obstruction to business.

Mr. ELLIOTT: This resolution comes before the Board in a shape that all present should agree to. This impost is certainly very troublesome. The larger merchants in Montreal and Quebec do not feel it so much as small dealers in Ontario, who find it a bar to the settlement of accounts in the shape of promissory notes, simply because the maker of the note is required to pay the stamps. Every merchant knows it is a desirable thing to have accounts closed by notes, and anything that obstructs such a settlement is an interference with business that ought to be removed. It falls very heavily on the smaller merchants, who, for the sake of getting a settlement, say, "We will pay the stamps ourselves." When a tax falls on one class especially, it ought to be repealed. The plan sug-

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gested in the resolution will meet the case fully. Anyone can see the same amount can be raised much more easily by tariff.

Hon. JOHN YOUNG: I intend to vote against this resolution. The tax, of course, may be deemed vexatious; but it is, I think, a very legitimate one. It has been found in England a very legitimate source of revenue, and I would doubt very much the policy of this Board recommending the Government, especially in its present position, to take away what is really a proper source of gain.

Mr. WM. DARLING: It is very evident the increase of duties must lessen the revenue in a great many instances, and to ask that this tax be also removed is something that should not be done just now. It is a mode of raising a revenue followed by all civilized countries, and I think the resolution should not pass.

A vote was then taken on the resolution, which was rejected on the following division:—

*Ayes.*—Messrs. Clemow, Elliott, Farrell, Howland, Marshall (Walter), Perley, Pennock, Skead, Stewart, Spratt, Staunton, Thomson, Tibbetts, Thompson, Wylde.—15.

*Nays.*—Messrs. Archer, Darling, Desjardins, Dobell, Dinning, Everitt, Grant, Harding, Joseph, Lord, Lukes, Marshall (Robert), Mingaye, Robertson, Watson, White, Young.—17.

#### BONUS ON IRON.

Mr. W. R. MINGAYE (Kingston), moved, seconded by Hon. JAMES SKEAD (Ottawa):—

“That the labors of the Geological Survey have clearly demonstrated that the Dominion abounds in vast deposits of economic minerals of priceless value to a young country, and these labors are being daily supplemented by private enterprise and exertions, more particularly in the iron minerals;

“That the history of other countries older than our own has shown that the development of such resources has been a great motor in the progress and advancement of such countries, and has conduced more to the material prosperity of a country than almost any other branch of industry;

“That it appears, *exempli gratia*, that Sweden and Norway, not to mention England, have attained their present position more by the proper development and encouragement of the iron industry than from any other cause;

“That the heretofore and existing neglect on the part of our community, of the proper development of its mineral resources is being brought prominently before our eyes by the exportation of vast quantities of raw mineral products to manufacturers in the United States, and we are confronted with the spectacle of these same deposits being returned into our midst in a manufactured form and sold to our people, while thousands, whose necessities might be met at the present juncture by the assistance and encouragement of such manufactories amongst us, are suffering from the apathy that exists in this respect;

“That in consequence of the promises, and in view of the boundless and startling effect of a policy of protection to manufacturers exhibited across our borders in the building up of the United States, and in a similar manner in the employment of sur-

plus labor, retention of capital within its borders, and the reflex action of it upon trade of all kinds ;

"That for the carrying out of the spirit of this resolution, and encouraging the introduction of capital into the Dominion for the development of the iron trade and utilizing our iron ore, this Board recommends a specific import duty of two dollars per ton on pig iron, slabs, blooms, and billets, together with a bonus from the Government of two dollars per ton on all iron produced in Canada from the ore, guaranteed for ten years from 1st July, 1876."

Mr. MINGAYE said : We had the question of the iron trade so fully discussed yesterday by Mr. Savigney, that I can add but little more. I can only say that the city I represent is surrounded by a large iron region. Some forty miles from Kingston, on the Rideau Canal, there is an extensive iron mine, which has been open for many years. This iron crops up on the surface, and you can take a barge to it, and load from the mine without any trouble. This ore is exported to Cleveland, and all it brings there is \$1.50 per ton. It is carried simply as a return cargo for grain. Twenty miles from Kingston, we have a mine recently opened, from which about 5,000 tons have been taken and carried to the frontier by the Kingston and Pembroke R. R. That ore is of a very superior quality, and yet it is only used for the purpose of ballast. We had a strong statement from Mr. Haliburton, on the large quantity of coal in Nova Scotia. Now, if coal could be brought from that Province to Kingston, to be used in manufacturing the iron we have there, it would be beneficial to two distinct kinds of minerals in our country. It is for this reason our Board wishes you to pass this resolution. I know the nature of the country back of Kingston for seventy miles. It contains a great deal of waste land that will never be settled, unless something of this kind is done to develop its mineral resources.

Hon. Mr. SKEAD : This is not the least important subject that has come before the Board this session. It was really discussed yesterday, and if the unfortunate words, "products of the soil," had not been excluded, it would have been carried last night. We now ask you to take up this subject, and contend that it is in the interest of the country that something should be done. We know very well that this resolution, when carried, is but a recommendation to the Government, but we believe it should be adopted. I know that for two hundred miles back from Kingston iron abounds, and the railroad has tapped it. The new system of smelting, by means of crude petroleum, may solve the problem of manufacturing it. The trade is dull just now, but like our lumber trade, it will be profitable yet. When you look out of the back windows of this building, in which we are assembled, you see, away on the other side of the river, a mountain of iron ore the richest in the world. Steel has been made from it at the second heating. I happen to have a few shares in the Haycock Iron Location, which is now being worked. We are poor, but have invested \$40,000 in it; and since the Provincial

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Exhibition was held here last September, we have manufactured some iron and steel. It is equal to the best Norway iron ever produced. Probably there is not more than five or six hundred tons of that iron used in this country; but even that is important to us. We are building up this new undertaking, and already a village is rising around it. If we can supplant the importations, we can build up an important industry here. Where is all this flour and farm produce, that Mr. Lukes speaks about, sent? To England,—to feed artisans there. If we had our manufactures established here, we could use those products here to feed the thousands that would be employed in home industries. Since this question was taken up, three years ago, we have added large improvements to the Haycock Iron Location, and we are getting ore from hand to mouth. Still the enterprise exists, and we only want a little protection to establish it firmly. I am a free-trader, remember, for which perhaps, I am indebted to the fact that I was born in the old country. But we have to consider the circumstances which surround us. We find that the production of iron in the United States is 700,000 tons in excess of the consumption, and the outlet for that excess is here. Dr. Oille in his paper read at the Fourth Annual Meeting, stated that—

“While the number of tons of pig iron made in the United States in 1872 was 2,830,070 tons, the number of tons of pig iron imported, was only 193,957 tons. 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: in 1872, 795,734 tons; in 1873, 371,164 tons. While the importation of American pig and manufactured iron into the Dominion of Canada has not assumed any noteworthy magnitude thus far, American hardware was imported in 1872 to the value of \$1,619,278. The importations of British and other foreign hardware for the same year were \$1,737,046, 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 favourably situated for the manufacture of iron and steel than opposite points on our own border.”

I know our iron ore has been taken from here at \$4 per ton, carried to the United States, smelted there, and sent back to



Toronto, to be manufactured into car wheels; and the Ontario man paid a duty of twenty per cent. on that iron, which should have been manufactured at home. If our works at the Haycock Location had been ready, we would have invited this Board to visit them; however, at some future meeting, we will be glad to take you out to the mine. Free trader as I am, I stand here to advocate protection for a time for this great industry, until it is built up. We are negotiating now to put up a rolling mill for the purpose of working boiler plate, and purpose sending samples of armor plate to England.

Mr. MOSES STAUNTON (Toronto): I hope the merchants of Montreal will regard this as a national question, and give the resolution their hearty support.

Mr. THOS. WHITE, Jr., (Montreal): In accordance with the views I have always proposed at this Board, I will move an amendment to the last part of this resolution, as I do not think this Board is in a position to determine what amount of duty should be imposed. It is as follows:—

“That all the words after “iron ore,” in the last paragraph of the said resolutions, be struck out, and that the following be inserted instead thereof:—“A Committee of this Board, composed of the Hon. James Skead, and Messrs. Clemow and Mingaye, be appointed to urge upon the Government the importance of adopting such measures as will tend to the development of our iron mines.”

Mr. WM. ELLIOTT (Toronto): I give that my support.

The amendment was accepted, and the resolution as amended was then put and carried.

#### TAXATION OF VESSELS.

Mr. S. W. FARRELL (Toronto), wished to introduce a resolution respecting the taxation of vessels on the lakes, but the PRESIDENT ruled the question out of order, as being a strictly local matter.

#### DIFFERENTIAL DUTY ON SHIPS.

Mr. R. R. DOBELL (Quebec), moved:—

“That this Board regrets to learn that the Imperial Government has made with France special legislation for the benefit of British ships built in the British Isles, but excluding British ships built in Canada on the same terms. That this is the first instance wherein the Imperial Government has ignored her Colonial dependencies, and this Board would urge the Dominion Government to take the best measures to redress the wrong done to Canada and other Colonies of the British Empire.”

He said: I feel sorry that there is a necessity for bringing this before you, as we have always felt that whatever Britain has done for herself, she has done for her colonies also. I may tell you, that

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the French tax on ships built in Canada amounts to 40 francs per ton registered, and on English ships to either two or four francs. Even Canadian ships, sold in England and registered there, when sent to France are still subject to this duty of 40 francs per ton. About five years ago, we built from six to ten vessels, of from five to six hundred tons, for the Marseilles trade. That has been stopped. We built one last year, which could not be sent to France in consequence of this duty. I brought the facts before the Minister of Marine, who told me he would make representation of the matter to the Imperial Government. He thought it was some oversight. I believe it is now under consideration by the Dominion Government, and they are taking some steps to have it redressed. I merely bring it before this Board to call attention to our grievance.

Mr. W. C. WATSON (St. John, N. B.), seconded the motion.

Motion carried.

#### COMBINATIONS OF WORKINGMEN.

Mr. R. R. DOBELL (Quebec), moved, seconded by Mr. W. C. WATSON (St. John, N. B.):

"That the incorporation of societies of working men is undesirable, inasmuch as under colour of benevolent objects, arbitrary and tyrannical rules are often adopted, injuring employers and employed, trammelling the progress of trade, placing the skilled and the unskilled workmen on one level, and interfering with freedom of contract."

Mr. DOBELL continued: I must ask permission of the Board to introduce this resolution, because the remedy for the evil of which I complain lies in the hands of the Local Government; but when the combination to which I specially refer was inaugurated, it was under the Government of old Canada. It is now exercising so prejudicial an effect upon the general trade of the country, that I think it would be in order for me to make certain statements before you. Such a resolution can then be adopted as may be deemed best fitted to represent the evil to the country. This was the object our Board had in bringing the subject before you at all.

Mr. JOHN WALKER (London), called for the ruling of the chair as to whether this was in order.

Mr. THOS. WHITE, Jr. (Montreal), said there could be no doubt it was in order. It related to working men, and the Dominion Government had within the last two or three years enacted laws affecting them.

The PRESIDENT ruled that Mr. Dobell was in order.

Mr. DOBELL: The reason why I felt a delicacy in bringing it

up was, because I could not suggest a remedy. The criminal law passed last session is perfect—if we could only apply this remedy. But in Quebec, we have an association with a membership of some five or six thousand men, and the law is powerless to control them; but measures ought to be taken by the Dominion Government to see that we have sufficient force in Quebec to protect life and property and enforce the laws. I would suggest the increase of our river police, and making the force permanent. About the year 1862, an Act was passed for the incorporation of a society, called the Ship Laborers' Benevolent Society. It worked without injury to trade for some time. It was by the secret working of their By-Laws that they exercised their power; and if I read three or four of those by-laws, you will admit their effect must be to seriously interfere with trade. In speaking of this society, I wish to be more than usually careful as to what I say, because my attention was called last night to a notice in a local paper, that everything I say is to be taken down *verbatim*. I wish to give expression to no word of ill-will against the society, because I feel none towards it; but I wish to speak fearlessly, as it is in the discharge of a public duty. If it is really a benevolent organization, we are not only desirous to see it thrive, but willing to give it substantial support. We think that benevolent institutions to protect the feeble, the widows, and the fatherless, are excellent things for workingmen to have all over the country; but when these benevolent institutions are, I may say, prostituted to nothing less than combinations to ruin certain individuals, and to direct their shafts against certain vessels, the captains of which may have offended them at any previous time, then, I say, it is little less than conspiracy. Here is one of the by-laws:—"That on any foreign master undertaking to load his own vessel with his crew, a record of such shall be taken, and he shall be deprived of labor hereafter by this Association." Now, gentlemen, I want to explain that to you more fully. A vessel arrives from Sweden or Norway and loads with deals, which, you know, are easily handled. The captain has a crew of twenty men; he loads his vessel in the stream and clears away. The next time he reaches the port—he wants to load other kinds of wood, mixed timber, which requires experts; but the tyranny is so great that he cannot get men to go on board to work. Such a case occurred recently to a Norwegian vessel, and I will read the letter from the Norwegian Consul to his Government, based on a letter of complaint from the captain of the vessel.

QUEBEC, November 11th, 1874.

Transmitting enclosed duplicate of letter from S. Svensen, master of the barque *Prince Oscar*, of Fredrichald, dated Quebec, 7th inst., I beg to draw the attention of your Excellency, upon these most unfavourable circumstances, under which the vessels of the United Kingdoms trading to this port, are placed in comparison with those under the British flag, &c., which is caused by the Society therein mentioned—"The Ship Labourers' Benevolent Society"—by whose rules those vessels, practically, are prevented from employing their own crews, or any part thereof, to assist

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discharging or loading; rules which are not in force against British vessels. The cause of the letter which has appeared at my request, being written in the English language, and sworn, is that I was of opinion it thereby might be given more credit, and be of greater influence with the British Government, than if written in the form of a common letter. The Society in question is constituted under an Act sanctioned by Her British Majesty, the 9th of June, 1862, of which I beg to enclose a copy. I have tried at same time, if possible, to transmit to your Excellency, a copy of the Rules and Regulations of the Society, but have not been able to succeed. The facts are, however, in every respect as stated in the enclosed letter.

I have been told that my predecessor, in a most unselfish manner, and with considerable expense to himself, even with danger to life and health, has tried by a private law-suit, to get these rules deemed or judged illegal, but the case is stopped by his decease. The documents of the case are also lost through the conflagration of the Council House, a couple of years ago; in consequence of which, if anything could be done by such means, it would have to be commenced anew.

I beg, therefore, to submit this case to the consideration of your Excellency, and that the most effectual means may be taken to cause an alteration in these, for our vessels' most unfavourable circumstances, caused, in my opinion, not through any act of the Government, but by a duly Incorporated Society's transgression of authority given, which only encompass benevolent views.

I have the honour to be, &c., &c.

N.B.—At a later personal interview with the Minister for Foreign Affairs at Stockholm, I left a copy of the rules in his hands.

Another of the by-laws to which I would draw your attention is:—"That no member of this Association will work on board any vessel wherein a donkey engine is used, in the event of loading timber." Now, we might load from Quebec several descriptions of timber by steamers, if it were not for this by-law; and to-day we are sending birch by the Grand Trunk Railway to Portland, which we cannot ship by vessels from Quebec, for the same reason. A trade has sprung up in England lately, in match blocks, which consist of ends of deals about 5 or 6 inches long. It is not a very important trade, but two large ships were loaded with these ends in 1874—one of 1,000 tons. We took a contract for supplying a quantity last season, and arranged with the Dominion Steamship Company to take them at a certain rate of freight. They were packed in boxes and sent alongside the ship. The first time the labourers did not know the contents of the boxes, and they were hoisted aboard by donkey engines. But the next time they knew what the boxes contained, and they made them be taken on board by hand. Another by-law states:—"All members of this Association shall demand the following rate of wages:—Holders and swingers, \$4.00 per day; winchers and watchmen, \$3.00 per day; staggers, \$2.00 per day. Any member known to violate this article shall be expelled." Another is as follows:—"In the event of vessels loading a cargo of deals, or taking any portion of cargo of deals, that four men be employed to stow the said cargo at the rate of four dollars per day; and it shall be distinctly understood that the four men stowing are not to carry deals." Then, again, we have a great many holidays in Quebec. I speak of it with great deference to our Roman Catholic friends, because I would not force any man to work on a holiday;



but what I complain of is, that they force everybody to knock-off work whenever they do, by the following by-law:—"That all members of this society working over-time, shall claim at the rate of time-and-a-half; and for Sundays or holidays at the rate of "double-time." Another by-law is: "No member of this society is to work with an outsider under a fine of one day's pay." Another very serious matter is this:—"That on and after the 1st of October, "eight hours will constitute a day's work," and for that eight hours they are to get \$4.00 for holders and swingers; \$3.00 for winchers and watchmen; and \$2.00 for stagers! I ask you whether a man working eight hours a day is entitled to such wages. This society is sanctioned by an Act of Incorporation. An attempt to establish a similar corporation for the Joiners was recently made. The bill was introduced in the Lower House of the Legislature, and passed there. It was only defeated in the Upper House. I can conceive of nothing more dangerous. It is only as a matter of warning, and from a sense of public duty, that I bring this subject before you,—not in opposition to the workingmen, but in opposition to the tyranny they would exercise over us, and over other workingmen who do not wish to be bound by their rules. I think such a resolution as this would help us. They have got the impression in Quebec that we are against the workingmen; that we want to squeeze their wages to the lowest point. Now, for five years, we have sent away perhaps the largest quantity of timber that has ever been shipped from our city by one firm, and we have never once raised the question of wages with our men. All that we want is liberty. We have not brought up this question sooner, as it is only within the last three or four months that we have seen a copy of the by-laws. One firm in Quebec for two years have not dared enter a vessel in their own name, because they gave offence to this association. They could not get labourers, and had to go to another firm to have the ship entered for them. You cannot well imagine greater tyranny. We wish to have some measure framed, to have such associations confined to strictly benevolent purposes; but you will all admit there is not much benevolence in many of those by-laws.

Mr. JOHN WALKER (London): I am sure we must all sympathize with Mr. Dobell in the circumstances he has narrated to us; but this motion is much more general in its nature than is requisite to apply to the cases in point. If the resolution had been confined to Quebec, there could be no objection to it; but it applies to societies of workingmen throughout the whole Dominion. We have no evidence before us to-day, that all societies of workingmen are open to the same objections; and I could not vote for the resolution in its present shape. I would earnestly appeal to representatives from other Boards, to consider whether it cannot be amended, so as to be less general in its effect. I know, speaking for the city in which I reside, there are incorporations of workingmen, that instead of being undesirable, ought to be encouraged.

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Mr. ADAM BROWN (Hamilton): Explain the objects of those societies.

Mr. WALKER: They are in many cases benevolent and Trades Unions. They are regulated by law, and I do not think it is desirable that we, on this occasion, should pass such a sweeping condemnation on all societies of workingmen. At the same time, I do not for a moment mean to say, that Mr. Dobell has not made out a case of very great hardship to the trade of Quebec; nor do I pretend that it is not proper for this Board to express its sympathy with the object Mr. Dobell has in view.

Mr. W. C. WATSON: I have been asked to second the motion, and I do so with very great pleasure. I think Mr. Walker labours under a misapprehension as to the nature of it. It does not condemn societies of workingmen, but their incorporation by law. It gives them a colour of respectability they otherwise would not possess. In St. John, we laboured under similar difficulties to those Mr. Dobell speaks of in Quebec. The society is not so large in St. John, but the organization includes 1,200 or 1,300 men. Up to a certain point it was rather beneficial, inasmuch as it stimulated a rather good class of labour; but they extended their by-laws so far, that last spring all who were interested in the general prosperity of St. John, met and at once decided on a course of action, seeing that nothing but united effort on the part of the merchants could resist the combination on the part of the labourers. We met and formed a Committee, of which I am one. We raised \$100,000 and fought that society for three months, continuing our opposition until, instead of \$3 per day, they were content to accept anything they could get. The principle of incorporating those societies is entirely wrong, although I hardly imagined it would be recognized here. It is simply the principle of protection.

Mr. BROWN: It is nothing of the kind.

Mr. JAMES STEWART (Hamilton): Being a new member, I did not intend to say a single word; but, in this case, I cannot keep silence. I was surprised that Mr. Walker should be so ignorant of these trade difficulties, as to consider the Quebec Society's conduct an isolated case. Had I been aware this subject was coming up, I could have produced by-laws showing that all these secret societies are tyrannical in their conception. What Mr. Dobell states is no exception. I had to go through the same ordeal about nine years ago. It was coercion in every way. They would not allow non-union men to work. We had to train new operatives, and since then we have been the only firm in this city free from their dictation. It is not rampant at present, as trade has been dull; but when there is an increase of business, it will be as bad as ever. It is not confined to manufacturing alone; but in other departments of industry it is the same.

Mr. BROWN: If this is a protectionist question, I have been wrong all my life. I think the case made out by Mr. Dobell is exceedingly strong. It is the greatest exhibition of tyranny of that kind that I have ever heard of, and I think it should receive the severest condemnation at the hands of this Board. I hope the resolution does not include the idea that there should be no associations of working men of a benevolent character. I agree with Mr. Stewart. I can remember perfectly well the operations of such societies in Ontario, dictating and controlling the prices of their own labour. It would be a sad day indeed for Canadian industries if the men who are employed at remunerative wages should draw up a schedule of prices and compel employers to pay them. It is only fair that a man should get a full day's pay for a full day's work, but these unions demand something more.

Mr. WM. ELLIOTT (Toronto), suggested an amendment to prevent such societies being other than strictly benevolent.

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

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#### AFTERNOON SESSION.

FRIDAY, *January 21.*

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

#### COMBINATIONS OF WORKINGMEN.—(Continued.)

Mr. DOBELL resumed the discussion, and suggested another resolution in accordance with the spirit of the question, as a substitute for the one submitted in the morning which did not fully meet his own approval. It was the expression of the Board he represented, but ought, he felt, to be modified. He said: we heartily approve of purely benevolent institutions and clubs among workingmen; and not only do we approve of them, but we would cheerfully join in subscribing to their maintenance. There was one case I omitted to mention this morning. It was that of the *Churchill*, wrecked in the Lower St. Lawrence, and brought up to Quebec late in the year. The captain wished to have his vessel repaired and sent to sea again. He set a large number of men to work. When the whole of these could not be employed any longer to advantage, he wished to discharge about fifty of them. I think, if my memory serves me right, he had 150 men employed in the first place, and he discharged fifty of them; but that was

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against the laws of the Society. Finding such arbitrary laws in force in Quebec, he had his vessel towed to Montreal, and he told me the cost of towage up to Montreal was more than covered by the saving of labour in discharging his vessel. Now, for some time, I have been advocating Quebec as a place where we might improve our harbour, and make it capable of accommodating its share of the great trade of the West. It is really painful, under such circumstances, to have to record proceedings like these, respecting a place in which I feel so deeply interested. When such a necessity could occur as towing a vessel 180 miles up the river to Montreal, to be discharged to save expense, it is a most unfortunate thing for Quebec.

Mr. WATSON, (St. John, N.B.): I coincide with the last speaker, —although I must say, I am opposed to the incorporation of such societies for purely voluntary objects. I think their objects can be accomplished as readily without incorporation.

The PRESIDENT: I know that vessels were prevented from coming to St. John, in consequence of the very association spoken of by Mr. Watson.

Mr. ADAM BROWN (Hamilton): If you incorporate in the resolution that the by-laws must be submitted to Parliament, I have no objection to it.

Mr. JOHN T. WYLDE (Halifax, N.S.): The system with us is, that the by-laws must be submitted to Parliament before they are operative. Those by-laws are filed in the Secretary's office, and whenever an alteration takes place in them, it must be submitted for approval, and filed.

Mr. ROBERT ARCHER (Montreal): That is not the case in Quebec.

Mr. HUGH MCLENNAN (Montreal): I was unfortunately absent this morning when this subject was under discussion. With regard to the ship *Churchill*, she now lies in Montreal harbour. The Captain was unable to get his vessel to sea, in consequence of the delay occasioned by the difficulty at Quebec. Now, what precaution will meet the case? There were some 300 men on the *Churchill* getting \$3 per day, and not one-fourth of them could be employed to advantage. They insisted on being all employed, and said it was contrary to their rules to discharge any of them. According to their by-laws, the same men who discharged the cargo had the privilege of replacing it. Now, it is a question, whether this rule is sanctioned by Act of Parliament. It assumes the character of a mob controlling the labour of a city. The remedy lies rather with the Corporation of the city in which such a circumstance may occur, and consists of such protection to the citizen, as will permit



him to labour at such terms as he may be willing to accept. In that case, it argues a weakness somewhere in not giving protection to the vessels in supplying labour to those who offered it. If there was no labour offered, I fail to see that the Association could not carry out its object without incorporation.

Mr. DOBELL: I stated in opening this question, that really I felt a difficulty in putting it before the Board, because I saw no way of getting any practical benefit from it. I want to give warning, that such societies should be confined strictly to the objects for which they were incorporated. You may think the merchants of Quebec have not taken the proper means of trying to test the way to deal with such a combination. We made a test some years ago, in the loading of the *Colonist*. We were determined to load it by outside men, that is, non-members of the society. It led to a perfect uproar and riot. We were offered all kinds of inducements by the society, if we would allow them to load it. They would load it for nothing, but we would not listen to them. We loaded that vessel under guard of armed men and police. I went myself every morning, surrounded by these men, to superintend the loading. The military were called out, the Riot Act was read, and nothing resulted from it, except that the man who took the contract for loading the vessel, was chased from house to house, until he was driven from the city. The stevedore who loaded that vessel, a most intelligent and trustworthy man, was driven from Quebec, and he has not returned to it to live. His brother was beaten almost to death. I am happy to say that the former has since met with great success in a southern city, and now occupies the position of British Vice-Consul at Darien. We found ourselves at the end—although we did load that vessel by men obtained from Montreal, and guarded by an armed force—no better off than before. Since then, the society has only gained strength. Lately, we have been advised to let them die out, but they have been in existence since 1862. The trade is suffering from them to such an extent, that I determined, if nobody else would take the odium of moving against the bye-laws, to do it myself. I regret that our press in Quebec, has failed to carry out strictly the independence which is the just boast and pride of the press generally in Canada, in not pointing out the evils that must arise from by-laws such as these existing in a benevolent association,—for when they had knowledge of such by-laws as I have read, they should not have hesitated to condemn them. I regret also that political expediency weighs so much in Quebec, that our municipal and parliamentary representatives dare not make such an avowal of the state of affairs as I have done to-day. They shrink from it, because these five or six thousand men hold such a strong influence in all elections. The conclusion come to to-day by some of the gentlemen here, is, that I can never intend to aspire politically in Quebec.

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Notwithstanding that, I have firm faith in the good sense of those laboring men. I believe many of them would be glad to be free from the tyranny of this organization, and that they will learn by experience, that this opposition to their present by-laws is a friendly and not an unfriendly act towards their Association, and will further the best interests of the laboring man in Quebec.

Mr. McLENNAN: I feel this is important to the vital interests of commerce. Unless there is a fair day's work for a fair day's pay, there is no use in our attempting to compete with other countries. In this matter we sympathise very fully with our friends from Quebec; but I fear a proposal at this time for legislative action, is rather an indication of weakness, and looking in the wrong direction. When the Mayor of Quebec was appealed to for protection, he said he could call out the militia,—but its ranks were formed by the same men who had made these rules and sought to enforce them. It was a similar case of urgency that gave rise to the organization of the Water Police. That force has given such protection, that, I am happy to say, there has been no further interference with the labor of our city. A strong protection to those who are willing to labour is the only remedy in this case. I have no doubt Mr. Dobell and those who are endeavouring to bring about this reform, will have the thanks of the very men who are now working against their own interests, and the interest of trade generally.

Mr. WALKER thought this matter applied only to the shipping ports, and should be confined to them in any action by this Board. He considered they were scarcely prepared to go into a general recommendation for legislation over the whole Dominion, affecting all societies of labouring men.

Mr. DOBELL: I disagree entirely with Mr. Walker. I would never have thought of bringing this up as a local matter. The evil is wide-spread.

Mr. J. A. HARDING (St. John, N. B.): Although Mr. Dobell may refer to local events, we of St. John can show similar instances. Through the decided action of the merchants of St. John, we have not suffered to the same extent. Other places than sea-ports may feel the operation of these combinations just as greatly. We do not desire so much the enactment of a law, as to give to our countrymen in Quebec and St. John our sympathy. I have no doubt the laws are strong enough if they had the corporal power to carry them out, but surrounding circumstances have not been sufficient to enforce them. I hope the moral effect will be to bring the workingmen to a sense of the position in which they stand.

Hon. JAS. SKEAD (Ottawa): We have had a slight attempt to introduce this kind of thing in our saw mills. The filers would not work unless they received a certain amount of wages. The Public

Works Department is suffering from it, and public improvements are frequently delayed by combinations of workmen. Stonecutters are not allowed to work for less than a certain amount, and they must work by the day and not by piece. Supposing I owned a quarry and had the stone cut by piece work, no stonemason would lay it.

Mr. THOS. WHITE, Jr. (Montreal): As a matter of fact, all the difficulties referred to by Mr. Stewart, before recess, and by Mr. Skead and others, arise from Trades Unions, not incorporated by law at all. For instance, in my own business, Trades Unions interfere very arbitrarily. They will not allow me to have more than a certain number of apprentices, or to use in one part of my building type which has been set in another part of it; but still we must remember that these men's labour is their capital, and they have a right to use it as they please. Now, it seems to me, we cannot here deal with the question of incorporation; it is altogether a local matter. But the question, how they shall exercise their powers, whether as ordinary Trades Unions or combinations such as that at Quebec, does not in the slightest degree affect their liability to the Criminal Amendment Act, passed by the last Parliament. That is quite ample to prevent any of these societies interfering with any person who does not wish to become a member; but if a man voluntarily joins one, he simply enters a combination which, in the opinion of the men, is for the mutual advantage of the whole. It may be inconvenient to those who employ the labour, to have combinations like that, just as it may be for the workmen to have combinations of capital against them; but it seems to me the only thing we can do, is to direct the attention of the Government to the fact that, at our shipping ports, their own law is not being enforced, resulting in serious injury throughout the whole Dominion. There is not an industry in the whole of Canada, that is not affected by this thing going on at Quebec. As to ordinary Trades Unions, the regular administrators of the law all through the country, have to deal with them, and not the Dominion Government at all. Of course, there is this peculiarity about the shipping ports, which renders these combinations more severe;—our season of navigation is very short, and detention is a serious matter. Delay in factories is of less consequence, and it is for that reason that I think a resolution in the following form, would perhaps meet the views of the Board:—

“That this Board, without expressing any opinion on the subject of combinations of working men, is of opinion that the Government should be memorialized to take such measures as will protect shippers in our ocean ports in the loading of vessels, according to what they may deem to be their best interests, without the interference of such combinations.”

It seems to me that the statement of Mr. Dobell, which is now in our official report, and this resolution will give the public to

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understand, that this Dominion Board of Trade entirely disapproves of the attempt on the part of any organization, under any colour, to enforce such by-laws as have done such injury in Quebec.

Mr. DOBELL: If the amendment covers the closing part of Mr. White's remarks, I accept it. I think no organization should be allowed to pass such by-laws as I have read.

Mr. WHITE: If Mr. Dobell will look at the Criminal Amendment Act, he will see that it is so framed, that one would suppose the person who wrote it had those very by-laws before him. It is clear that no body of men can infringe that Act, and therefore we need only call upon the Government to enforce their own law.

Mr. DOBELL accepted Mr. White's motion in place of his own, and it was put to the vote and carried.

#### INSPECTION OF FISH AND FISH OILS.

Mr. JAMES LORD (Montreal): In the absence of Hon. Mr. Boak, of Halifax, I beg to move the following resolution:—

"That in the opinion of this Board, the same extension should be accorded to all Fish and Fish Oils imported from Newfoundland into this Dominion under the existing Inspection Law, as is extended to Herrings coming from the same place; and that the Executive Council are hereby instructed to communicate with Government to this end."

Two years ago, when the inspection of fish was made compulsory, we found it a very difficult thing to inspect fish coming from Newfoundland, so large were the quantities that came in the following year. The Government admitted herrings, provided they had already been inspected in Newfoundland. They come in here under a fine of two cents—that is all—our inspector in Montreal marking the barrel "Newfoundland." That inspection has worked very satisfactorily. The result of it has been that the Newfoundland Government appointed inspectors and made a law exactly to correspond with our law here, and it has worked well. Salmon and other fish are being received, and are subject to dues, but not inspection. There is an inspection in Newfoundland, which is very much better than any inspection we have here. Our merchants are quite satisfied to take the Newfoundland inspection. It puts us to some inconvenience and expense to have it done here. Now, we think that Newfoundland being such a large customer of ours, (the firm of which I am a member exported 90,000 barrels of flour last year, chiefly to that colony), everything in the shape of a barrier or tax against them should be removed, especially since the inspection law has accomplished all that we can desire.

The motion was carried.



## EXAMINATION OF ENGINEERS.

Mr. WM. THOMSON (Toronto), brought up this subject. He said we have an examination of engineers on steamers, but not on land. It was a question he was not familiar with, but when spoken to about it, he thought if examination was necessary in one case, it was equally so in the other. In our cities, and even in rural districts, we have large establishments where steam is used, and where disasters may happen at any time through the incompetence of engineers. He thought such engineers should be examined. It would be a self-sustaining system, as persons coming before the Board would have to pay a fee for their certificates.

Mr. LUKES (Newmarket), as a user of steam, fully endorsed Mr. Thomson's suggestion, but hoped he would leave it over for discussion until a future meeting of the Board.

Mr. HUGH MCLENNAN said this matter covered a great deal of ground, and the action of this Board might prove a hindrance with a lack of thorough information. Any such law, being general in its character, would extend to the smallest engine running in the country; and at remote points, where it would not pay to employ a qualified engineer, it would prove a detriment rather than a benefit. There are municipal regulations regarding boilers, and each municipality is competent to pass such regulations.

Mr. MARSHALL (King's Co., N.B.), said as an insurance agent he had insured a large number of mills in New Brunswick, and he had yet to learn of a difficulty occurring from this cause. He thought it would be well to defer the consideration of the question until the next meeting of the Board.

Mr. THOMSON: I am quite willing it should be left over.

Subject postponed.

## AMENDMENTS TO GENERAL LAW FOR LOCAL BOARDS.

On motion of Mr. WHITE, the following resolution was adopted:—

"That the Executive Council be instructed to apply to Parliament for amendments to the Act for the establishment of Boards of Trade, as suggested in their Report."

## TRIBUNALS OF COMMERCE.

Moved by Mr. HOWLAND, seconded by Mr. WYLDE, and resolved:—

"That the Secretary be instructed to again lay before the notice of the Government, the question of the establishment of Tribunals of Commerce."

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Mr. HOWLAND thought this matter should not be allowed to drop, and that if the Secretary would merely bring the former papers and discussions before the notice of the Government, some action might be had upon at the approaching session.

Motion carried.

#### ELECTION OF OFFICE-BEARERS.

Mr. ADAM BROWN : I am sure I speak the sentiment of every member here, when I say that the deliberations of this meeting—the success, enthusiasm and pleasure attending them, have been greatly enhanced by the manner in which the President has fulfilled the duties of his office. In submitting to you the name of Mr. Andrew Robertson, of Montreal, as a gentleman well qualified for that position, I may say his extensive knowledge of trade, and the experience which he has gained in his long connection with this Board ; and last, but not least, his generous and warm-hearted disposition, eminently qualify him for the position of President of this Board. I trust this election will be unanimous. I propose Mr. Andrew Robertson, of Montreal, to be the next President of this Board.

Mr. HOWLAND, seconded the nomination.

The PRESIDENT appointed Mr. Archer, and Mr. Marshall, scrutineers of elections.

A ballot was then taken, and Mr. Robertson declared unanimously elected.

Mr. ROBERTSON : I cannot sufficiently express to you my gratification at the high honour you have conferred upon me. I am satisfied that the chair has been well filled during the by-gone years, and that the election of myself will not be, perhaps, so much to the advantage of the Board, as was that of the gentleman who is to vacate it. I would like to make a personal allusion to the vote I gave yesterday. I may say I would not have given that vote if I had not been in the chair. Now, the policy I want to see carried out is, the freest and most unrestricted trade ; but I want to take care that when we ourselves are making a bargain, we make it in our own interest. When I voted on the tea question, I told the meeting that I reserved the right to vote against a dollar for dollar protective policy against the United States when the tariff question came up. Hence, I did not support the resolutions until they were amended, so that instead of a dollar for dollar policy, it was a protection for such articles as entered most severely into competition with Canadian industries. That is exactly the policy I want to see carried out. I think there

is one article that ought to be made in Ottawa. Although greatly in demand here, it is all imported. It is this: (Here Mr. Robertson held up a bunch of red tape, amidst laughter).

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

*Vice-Presidents.*

ADAM BROWN, Esq., Hamilton, Ont.  
 A. JOSEPH, Esq., Quebec, Que.  
 J. A. HARDING, Esq., St John, N.B.  
 Hon. ROBERT BOAK, Halifax, N.S.  
 Hon. G. W. HOWLAN, Charlottetown, P.E.I.

*Executive Council.*

RICHARD R. DOBELL, Esq., Quebec, Que.  
 THOMAS WHITE, Jr., Esq., Montreal, Que.  
 WM. PENNOCK, Esq., Ottawa, Ont.  
 WM. THOMSON, Esq., Toronto, Ont.  
 WM. DARLING, Esq., Montreal, Que.  
 W. C. WATSON, Esq., St. John, N.B.  
 S. W. FARRELL, Esq., Toronto, Ont.  
 HUGH McLENNAN, Esq., Montreal, Que.

RESOLUTIONS OF THANKS, &c.

Mr. WHITE said he believed the courtesies exchanged by the National Board of Trade of the United States and this Board, had done more towards a healthy understanding between the two countries than anything else could possibly have done. He referred to the warm welcome which Canadian delegates had always received at the meetings of the National Board, and was satisfied that although the late draft Reciprocity Treaty was not a success, it was almost impossible for the two countries to continue to live without having closer relations than heretofore. He moved, seconded by Mr. LUKES:—

"That this Board expresses the gratification it has derived from the presence at its deliberations of J. F. Henry, Esq., of New York, and J. D. Hayes, Esq., of Detroit, as Representatives from the National Board of Trade of the United States to this Board."

Motion carried unanimously.

Mr. HENRY (New York) returned thanks, and on behalf of the National Board of Trade of the United States, invited this Board to send a large delegation to their next convention, which would probably be held at Philadelphia in the summer. He hoped they would also send delegates to the convention on Transportation and Com-

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merce, which would probably be held in Louisville, Ky., this year.

Mr. HAYES (Detroit), also expressed thanks for the kindness and courtesy that had been extended to him and his colleague. He said the abrogation of the Reciprocity Treaty was due less to the ill-feeling engendered by the trade of Great Britain with the Southern States, than to the heavy taxation resulting from the civil war. So far as the National Board of Trade was concerned, it was willing to co-operate with this Board, in doing anything in its power to bring about that friendly feeling which should exist between the two countries.

Moved by Mr. HUGH McLENNAN, seconded by Mr. ADAM BROWN, and carried unanimously:—

“That the Executive Council be authorized to nominate delegates to the next Meeting of the National Board of Trade of the United States.”

Moved by Mr. JOHN WALKER, seconded by Mr. HOWLAND, and unanimously resolved:—

“That the thanks of the Dominion Board of Trade be conveyed to the Honorable the Speaker of the House of Commons, for his courtesy in allowing the Board the use of rooms for its meetings; and also to the Sergeant-at-Arms for many acts of kind attention.”

Moved by Mr. WATSON, seconded by Mr. DOBELL, and carried unanimously:—

“That the thanks of this Board are due to the Secretary, Mr. Wm. J. Patterson, and the Assistant Secretary, Mr. Wm. J. B. Patterson, for the efficient manner in which they have performed the duties pertaining to their office.”

The SECRETARY (Mr. Wm. J. PATTERSON, of Montreal), in response, said:—Mr. President and Gentlemen: The very cordial manner in which it has pleased you to vote the thanks of the Dominion Board of Trade to the Secretary and Assistant, constrains me to rise and attempt an acknowledgment; but I must confess the inadequacy of any words I can at this moment recall to do justice to my feelings,—for memory flashes up numerous instances of your expressed appreciation of the services it may have been my good fortune to render since our official connection commenced. I can look back upon the past few years with pleasure, and assure you that whatever these services may have been,—and they have sometimes, especially about the period of the annual meetings, required careful and assiduous attention,—your spontaneous and kindly tokens of approval have tended to make the labour pleasant, and to lighten the burden. It would be out of place for me to trespass upon your time and patience, further than to thank you, and —

Mr. J. F. HENRY (New York), interrupting: Suppose you tell us about what you saw last summer at Philadelphia.



Mr. PATTERSON resuming: Ah, my friend from Gotham wants me to wander off in a direction which I would rather avoid,—for, as some gentlemen here (including yourself, Mr. President) well know, the ordinary utterances of a dry matter-of-fact man like myself, would fail to do justice to the princely style in which our brethren to the south of us so well know how to entertain their visitors. Whoever may have the honour and privilege next summer of attending the annual meeting of the American National Board, will have to make up their minds to run the risk of being killed—with kindness! But I will, perhaps, be pardoned for noticing a somewhat different personal allusion. Last night, Sir,—though I need not say where,—your Secretary was jocularly indicated as the Patriarch of the Institution over which you have been presiding,—the “Grand-father,” (yes, that was the word,) who had been with this Board from its inception,—our genial *confreere*, Major Walker, assuming the obligations of the christening. Very well then, if you will allow me a minute or two more, I will try to note a few points in the history of this Canadian Commercial Board, the origin of which dates back a decade,—for it is now more than ten years old. (Hear, hear, and applause.) And it is gratifying to see gentlemen present at this annual assembly, who took part in the initiatory meetings at Toronto, Detroit, and Montreal, in 1865. Permit me, Sir, to indicate briefly, some of the foot-prints in that history. The American Congress having passed a joint resolution relative to the then existing Reciprocity Treaty, declaring that “it is no longer for the interest of the United States to continue it in force,” the approval of President Lincoln was given on 18th January, 1865; and upon the 17th March following, the American Minister at London, (Mr. Adams) officially gave the requisite year’s notice to the British Government for the abrogation of the Treaty. Soon after, (under date 28th March, 1865), a circular-letter was sent by the Detroit Board of Trade, to each Board of Trade in the United States, and in the British North American Provinces, suggesting that a Commercial Convention should be held,—the time and place afterwards agreed upon, being the 11th of July, at Detroit. In view of questions of interest to the Provinces that were spoken of as likely to be discussed at that Convention, the Toronto Board of Trade (in a circular dated 3rd May, 1865) suggested the holding of a preliminary meeting of delegates from the North American Provinces,—the time and place afterwards agreed upon, being 21st June, at Toronto. That meeting was attended by fifty delegates, and continued in session two days,—one of the results, before adjournment, being the formal organizing on 22nd, of the “British North American Delegates.” Hon. Thomas Ryan was appointed President, along with a number of Vice-Presidents; Mr. Charles Robertson, of Toronto, and myself, being associated as Secretaries. When the time appointed for the Convention at Detroit was at hand, the delegates from Quebec and

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Montreal were joined *en route* by representatives from other cities. The party rested for a few hours at Sarnia, and as was natural and very proper, the engrossing topics of conversation were the Convention, British-American Provincial interests in connection with it, and the necessity for more frequent interchange of views among the merchants of all the Provinces. The importance of, in some way, making permanent the organization which had been resolved upon at Toronto, was informally talked over, and among those favouring the proposal, I may mention Messrs. John McLennan, the late Thomas Rimmer, D. Masson, A. Joseph, T. H. Grant, Hon. T. Ryan, your Secretary, and a number of others. The Toronto organization held several meetings at the Russell House, Detroit, that hotel being the Provincial headquarters. At the close of the Convention, on 14th July, the Provincial Delegates held a special meeting, and unanimously resolved (on motion of Mr. T. H. Grant), that it was necessary to form a permanent Inter-Colonial Board of Trade, empowering the Montreal Board to draft a Constitution, and to take all the necessary steps to give effect to the resolution. A special report was made to the Montreal Board by the Hon. T. Ryan, and a Committee was immediately appointed for the purpose named in the Detroit resolution,—their report signed by Mr. J. H. Winn, as Chairman, being afterwards adopted. A meeting of Delegates was thereupon called, and held in Montreal, on 27th September, 1865, and it was attended by representatives from New Brunswick, Nova Scotia, and Prince Edward Island,—Canada (then consisting of Upper and Lower) being represented by Delegates from Quebec, Montreal, and Kingston. Mr. J. H. Winn presided on the occasion;—the proposed Constitution was discussed and amended in one or two particulars; and thereafter it was unanimously resolved, that an "INTER-COLONIAL BOARD OF TRADE FOR THE BRITISH NORTH AMERICAN PROVINCES" be established, the first ordinary General Meeting to be held in Montreal, on the first Tuesday of June, 1866. So far, all had gone on harmoniously, and with promise of realizing the hoped-for results. But, as the time appointed for the meeting drew near, the Fenian marauders were found to be on the rampage, and plotting the "raid" which culminated early in June; and, in consequence of the excitement which had been engendered, it was deemed advisable to defer the proposed meeting. It was accordingly postponed,—the Secretary intimating this determination to the various Boards by telegraph. No further action was taken, until, in June, 1870, at the instance of the Montreal Board of Trade, their President, (Hon. John Young), issued a circular for another delegate meeting, which was held in Montreal in October of that year,—the result being the organization of the "DOMINION BOARD OF TRADE," the Hon. John Young being elected President. From the re-organization in October, 1870—the First Annual Meeting having been held in this

city in January, 1871—until this hour, the record and progress of the Dominion Board are within easy comprehension, by means of the Annual Reports, which have been regularly issued. Mr. President and Gentlemen, your Board needs no panegyric from anybody,—least of all from me. Whatever opinion may be expressed or entertained as to the wisdom of its varied action, there can happily be no doubt as to the sincerity and patriotism of delegates, who, without fee or reward, have made long journeys, during the most inclement season of the year, to be present in this capital, and who spend their valuable time in these assemblies,—inspired by an earnest desire to contribute, if possible, by their deliberations, to the commercial prosperity of this Dominion. I think I may safely say that that patriotism needs no additional stimulus; but if it did, new ardour would inspire every heart were it known how “the powers that be” look upon its deliberations. I wish you could all have heard the remarks, in this respect, which fell very recently from Ministers of the Crown,—why, they are ringing in some of your ears yet!—one of them declaring that he was a careful reader of all your discussions, waiting sometimes expectantly for them. In conclusion, let me assure you that if any greater effort is needed in the future than in the past, in the executive department of the Dominion Board of Trade, you may confidently rely upon the prompt and untiring exertions of your Secretary and his Assistant.

Moved by Mr. ADAM BROWN, seconded by Mr. WHITE, and carried unanimously:—

“That the President be empowered to appoint delegates to the National Board of Transportation and Commerce of the United States;—also, to the forthcoming meetings of the Association of Chambers of Commerce of Great Britain.”

Moved by Hon. Mr. SKEAD, seconded by Mr. DOBELL, and carried by acclamation:—

“That the cordial and hearty thanks of the Dominion Board of Trade are hereby tendered to Chas. H. Fairweather, Esq., for the dignified and impartial manner in which he has discharged the duties of President.”

Mr. FAIRWEATHER acknowledged the compliment briefly.

The PRESIDENT then declared the Sixth Annual Meeting to be adjourned.

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APPENDIX No. I.

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 the sixth day of October, one thousand eight hundred and seventy, is hereby formed by Delegates now in session in the City of Montreal, representing the following named Commercial Organizations, to wit: Belleville Board of Trade, Hamilton Board of Trade, Kingston Board of Trade, London Board of Trade, Montreal Board of Trade, Montreal Corn Exchange Association, Ottawa Board of Trade, Quebec Board of Trade, St. John, N.B., Chamber of Commerce, and the following Constitution is adopted:—

ARTICLE I.

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



## ARTICLE II.

SEC. 1.—Every local Board of Trade, Chamber of Commerce, or other organized body for general commercial, and not for special or private purposes, and duly chartered under or by legislative enactment, shall be entitled to membership in this Association, on the approval of two-thirds of the delegates present at any meeting of the Association, and shall be accorded the following representation: Each such Association shall be entitled to one delegate; having forty members, two delegates; having eighty members, three delegates; having one hundred and fifty members, four delegates, and for each additional hundred members, one additional delegate.

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

## ARTICLE III.

SEC. 1.—Each delegate shall be entitled to one vote in person, but no voting by proxy shall be allowed. All votes, except for election of officers, shall be *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, five (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-Presidents, 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 elect a Secretary and a Treasurer, (neither of

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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.—They shall at the same time appoint from their own number a Committee, whose duty it shall be, in conjunction with the Secretary, to arrange an interim programme of the business for each annual or other general meeting of the Board; to distribute the same among members, and to collect and arrange all notices and suggestions referring to business, for the decision of the Executive Council.

SEC. 4.—The Executive Council shall meet on the day preceding the day of any meeting of the Board, and shall re-assemble at any time during such meeting, at the call of the presiding officer, and at such other times as may be provided in its by-laws.

SEC. 5.—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 ten days' notice to be given by the Secretary.

SEC. 6.—In case of the removal, resignation, or death, of any member of the Council, his place for the unexpired portion of the term shall be promptly filled by the remaining members of the Council.

SEC. 7.—The office of the Secretary and Treasurer shall be located at the City of Montreal.

#### ARTICLE V.

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

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

2nd. To present to each annual meeting,—and to any other general meeting if desired,—a report of its proceedings.

3rd. To prepare and distribute among members an official programme of the business to be transacted at each meeting, being guided in their selection and approval of such subjects by the general statement of the objects of the Board set forth in the preamble, and rejecting all subjects of a local or personal character, having no *general* interest,—their decision on such points being final. They may prepare and issue supplementary programmes during the sessions of the Board; but the order in which such new business shall be taken up, shall be decided upon by the Council, and announced to the Board from time to time.

4th. To make full statement concerning the finances of the Board to the annual meetings, and to other meetings when called to do so.

5th. To apportion to each constituent body its assessment for the expenses of the Board, as provided in Article VII.

6th. 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 have charge of the records of the Board and of the Executive Council.

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

#### ARTICLE VI.

SEC. 1.—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 the City of Ottawa; and other general meetings of the Board may be held, time and place to be designated by the Board at the Annual Meeting.

SEC. 2.—Special meetings of the Board may be held at the City of Ottawa, at the call of the President, with the consent of any five members of the Executive Council, and he shall be required to summon a Special Meeting on the requisition of fifteen members of the Board; he shall fix the time of such meeting, and shall issue, not less than fourteen days before it, a notice to each constituent body, stating the object of the meeting.

SEC. 3.—The attendance of twenty 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.

#### ARTICLE VII.

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

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## ARTICLE VIII.

SEC. 1.—Any member or constituent body desiring to present a subject to the consideration of the Board, shall notify the Secretary in writing, not less than fifteen days before the date of the Annual Meeting, accompanying such notice with such explanations as will enable the Executive Council to understand and decide upon its suitability or otherwise; failing such notice, no such subject can be placed on the Official Programme, but may be admitted into supplementary programmes if approved by the Executive Council.

## ARTICLE IX.

SEC. 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.

SEC. 1.—This Constitution may be amended at an Annual Meeting, on a vote of two-thirds of the delegates present;—notice of the proposed amendment having been first submitted to the Secretary by a constituent body, at least thirty days previous to the meeting at which the same is to be considered, and transmitted by the Secretary in circular copies to each constituent body at least twenty days before said meeting.

## ARTICLE XI.

SEC. 1.—The meeting of delegates called in accordance with the circular from the Montreal Board of Trade of 9th June last, shall be regarded as the first meeting of the "Dominion Board of Trade," and is hereby empowered to 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.



## APPENDIX No. II.

### LETTER FROM HON. DR. FORTIN.

The following letter, by the Hon. Dr. Fortin, Speaker of the Legislative Assembly of Quebec, was circulated amongst the members of the Board, during the discussion on the

#### EXTENSION OF THE TELEGRAPH SYSTEM IN THE GULF OF ST. LAWRENCE. :

*To the President of the Board of Trade of Quebec :*

SIR,

Having seen that the Board of Trade of Quebec had decided to bring before the Dominion Board of Trade, at its next meeting at Ottawa, among other subjects of interest, the subject of telegraphic communication with the wants of navigation in the Gulf and Lower River St. Lawrence, I take the liberty of sending you what I would call a telegraph chart of the Gulf and Lower St. Lawrence, which I have had prepared with a view to make the system of marine telegraphy for those parts better understood.

I wish I could have extended this chart to all the parts of Nova Scotia, New Brunswick and Newfoundland, but not being sufficiently acquainted with the Maritime coasts of those Provinces, I thought I would leave the task to be done by more competent hands than mine. I should, however, state here, *en passant*, that the maritime telegraph system I recommend for the Gulf and Lower St. Lawrence, ought to be extended to the Maritime Provinces, where it is most needed, on account of the great importance, and, I must add, the dangerous character of the navigation of those parts.

But before coming to the subject matter of this letter, I think that I should offer a few remarks on the navigation of the River and Gulf of St. Lawrence, the ports of Montreal and Quebec, and their rival, the port of New York.

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and the Gulf of St. Lawrence, the natural, most direct, and shortest outlet from the Great West to the Atlantic Ocean. But until now the port of New York has had by far the greatest share of the Western trade.

By the improvements that are now being made to the Welland Canal, and the St. Lawrence Canals, which will allow propellers of the largest tonnage to transport produce from Lake Michigan and other lakes to the ports of Montreal and Quebec, we expect to place ourselves in the way of competing favourably with that port, so as to divert towards the St. Lawrence, part of its immense trade.

In order to obtain that object, however, it is not only necessary to improve the *inland* navigation; but the *ship navigation*,—the most important,—must be made as secure, as cheap and as rapid as art can make it.

But in order to understand the urgent necessity of those improvements to the ship navigation, it will not be inopportune to draw a parallel between the port of New York on the one side, and the ports of Montreal and Quebec on the other. For the truth must be known with regard to the comparative facilities of access to and egress from the ports above mentioned.

When it is well understood all over the country, that the navigation from the former to the sea is shorter, safer and cheaper than from the latter, the greatest efforts will be made in this country to continue the improvements which have been begun, especially since Confederation, to lessen the dangers and expenses of the navigation from Montreal to Quebec, and from Quebec to the Atlantic Ocean.

#### PORT OF NEW YORK.

This port is, as every one knows, accessible to vessels of the largest tonnage, at all seasons of the year.

And a vessel, after having left that port, has only to *run twenty-two miles seaward*, to have passed all the *channels, narrows and dangers*, and to have reached the open sea.

The pilotage grounds of the port of New York are then about (25) twenty-five miles in extent, and the neighbouring coasts are not reputed to be dangerous.

#### PORT OF MONTREAL.

The navigation from the port of Montreal to the port of Quebec, a distance of (135) one hundred and thirty-five nautical miles, is a matter of pilotage only, with the addition of towage for sailing vessels.

There are very few dangers, if any, attending it from gales, fogs or snowstorms, as a vessel may find a safe shelter and anchorage everywhere.

The accidents that happen are caused by collisions, and the shallowness and narrowness of the channel at several places. But these are being remedied.

## PORT OF QUEBEC.

This port has access to the Atlantic Ocean, as every one knows, through the lower part of the river and the Gulf of St. Lawrence.

The Quebec pilotage grounds extend from Quebec as far as Bic, a distance of (150) one hundred and fifty nautical miles.

The navigation over those pilotage grounds is also a matter of pilotage, but it is a difficult one, on account of the numerous islands, reefs and banks which are found all the way, the strength of the tide currents, and the absence of any port of refuge in case of accidents.

A great deal has already been done, since Confederation especially, to render this part of the navigation of the St. Lawrence safer and easier by means of lighthouses, light-ships, buoys, beacons, guns, and fog-whistles. But those indispensable safeguards are not to be considered as completed yet.

More lights, and especially more fog-whistles, are wanted, so that a vessel should be able to navigate in a dark night from light to light, or in a fog or in a snowstorm, from gun to whistle, and from fog-whistle to gun, at least in those parts where soundings are not safe.

From Bic, the limit of the Quebec pilotage ground, there is a distance of no less than (435) four hundred and thirty-five nautical miles to the middle outlet of the Gulf of St. Lawrence, between Cape Ray, N. F., and Cape North, C. B., and even when a vessel has reached these parts, she is not considered as having quite reached the open Atlantic Ocean.

The sailing of those (435) four hundred and thirty-five miles is attended with considerable danger, as proved by the wrecks that take place every year on the north and south shores of the River St. Lawrence, on the south coast of the Island of Anticosti, on the Magdalen Islands, of which, as is known, the Bird Rocks and Bryon Island—both directly in the track of vessels—form part; on St. Paul Island, Cape Ray, St. Pierre and Miquelon and the north coast of Cape Breton Island.

I have annexed to this letter a statement, showing the number of accidents that have happened to vessels in those parts during the season of 1875. It is, no doubt, a long list of casualties.

This proves that the improvements to the navigation in those parts are not yet sufficient, and that the Government must persevere in the wise and judicious policy it has adopted since Confederation, of doing its utmost to render the only outlet we have to the sea as safe, as expeditious and as cheap as possible.

But all those means are employed to guard vessels from accidents; that is, to prevent them from being stranded or wrecked. There are, however, yet other means that are used in other countries to assist navigation that have not been employed in this country. I mean marine telegraphy. In Europe, it is used extensively for that purpose; and there is not a point of any importance on the maritime coast of Europe that has not its lighthouse, with a telegraph and semaphore attached to it.

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Even Norway, a country that has less population and less means than we have, has girded the whole length of her maritime coasts with the electric wire, as will be seen by the telegraph chart of Norway that accompanies this letter; and not only does the Norwegian maritime telegraph reach Hammerfest, the most northerly sea-port town in the world, but it circles round North Cape, near  $71^{\circ}$  latitude north, and then extends eastward and southward towards the White Sea; but it reaches all the prominent points on the coast, and no accidents can happen in those parts, but that are telegraphed at once to all ports from which immediate assistance could be easily procured. It is easily conceived that wrecks which take place in those parts are attended with less loss of life and property than on the coast of the River and Gulf of St. Lawrence, where the same timely assistance cannot be given from absolute want of communication.

I will state, furthermore, that marine telegraphy has not, in Norway, been confined to the use of assisting navigation. It has been extended to the development of the deep sea fisheries, and the helping of the fishermen in their arduous and often dangerous avocations, and the accompanying extracts from the report of Her Majesty's Consuls in Norway will explain this new industrial and humanitarian use of marine telegraphy.

Now, I will come to an explanation of the system of marine telegraphy that I have recommended for the Lower River and Gulf of St. Lawrence.

The system is based on the principle, that if we had constant telegraphic communication with the maritime coasts that lie on each side of the outlet of the St. Lawrence to the ocean, from Bic to the entrance of the Gulf between Cape Ray, Newfoundland, and Cape North, C. B., many of the vessels which are now totally lost, *could be floated, towed off and saved with their cargoes, and in many cases the sufferings of the crews and passengers of such vessels considerably alleviated.* Let me cite some cases to prove my proposition:

One of the Allan steamers was stranded in 1866, off the South Point of Anticosti, with over three hundred souls on board. Her master had to send a boat from the scene of the accident, first to the south-east point of Anticosti, sixty miles; thence to Gaspé, fifty miles, and his messenger had to travel by land to the nearest telegraph station, at Campbelltown, (N.B.), a distance of one hundred and fifty miles; total two hundred and eighty miles.

It was nearly a fortnight before the owners were informed of the accident, and had a storm come on to break up the steamer, the provisions would have been lost, and those three hundred unfortunate persons would have been exposed to starve on a bleak shore without shelter, far from the same cause. And from the same cause, that is, the great difficulty of communications, the passengers and crew could not be rescued until nearly a month after the accident, and the vessel herself was not floated off and brought to Gaspé Basin till later. I may also cite the case of the wreck of another steamer, at the Bird Rocks, and the wrecks of two steamers near Perroquet Island on the north shore. From the same cause, that extreme delay in communication, much suffering was



endured by the passengers of the vessels before they were rescued, which took a long time.

I may cite again the case of the barque *Eleonore*, which, having become water-logged and unable to continue her voyage, had to come to anchor at Fox River, in an open roadstead. Her master sent a telegram to Quebec for assistance, but his messenger had to go one hundred and eighty-five miles to the nearest station at Campbelltown, causing a delay of over three days. The steamer *Napoleon* was ordered to come down, but on the sixth day, when the steamer was nearly in sight of Fox River, a storm came on, the barque was dashed ashore, and a loss of \$70,000 at least, including the vessel and cargo, was the consequence; and had there been a telegraph station at Fox River as there is now, thanks to the spirit of enterprise and progress of the people of Gaspé and Bonaventure, a single telegram for 50 cents at the most, would have brought the *Napoleon* within forty-eight hours after the *Eleonore* had come to Fox River, and have saved the vessel and her cargo, equalling \$70,000.

Shall I cite the case of the *Cherokee*, a Montreal trader, laden with a valuable cargo, which went ashore last summer on a sandy beach near the east end of the Magdalen Islands? I was told that she laid there more than a week without having suffered much damage, and she could have been towed off had timely assistance been given; but as it takes now two or three days, sometimes more, to go from the east end to the west end of the Magdalen, where the mail steamer calls at, and as that steamer only makes fortnightly trips to the Island during the summer, it was more than a fortnight before the accident was made known on the main land, and the vessel was a total loss; and the part of her cargo that was saved was carried in a schooner to Quebec at great expense.

I might cite many other cases, which, during the twenty-four years that I have frequented the Gulf, have come under my notice; but I think it is useless, as all persons a little posted up in maritime matters will understand by what I have said, the totally helpless state of vessels which have the misfortune of being stranded on any of the coasts above cited, but especially on Anticosti and the Magdalen Islands—with which two places and the main land *no communication at all exists* during the winter season, that is from the beginning of December to the latter end of April of the following year, and even during the season of navigation communication with those places is *difficult and uncertain*.

The system I propose would remedy all those evils.

By looking at the chart it will be seen that certain existing telegraph lines and stations, marked in blue on the chart, form part of the system, and those lines and stations have already rendered great services to the shipping, such as

1st. The telegraph line that extends on the south shore of the River St. Lawrence as far as Matane.

2nd. The line from Quebec to Murray Bay.

3rd. The line from Metapedia to Fox River, on the coast of Gaspé; it is from the latter place that most of the ocean steamers, either up or down, are reported;

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4th. The telegraph line in Prince Edward Island, through which the wrecks that take place along the shores of that Island are reported, but not without the loss of valuable time, as that line does not reach the headlands, where most of the wrecks happen.

5th. The line that reaches the north shore of Cape Breton ;

6th. The line at Point au Basque ;

7th. The line at St. Pierre et Miquelon.

My project consists in adding to those existing lines all the lines which are marked in red on the chart, that is to say—

1. A line from Matane to Fox River, a distance of 185 miles, to fill the gap which exists between the two above named places.

It will be seen that when this line is erected, the whole of the south shore of the River St. Lawrence and the north coast of the Bay des Chaleurs will be completely girded by a telegraph wire.

2. A line to the Magdalen Islands, the Bird Rocks specially included in the system, with stations at the principal ports of those Islands. This line, the greatest part of which must be sub-marine, can be extended to those places, either from Prince Edward Island, or from Cape Breton. Either way the end that we look after can be accomplished. But I am led to believe after mature consideration, that perhaps the way by Cape Breton presents superior advantages.

3. A line from Griffin Cove, on the coast of Gaspé, to the south-west of Anticosti, and eastwardly to the East Cape, westwardly to the West Point of said island.

4. A line from l'Anse a la Croix, on the south shore of the River St. Lawrence to Pointe des Monts, a very prominent point on the north shore, and thence eastwardly along the coast as far as Seven Islands and Moisie.

5. A short line to extend from the road of the main telegraph line on Prince Edward Island, at Colville River, as far as the east point, and another short line to extend from Cascumpeque to the north cape of the same.

6. A short line to run from Aspey Bay to Cape North and Cape St. Lawrence on Cape Breton Island; a short line to run from Shippigon to Miscou Light House.

It will be seen by looking at the chart that those proposed lines (added to the already existing lines) girdle nearly all the coasts that lie on each side of the outlet of the Provinces of Quebec, Ontario, Manitoba, and the great west to the sea. So that any accident that might happen to a vessel in those parts may be reported in a comparatively short time.

But this is not all: I would recommend all the light-houses on the track of those telegraph lines to be made telegraph stations, and a *semaphore* to be erected at each, so that signals could be received from and sent to vessels passing at a distance. And as a complement of the system, and in order to give that timely assistance which every vessel in distress ought to receive from a well-organized maritime nation, as we call

ourselves, I would specially recommend that the Government steamer that supplies the lighthouses in the Gulf of St. Lawrence, be stationed permanently, when she is not occupied at that work, at Gaspé Basin, which is the centre of the system I have expounded.

I do not think that the Government would be in a position to build, or to have all those lines built at once, but in succession, beginning by the most needful. When the system would have been completed, no accident to a vessel, bound up or down the Gulf or River St. Lawrence, could happen, but that it could be reported to the headquarters in time to save her in most cases, by means of the steamer stationed at the harbour of Gaspé.

I have tried to make myself clear in this letter, so that the subject might be well understood, even by those who live far inland. For every one in the Dominion is interested in this proposed system of marine telegraphy. It is first a humanitarian proposition; secondly, it will go far to prevent, in many cases, and to diminish in others, the disastrous consequences of the accidents which happen to shipping in those parts, and giving greater protection to property, will cause the rates of insurance on ships or cargoes to be lowered. And every one in this country will be gainer by that, and then, and not before, we will be able to compete with the rival port.

I will not enter into the question of the cost of those lines; but from the information I have been able to collect, they would not cost a great deal, as the sub-marine portions would not require to be made of cable as large as the transatlantic lines, and the Government steamers could be used to lay those lines and keep them in repair. Let me add that the Government, when assisting a vessel in distress, would have the right to claim a salvage, and as several vessels would be assisted during the year, the income derived would go far to pay the interest of the cost of those lines.

My letter has, perhaps, been too long, but I thought I would treat the whole subject in the best way I could do it, convinced, as I am, that it would be useless to improve the inland navigation of this country, which policy I most heartily approve, without making corresponding efforts to improve the ship navigation by all means in our power.

P. FORTIN,

*Late Commander of the Expedition for the Protection of the Fisheries in the Gulf of St Lawrence, during 16 years.*

QUEBEC, 14th January, 1876.

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NUMBER OF VESSELS STRANDED OR WRECKED IN THE GULF AND  
LOWER ST. LAWRENCE BELOW BIC, 1875.

Steamer Chesapeake, ashore off Matane.

Ship Hermond, ashore at Matane, 15th May, during snow-storm, but got off by throwing ballast; was towed up.

Ships Irene, Norge, Rising Sun, and Earl of Elgin, ashore at Cap Chatte; would have been saved if timely assistance had been given.

Steamer Delta, ashore at Cap Chatte; she would have been saved if timely assistance had been given.

Ship Giant's Causeway, wrecked on Anticosti.

Barque Capella, ashore at Metis, but towed up.

Ship Sophia, ashore at St. Flavie.

Ship Cherokee, with a Montreal cargo, was a total loss, but could have been got off if, by means of telegraphic communication, timely assistance had been obtained.

Ship Zurich, ashore at Metis, but got off.

Ship Queen of England, ashore at Matane.

Ship Alice, ashore at Sault-au-Mouton, but was towed off.

Ship Elie, ashore at Matane, but got off.

Ship Charmer, ashore at Metis, but got off.

Ship Ocean, ashore at Caribou, lost.

Barque Louise, ashore at White Island; towed off.

Ship Chillionwalla, wrecked on Anticosti.

SS. Tigress, wrecked on Magdalen Islands.

Ship Siam, ashore at Matane.

Ship Wesley, wrecked on Anticosti.

Ship Standard, aground on Anticosti, but was got off.

Ship Arago, ashore at Bersimis.

Ship Tornado, wrecked in Bay of Islands.

Ship Pierre Nolasque, wrecked on Magdalen Islands.

Barque Sanspareil, wrecked at Cape Ray.

SS. Normanton, sunk at Matane, after having collided with ship Churchill.

Ship Churchill, ran ashore at Matane.

Barque David Rankin, ashore at Riviere Blanche.

Ship Calcutta, wrecked on Magdalen Islands, near Grosse Isle; 20 men and a lady lost.

Ship Dunbrody, wrecked in the Straits of Belle Isle.

Steamer Roma, wrecked at Grosse Isle; total loss.

Six schooners belonging to the Magdalen Islands, wrecked in the Gulf, on their way from Halifax to these Islands, with winter supplies.



*Extract from the Report of Her Majesty's Vice-Cosnul General at Christiania, on the Cod and Herring Fisheries of Norway, for the year 1866.*

"The population, directly and indirectly, interested in the fisheries, is probably not less than 150,000, and the fishermen actually engaged in them at one time not less than 60,000. These latter move to-and-fro with their boats along the coast, according to the reports they hear of the so-called "sights," *i.e.*, straw herring, sea birds, whales, &c., &c.; and formerly—before the telegraph was impressed into their service—the inability to test the accuracy of the reports, and the great distance they had to traverse before reaching the neighbourhood of the shoals, were the cause of endless disappointments and failures, and the catch was frequently lost for the want of hands to capture fish. This is now all changed as far as the herring fishery is concerned. Telegraphic stations are now erected, or are in course of erection, at the principal points along the coast, and the Inspectors cause daily notices of the appearance and position of the shoals to be posted up at each station, and keep up constant communication with all these stations now in operation. "Field" telegraphs are kept in readiness to join on to the main line, and thus the slightest movements of the shoals are carefully watched and communicated, and it is a curious sight to witness the sudden exodus of thousands of fishermen, with their train of buyers, salters, &c., with boats, barrels and appliances, hastening to a distant place at the call of the wire. The men seem to prize highly this valuable coadjutor, and when the catch is chiefly attributable to its agency, they call the fish "telegraph herrings." The inspectors, likewise, every morning, post up at the different stations a statement of the quantities fished, and quotations of prices paid per barrel, which they continue to do until the spawning time is passed, which is indicated by the milky appearance of the water.

"Although this herring is fished during three months, the chief fishings only extend over about six weeks, during which from 10,000 to 20,000 tons are taken weekly.

"The benefit likely to accrue from the use of the telegraph is incalculable, for it is not only likely to increase the yield of the great cod and herring fisheries, but it will enable the scattered dwellers along the coast and on the shores of the large Fjord, to assemble at given spots during other seasons of the year, and to prosecute with advantage the minor but numerous other fisheries of the country, especially that of the fat and much esteemed summer herring, which, in plumpness and delicacy of flavour, fully compares with the Dutch or 'North Herring.'"

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