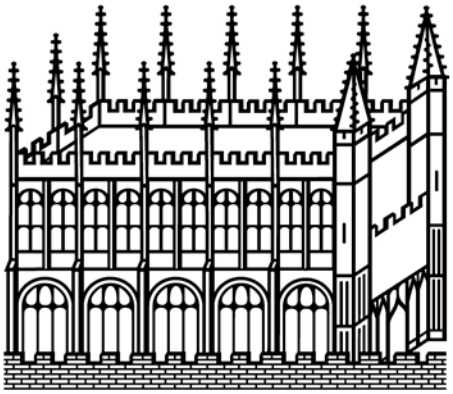


Bodleian Libraries

UNIVERSITY OF OXFORD

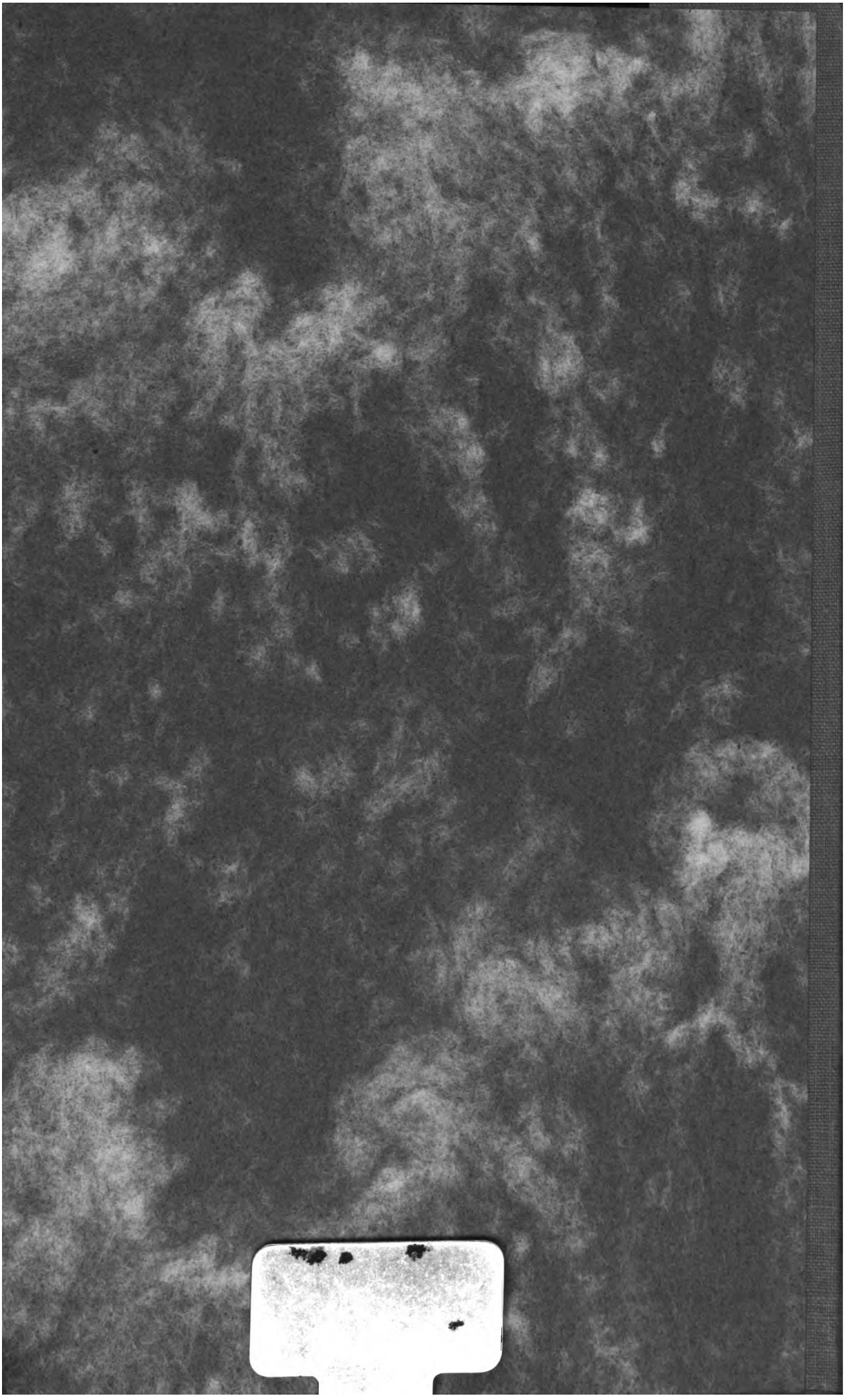
This book is part of the collection held by the Bodleian Libraries and scanned by Google, Inc. for the Google Books Library Project.

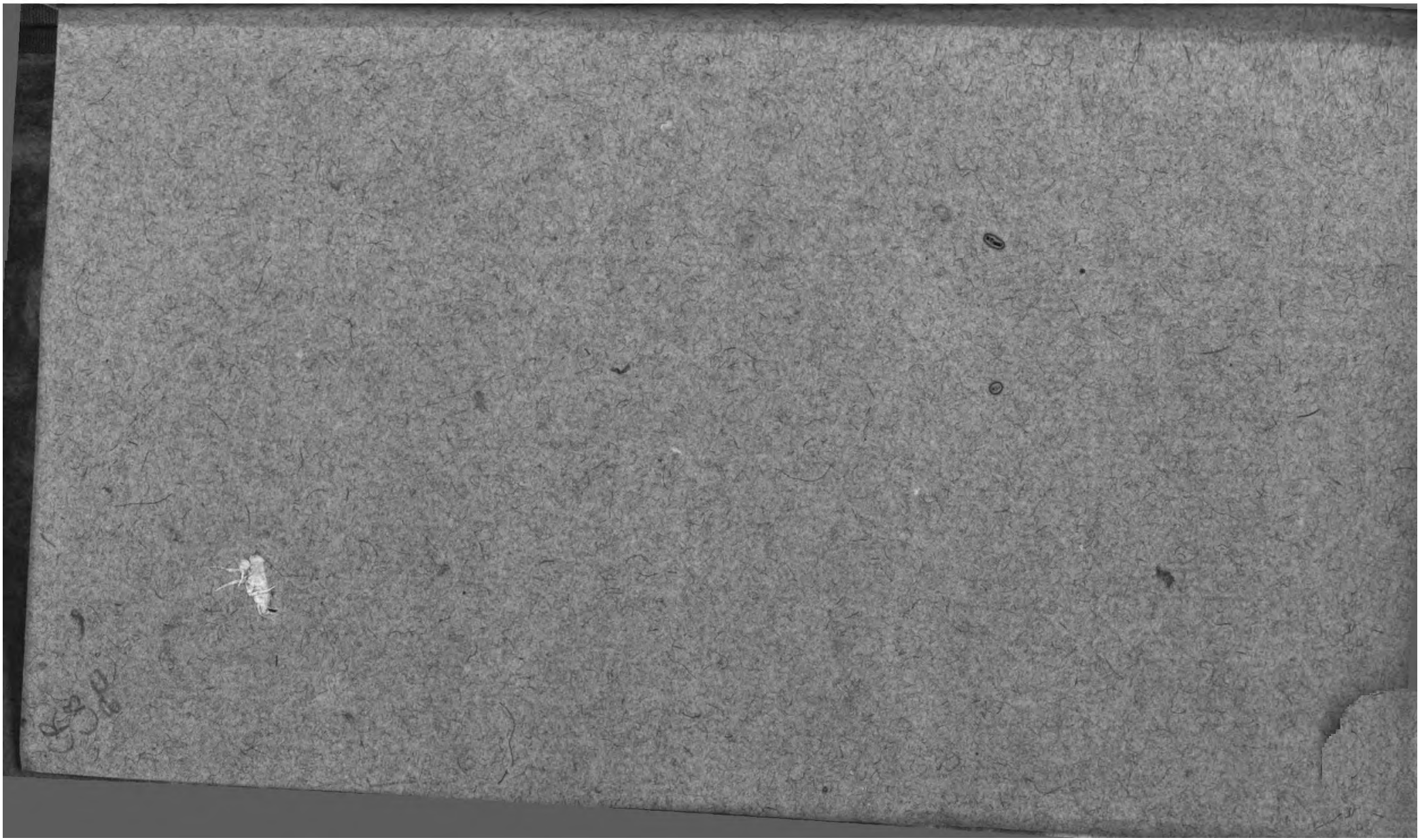
For more information see:

http://www.bodleian.ox.ac.uk/dbooks

This work is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 2.0 UK: England & Wales (CC BY-NC-SA 2.0) licence.

00.244 r. 25: Remarks on the importance of preserving the existing scale of duties on N.Amer. & foreign wood, with appendix.





REMARKS

ON THE

IMPORTANCE OF PRESERVING

THE

Existing Scale of Duties

ON

NORTH AMERICAN & FOREIGN WOOD,

WITH

AN APPENDIX,

CONTAINING

EVIDENCE TAKEN BEFORE A SELECT COMMITTEE
OF THE HOUSE OF COMMONS, ON
MANUFACTURES, COMMERCE, AND SHIPPING.

PUBLISHED UNDER THE DIRECTION OF

THE BRITISH AMERICAN, WEST INDIAN, AND GENERAL
SHIPPING ASSOCIATION OF GLASGOW.

LIVERPOOL:

PRINTED BY HARRIS BROTHERS, CHAPEL-STREET.

1834.

Gr. Law 7/-

THE object of the following Remarks is briefly to point out the policy of maintaining in its present state the discriminating scale of Duties on Foreign and Colonial Timber, and the injurious effects which any alteration on those duties in favour of foreign wood must inevitably produce on our North American possessions, and on the important interests connected with them.

These effects are shortly considered in reference to—

1. The TIMBER TRADE itself, which would thus be thrown altogether into the hands of Foreigners.

2. The CONSUMER, who, from the competition induced by the present duties in regard to Foreign and North American wood, is now supplied at the lowest possible price; but who, were competition removed, would be placed in the power of the Foreigner, both in regard to price and supply.

3. The CAPITAL INVESTED in this trade, in mills, warehouses, wharfs, and other establishments, the certain destruction of which would follow any alteration of duty.

4. The GROWING PROSPERITY of the Colonies, which would receive a fatal check from the same cause.

5. EMIGRATION, by means of which Government has encouraged and stimulated a rapidly increasing population to apply itself to the very labour which any unfavourable change would effectually stop, and reduce to a state of destitution the great body of emigrants, who, under the present system, are enabled not only to maintain themselves, but to become purchasers of British manufactures to a large amount.

6. The MANUFACTURER, to whom a ready and improving market is now afforded for almost every article of home production, but for which the demand would soon come to an end, if the stimulus were withdrawn.

7. The SHIPPING INTEREST, which has hitherto found its best employment in the Colonial Timber Trade, but which would suffer to an alarming extent, if that Trade were abandoned, while the maritime wealth and power of Foreign States would be built upon the ruins of our own.

8. The REVENUE of the country, which would experience positive injury by any change on the existing scale of duties, inasmuch as such change would eventually operate as a tax on the consumer, in the shape of additional price.*

* These various topics are treated and commented on at considerable length by Sir Howard Douglas and Mr. Bliss in their recently published Pamphlets on Colonial Trade, a perusal of which we would recommend to those who are desirous of obtaining full information on this most important subject. Mr. Bliss, in his "Statistics of the Trade, Industry, and Resources of British America," has compiled with great care, from official returns, a body of Tables which throw much light on the direct as well as inter-colonial commerce of our North American Provinces.

REMARKS,

&c.

Timber Trade

THE question regarding the policy of affording protection to our North American Timber Trade, by a discriminating rate of duties, is one which has, at various periods, engaged the attention of the Legislature; and, as the scale now in force was not adopted until after a long and laborious investigation, so any interference with its hould be viewed with a jealous eye, as involving the safety and permanency of the Colonial connection between Great Britain and her North American possessions.

It has been argued, indeed, that the country, and the Colonies themselves, would ultimately derive benefit were the duties to be remodelled; but a very slight attention to the subject, and reference to facts confirmed by official documents, will sufficiently show, that the immediate consequence of such a measure would be not only utter annihilation to the Colonial Timber Trade, but ruin to the many, varied, and extensive interests dependent on it.

The operation of the Statutes 1 and 2 Geo. IV. cap. 37 and 84, by which 10*s.* per load was imposed on Fir Timber fit for naval purposes, and 10*s.* per load taken off foreign wood, rendered it barely possible either for the colonist or trader to realise a saving profit; and the duties are now so nicely balanced, that a preponderance, however slight, in favour of the Baltic trader, would entirely prevent the possibility of further competition with him. The Colonial Timber Trade must, in that case, necessarily be abandoned; and this result would be equally produced, whether the actual duties on Baltic Timber were diminished, or those on wood of Colonial growth increased. This will appear evident, on comparing the cost of Colonial wood with the market price (which is regulated by the cost and duties) of the foreign article; nor will any of the component parts of the price of North American Timber (viz. freight, labour and merchant's charges) bear reduction so

as to enable the Trade to be continued at lower profits. *Freights* have been gradually falling for several years past; and it is asserted, that another decline equal to that which has taken place since 1821, would bring ships to a breaking-up price; *labour*, which is procurable for a mere trifle in the North of Europe, forms in Canada almost the whole first cost of wood; and the *Merchant's charges and Commission* will not probably be lessened, as his returns become less certain.*

The amount of first cost, as compared with the market price of North American and Foreign Timber, is stated in the annexed Table. The difference in value between Canada red pine and Baltic wood arises from the circumstance of the latter being of more equal size and better squared, owing to which it generally brings 3*d.* per foot, or about 12*s.* 6*d.* per load more than the former. The yellow pine usually sells at 4*d.* per foot, or about 16*s.* 8*d.* per load less than the Quebec red pine.

	Colonial Timber.		Baltic Timber.
	Red Pine.	*Yellow Pine.*	*Timber.*
First Cost	£1 13 4	£1 3 0	£1 2 6
Charges	0 6 6	0 5 0	0 5 0
Freight	2 0 0	1 15 0	1 0 0
	3 19 10	3 3 0	2 7 6
Duty	0 10 0	0 10 0	2 15 0
	4 9 10	3 13 0	.....
Difference in value	0 12 6	1 9 2	.....
	5 2 4	5 2 2	5 2 6

The opponents of the protecting policy contend, that "were it abandoned, *price* would thereby be lowered, and the public supplied with cheaper timber;" but the fallacy of this opinion is sufficiently exposed by the fact, exhibited in the following Tables, that, from the year 1801 to 1803, when the duty on Baltic wood imported in foreign ships was only 10*s.* 11*d.* per load, the average *price* of those years was upwards of £5; and that now, when the duty has been increased to £2 15*s.* Baltic timber still sells at about £5

* Bliss.

per load. To what cause, then, is this to be attributed but to Colonial competition, which, in the face of a nearly three-fold consumption, and notwithstanding the change that has taken place in the standard of value compared with the cost of labour and almost every article of commerce, has kept down prices to their present standard. Remove this competition—throw the trade entirely into the other scale, and it will soon be found that Baltic proprietors and merchants will not be slow to take advantage of the *additional* demand for, at least, **600,000** tons of wood, which will then be made in their market, by raising their prices to a rate commensurate with such increased demand,—and thus an alteration of duty would merely operate as a boon to the Foreigner, without producing any beneficial result to the British consumer.

The following Table commences at the period when Baltic Timber paid nearly the same duty that is at present exigible from Colonial :—

Years.	Price of Baltic Timber per Load.	Duty on Baltic Timber in Foreign ships	Net Price, deducting Duty.	Total imported from Baltic.	Total from British Settlements	Duty Colnl. Tmbr.
1801	£5 15 0	£0 10 11	£5 4 1	158,770	3,099	Free.
1802	4 5 0	.....	3 14 1	252,672	5,143	.....
1803	5 5 0	1 0 9	4 4 1	280,550	12,133	1s. 6d
1804	4 15 0	.....	3 14 3	275,429	14,835	... ..
1805	4 15 0	.....	3 14 3	248,717	13,018	.....
1806	7 0 0	.....	5 19 3	144,054	16,120	Free.
1807	6 0 0	.....	4 19 3	213,636	26,561	.....
1808	11 11 0	.....	9 10 3	26,764	60,467	.....
1809	16 10 0	1 8 8	15 1 4	54,620	90,829	.....
1810	13 5 0	2 17 4	10 7 8	135,626	125,313	.....
1811	13 10 0	.....	10 12 8	124,765	154,282	.....
1812	10 5 0	.....	7 7 8	27,176	171,795	.....
1813	13 0 0	3 8 1	9 11 11	.....	.....	.....
1814	9 15 0	.....	6 6 11	126,289	50,790	.....
1815	8 15 0	.....	5 6 11	194,503	122,212	.....
1816	6 0 0	.....	2 11 11	79,885	153,707	.....
1817	6 0 0	.....	2 11 11	86,715	162,611	.....
1818	6 10 0	.....	3 1 11	141,885	248,669	.....
1819	6 7 6	3 8 0	2 19 6	119,237	322,920	.....
1820	6 0 0	.....	2 12 0	65,841	307,813	.....
1821	5 7 6	2 17 0	2 9 6	99,202	317,563	10 0
1822	5 5 0	.....	2 8 0	137,248	345,741	.....
1823	5 8 0	.....	2 0 11	161,472	383,747	.....
1824	5 6 0	2 15 0	2 0 11	195,900	415,363	.....
1825	5 10 0	.....	2 15 0	286,871	467,625	.....
1826	5 0 0	.....	2 5 0	156,078	455,800	.....
1827	5 2 6	.....	2 6 6	173,382	343,203	.....
1828	5 2 6	.....	2 6 6	144,522	372,613	.....
1829	5 0 0	.....	2 5 0	150,974	393,531	.....

In the article of Deals a similar result is obtained on an average of years; and here, if the duty were altered, particularly if it were taken by the *contents* instead of the *hundreds* as at present, a monopoly would be created in favour of the small sized deals of Norway (which can be furnished at a cheaper rate per cubic foot), to the exclusion from our markets of Colonial as well as the *larger* Baltic deals. The shipments hither from Norway are altogether in vessels of that country, and at low freights, the run across seldom occupying more than four to five days. Adequate protection to the Colonial and Shipping interests is therefore as essential in this case as in that of Timber.

Capital invested.

When in the year 1809 the attention of Government was called to the then precarious state of the Timber Trade, and the pressing necessity of securing a steady supply of wood independent of foreign importation, and when encouragement was held out for British merchants to embark in the North American Trade, it was on the faith of protection then proffered and guaranteed by Acts of Parliament, (which record as the reason of their enactment "*the exorbitant profits, arbitrary rates, and excessive prices*," at which wood was procured from foreign countries) that British capital, to an immense extent, was invested in this trade. But while the beneficial effects of the protection then afforded are apparent in the increased prosperity of the Colonies, it must be borne in mind, that as the value of almost all fixed property embarked in the Timber Trade has risen with the rise of that trade, so it must sink with its fall. It is idle to talk of transferring to other branches, without a ruinous loss, establishments which have been formed, and are only suited for this peculiar one.

The value of fixed property of this description throughout the Colonies, and which is useless for other purposes—consisting of mills, canals, wharfs, warehouses, and other buildings necessary for carrying on the Timber Trade—has been computed at £2,100,000. In the province of Lower

Canada alone the number of saw-mills was, in the year 1831, no fewer than 737; and in New Brunswick—from whence the sole export, in return-payment for the manufactures of Great Britain, is in wood— the value of saw-mills and mill property, at the same period, was £232,030, as appears from the following Return :—

Value of Saw-Mills and Mill Properties in New Brunswick.

Counties.	Establishments for Sawing Deals.	Estimated value of Mills, including all Improvements,—say, Privilege, Site, Sluices, Land, Dams, Piers, &c.			Estimated quantity of Lumber sawed at the Mills during the year.	Estimated Value of Lumber when sawed and carried to Places of Shipment.			Number of Men employed Logging, Sawing and bringing to Places of Shipment.
		£	s.	d.	*Feet.*	£	s.	d.	
St. John County ...	29	31,700	0	0	11,305,000	28,262	10	0	320
King's do.....	30	14,800	0	0	3,905,000	9,785	10	0	287
Gloucester do.	7	15,500	0	0	2,920,000	6,050	0	0	105
Westmoreland do...	53	18,530	0	0	8,805,000	22,012	10	0	324
Kent do.	10	6,950	0	0	2,650,000	6,575	0	0	84
Northumberland do.	15	44,350	0	0	15,600,000	39,800	0	0	800
Sunberry do.....	7	8,500	0	0	4,500,000	11,250	0	0	103
Queen's do.	6	9,200	0	0	6,200,000	15,500	0	0	118
Charlotte do.....	42	64,500	0	0	38,955,000	99,475	0	0	1357
York do.	29	18,000	0	0	9,000,000	22,500	0	0	309
Grand Total.....	228	232,030	0	0	103,840,000	261,210	10	0	3798

That the sudden impulse of improvement which has carried the Colonies forward to their present station in wealth and consequence may be ascribed to the influence of the Timber Trade, is evident from the great and rapid change made on those possessions since that trade commenced, as compared with the stationary condition in which they were before; and this not only in regard to internal improvements, but in the progressively increasing commerce with the United Kingdom during the last twenty years. Prior to 1809, the Colonial Timber Trade was of comparatively little importance; but since that period a commerce has sprung up, in the interchange of home manufactures for the produce of the forests, that has become incalculably advantageous in a national point of view.

In the year 1792* (the last year of peace) the official value of imports into the Colonies was £1,119,991. In

* Bliss.

1802 they amounted to £1,350,896; this exceeded by £300,000 any succeeding year until 1809. Up to the latter period, therefore, the imports had, for a series of years, been actually declining: but a remarkable increase appears to have taken place during the three first years after the Timber Trade commenced, and they have been steadily improving, until in 1831 (when the latest returns were made up); the total amount of those imports was, according to the official Tables, £4,329,036 sterling; and the exports at the same period amounted to £3,304,702 sterling. The particulars of these sums are as follow:—

Account of the value of all Imports and Exports, into and from the Northern Colonies, in 1831.

	Imports.	Exports.
Quebec	£1,855,902	£1,467,052
P. E. Island	660,000	51,519
St. John's Newfoundland	640,000	707,196
St. John's N. B.	561,315	387,204
St. Andrew's	173,333	123,944
Halifax	1,447,643	827,460
Hudson's Bay	71,846	107,516
	4,810,039	3,671,891
Sterling	£4,329,039	£3,304,702

Prosperity of the Colonies.

In thus tracing the prosperity of our North American possessions to the rise and growing influence of the Timber Trade, it becomes an important inquiry, whether that prosperity is now placed on so secure a footing as to warrant the expectation of its continued advance, independently of the trade to which it owes its origin? This expectation can scarcely be indulged in;—the Colonies can only as yet be considered in a state of infancy—vigorous indeed, but still requiring the fostering hand of the mother country. Like all new settlements, they possess few articles of exports beyond the produce of their woods; New Brunswick indeed has no other. On these they must almost entirely depend; and if their means of paying for British manufactures cease, the importation of those manufactures must cease also as a matter of course; consequently, the large amount of capital, now in activity among a British people, would (in so far as it could) be withdrawn from the Colonies into Foreign countries.

Another very important point of view in which this question must be considered, is, as it is connected with Emigration. It has, for a series of years, been the policy of Great Britain to encourage and direct the current of emigration to North America, whereby the country is not only relieved from a redundant population, but a considerable proportion of persons who would otherwise have become chargeable on the public as paupers, are removed to a situation where they may, in a healthy climate, better their condition, as well as contribute by their labour to the prosperity of the Colonies and the empire. Under the existing system a cheap and ready conveyance is provided by means of the lumber ships,—so much so indeed, that they are said to have formed a bridge for emigrants across the Atlantic ;—and so ready and abundant has been the employment hitherto found for these strangers, and that chiefly by the Lumber Trade, that although, in the course of last year, upwards of 50,000 arrived at Quebec, yet few of them have become chargeable to the Canadas, or left that country for the United States. Emigration.

The pursuits of emigrants are, it is true, essentially agricultural; but agricultural operations in a land covered with forests must commence, and be accompanied, by the operations of the lumberer. By means of the profits derived from the sale of trees fit for timber, the settlers have been enabled to remove those which were only an encumbrance, and to bring the ground which they covered into tillage and pasture. It is well known that the winter is longer in Canada than in more Southern climates; agricultural work is then, of course, at a stand; but during that season the Timber Trade finds occupation for emigrants and farmers—furnishing a constant employment for the labour of themselves and their horses and oxen, and creating an extensive demand for farm produce of every kind. Hence the Timber Trade acts both directly and indirectly in a very advantageous manner on agricultural improvement, and the value procured from the woods (greater part of which is laid out on the soil) like-

wise enables the colonists to become consumers of British manufactures to a very considerable extent. To the demand for these indeed no probable limit can be set, for independently of the supplies required by the native inhabitants, the continued influx of emigrants occasions a consumption of manufactures which is rapidly increasing. The demand by the emigrants to Canada alone amounts at the present time to £78,000 per annum. Thus a positive employment for productive industry is created. Were this trade, therefore, put a stop to, so as to withdraw the demand for Timber from the Colonies, and transfer it to other quarters, it would no longer be in the power of the Canadas to take our surplus population, or to give them any support.

Manufactures.

On turning to the amount of British manufactures consumed by the timber countries of Europe, we find that it bears no comparison with the supply required by our North American provinces.* The policy of Foreign Governments limits the demand for British goods, and the importation into their countries seldom exceeds a certain point; nor does it fluctuate with a greater or less consumption in Britain of their timbers or other produce. The trade with Prussia affords a striking illustration of what the others evince in a lesser degree. Between 1802 and 1819, our importations of timber and deals from that country declined by 109,505 loads, while our exports thither exhibit a small advance. Between 1819 and 1829, importation had increased by 59,937 loads, and the exports declined nearly one-half.† The difference, therefore, must have been paid for in gold; an exportation of which article has always a tendency to produce a doubly injurious effect; first by enhancing the value of specie, and next, by impairing the credit of its substitute. It may be remarked, in further evidence of the same fact, that the immense importations of foreign corn, occasioned by the scarcity of 1816–17, were almost entirely remitted for in gold, no increase whatever having

* Douglas. † Bliss.

then taken place in the consumption of British manufactures beyond the usual average demand, and the Baltic ships having, with scarcely an exception, returned home in ballast. Now, the whole population of British America derive their supplies from the manufactures of Britain, and that demand is steadily increasing. It is a most material consideration, too, that every operation of colonial traffic replaces *two capitals*, the employment and distribution of which puts in motion and supports British labour, and alternately augments the resources of the same community.* The Baltic trade, it is true, has the effect of replacing two capitals also, but one only of these is British—the other puts in motion the industry of Foreigners exclusively.

The following accounts show the relative value to the home Manufactures of the Baltic and Canada trades, and also the relative increase of those trades in the space of four years, within a recent period.†

Principal Articles of Home Production exported from the United Kingdom to the North of Europe and British America.

COTTON GOODS.

1824.	Yards.		1828	Yards.
Russia	2,646,871			2,502,267
Sweden }	403,054		{ 21,864	
Norway }			{ 364,505	
Denmark	461,609		248,416	
Prussia	436,283		9,100	
		1,300,946		643,885
		3,947,817		3,146,152
British North American Colonies	5,580,723			9,202,255

LINENS.

1824.	Yards.		1828.	Yards.
Russia	724			2,155
Sweden }	7,660		{ 3,066	
Norway }			{ 9,393	
Denmark	862		10,787	
Prussia	103		14,254	
		8,625		37,500
		9,349		39,655
British North American Colonies	2,192,624			2,834,642

* Brougham's Colonial Policy. † Bliss.

WOOLLENS.

1824.		Pieces.	1828.		Pieces.
Russia		37,198			38,515
Sweden } Norway }	1,359		{	355 1,663	
Denmark	1,818			1,356	
Prussia	1,687			123	
		4,864			3,497
		42,062			42,012
British North American Colonies		76,345			63,558

WOOLLENS.

1824.		Yards.	1828.		Yards.
Russia		123,926			127,126
Sweden } Norway }	6,168		{	1,940 9,232	
Denmark	17,542			3,700	
Prussia	4,707			772	
		28,417			15,644
		152,343			142,770
British North American Colonies		938,897			1,123,276

LEATHER.

1824.		lbs.	1828.		lbs.
Russia		1,318			1,445
Sweden } Norway }	2,134			255	
Denmark	2,468			979	
Prussia	196			36	
		4,798			1,270
		6,116			2,715
British North American Colonies		445,640			324,303

EARTHENWARE.

1824.		Pieces.	1828.		Pieces.
Russia		435,520			122,813
Sweden } Norway }	632,522		{	34,620 512,442	
Denmark	607,983			536,534	
Prussia	105,495			43,772	
		1,346,000			1,127,368
		1,781,520			1,250,181
British North American Colonies		2,567,561			1,745,207

IRON AND STEEL, WROUGHT AND UNWROUGHT.

1824.		Tons.	1828.		Tons.
Russia		65			44
Sweden } Norway }	21		{	120 41	
Denmark	172			477	
Prussia	14			1,089	
		207			1,727
		272			1,771
British North American Colonies		6,442			5,930

HARDWARE AND CUTLERY.

1824.	Cwt.		1828.	Cwt.
Russia	2,532			3,080
Sweden }	774		{ 107	
Norway }			{ 535	
Denmark	836		764	
Prussia	740		544	
		2,350		1,950
		4,882		5,030
British North American Colonies	14,845			15,412

Shipping Interest.

By Parliamentary Returns made up to January 1830, it appears that the average quantity of shipping actually engaged in the North American trade was upwards of 430,000 tons, which is nearly one-fifth of the whole foreign trade of the country.* The proportion of vessels which arrive from the Colonies with other freights than wood has been estimated at 28,000 tons; allowing for this quantity, and about three-tenths of the remaining 402,000 for repeated voyages during the year, the residue of 281,400 tons—(exceeding 1000 ships with their crews)—would be put in jeopardy were a change to be made in the duties on timber. It has been alleged that one-half of this tonnage would still retain employment in the Colonial trade, and the other half be provided for in the increase of the Baltic and Coal trades. But that our ships would not find remunerative employment in the Foreign Timber Trade is sufficiently obvious, from the well-established fact—proved by Customhouse Returns—that the Swedes, Danes, and Prussians, as well as Norwegians, employ, in nearly every instance, their own ships; and as they can, from various causes, build their vessels at half the cost, and victual and man them at one-third the expense of British ships, so they can always afford to carry timber at a rate which puts competition on the part of the British Ship-owner entirely out of the question; and foreign ships, and foreign merchants, with those connected with them, would alone enjoy the benefit of a monopoly thus created.†

* Douglas. † M'Grigor.

The expectation also held out of employment in the *Coal* trade seems equally delusive.* The tonnage employed in that trade is already abundantly sufficient to do more work than is at present to be obtained from it. Yet, even supposing a scarcity of vessels to exist, the *Timber* ships are not those which would probably be taken up; their peculiar build, and great draught of water, rendering them unfit for the purpose.

The above statement may be exemplified by a comparative view of the expense incidental to a Foreign and British vessel, for one year, employed in the Baltic Timber Trade; and it must be remembered, that both these ships now enter our ports on precisely equal terms.†

	Foreign.			British.		
Cost of building	£6 10 0 per ton	£2600		£12 10 0		£5000
Wages of Captain	2 10 0 per month	30		10 0 0		120
2 Mates	1 10 0 per do.	36		4 10 0		108
23 Seamen	0 18 0 per do.	248	(20)	2 5 0		540
Victuals	0 0 7 per day	278		0 1 0		420
Wear & Tear 10 per cent. on first cost		260				500
		£3452				£6688

The quantity of shipping employed in the active intercourse which now prevails between the Southern or West Indian and the Northern Colonies also forms subject of interesting inquiry as connected with the present subject, since a continuance of that intercourse mainly depends on protection to the North American staple trade being continued or withdrawn. The annexed Return shows the number of Ships, Tons, and Men employed in the intercolonial trade during the year 1830.

	Inwards.			Outwards.		
	Ships.	Tons.	Men.	Ships.	Tons.	Men.
Quebec	63	9,710	529	57	8,113	453
Prince Edward Island	6	696	37	9	878	49
St. John's, Newfoundld.	83	8,826	582	93	10,628	688
St. John's, N. B.	75	14,530	665	60	10,334	501
St. Andrew's	90	16,871	809	150	26,180	1,319
Halifax	304	30,980	1,806	317	32,356	1,979
Total	621	81,613	4,428	686	88,486	4,989

* Bliss. † Gould.

In 1831,* the arrivals of *all* vessels in the North American Colonies amounted inwards to

Ships	6,654
Tons	814,904
Men	40,179

while the clearances outwards during the same time were,

Ships	6,366
Tons	836,668
Men	40,470

of which nearly one-half was with the United Kingdom, one-fourth between the British American Colonies themselves, about one-eighth with Foreign countries, and above one-twelfth with our West Indian Islands.

If the object of an alteration in the duties be to increase the *Revenue*, the only mode of doing so is, by maintaining the present relative scale, and imposing an equal addition on the duties of Colonial and Foreign timber. Any change that may cause the chief supply to be imported from the North of Europe, would, by occasioning an abandonment of the establishments in the lumber trade settled in our Colonies, give the Foreigner an entire command of the market. In this case, though the duties on foreign wood were reduced to the rates of 1801 to 1803,† there is no reason to expect that the price would be lower than it was at that period; on the other hand, a *higher* rate of duty would, assuredly, fall wholly on the consumer in the shape of additional price, which the absence of competition would enable the Foreigner to demand. In either view, therefore, and taking the question as one solely of Revenue, the country would suffer by the change, while, if duly considered in all its consequences, any alterations unfavourable to the Colonies will be found fraught with the ruin of British ship-owners,—driving thousands of our sailors into the service of the United States, to seek for that employment in foreign merchant ships which is denied them

Revenue.

* Official Return.

† 10s. 11d.

in our own—occasioning the decrease of demand for our manufactures—increasing pauperism, by checking emigration—and throwing an advantage in the scale of our rivals, who may again be as they have formerly been, our enemies. The experience of the past affords us too solid grounds of apprehension for the future.

This is viewing the matter merely in regard to its expediency; but as implicating the Government of the country in a charge of bad faith to those, who, on the express invitation and encouragement of the Ministry of the day, were induced to embark their property in this trade—it is utterly indefensible. When this question was agitate d in 1831, much stress was laid on the assertion, that an alteration on the duties would be a saving to the country; but it was well remarked by one who took a statesmanlike view of the subject, in a speech replete with sound argument,* and who, in denying the conclusion, observed on the principle contended for—" that it was but bad economy which had not justice for its basis."

---

* Mr. Attwood.

Since the foregoing REMARKS were printed, the Report of the Commons' Committee on Manufactures, Commerce, and Shipping has appeared, and contains a mass of valuable evidence on all those heads. In reference to the Shipping Interest, however, the information afforded is far from gratifying, inasmuch as it exhibits, on the testimony of practical gentlemen from every part of the kingdom, a deplorable picture of the depression and distress under which our commercial marine is now labouring.

As the report is extremely voluminous, and may be accessible but to few, it has been deemed advisable to bring into narrower compass such parts of the evidence as more immediately relate to shipping, and to annex them to the present pamphlet, as being intimately connected with the subject of it. Accordingly, some extracts from that branch of the inquiry have been made, and are now added by way of appendix.

It may be observed, that with scarcely an exception, *all* the witnesses who were examined before the committee on the subject in question, not only agreed in their statement of *facts*, but coincided, in a very remarkable manner, in opinion as to the *causes* which have produced the depression so generally felt. From their united evidence it is incontestible that shipping property has been most unproductive of late years, and has undergone a depreciation in value to the extent of at least one-half, arising as well from the fall in price as in consequence of the want of necessary repairs, which the unremunerative employment of their capital incapacitates the ship-owners from making.

Spence 6954. Forrest, 8992. Shelley, 7953. Nickols, 5888. Do. 5902.

Gilmour, 8678. Richmond, 7252. Anderson, 7375. Woolcombe, 5677. Roxby, 8857. Anderson, 7399. Gilmour, 8676. Gray, 3606. Gibson, 7522. Roxby, 8923.

The depression of the shipping trade may be dated from the year 1824, when the causes after specified came into operation; since which period freights have been gradually declining, and are now reduced considerably under what they ever were at any former time. So low indeed have

Gilmour, 8605.

Spence, 6953. Powles, 6227. Forrest, 9009.

Gray, 3767.

these fallen that, unless a change speedily takes place for the better, nothing less is contemplated than ruin to half the ship-owners in Britain.

One inevitable consequence of such a state of things has been the introduction of a practice that has gained ground to a prodigious extent—that of borrowing money on the mortgage of ships. This system is found to prevail the more as the owner becomes poorer; and it is believed that the greater part of our shipping is now under mortgage. It is no unusual occurrence for ships so circumstanced to be sold off in order to pay the mortgagee; and, very frequently, the money a ship has sold for has been insufficient to meet the debt.

Nelson, 6555.
Gilmour, 8679.
Gibson, 7525.
Nelson, 6542.
Tanner, 6616.
Roxby, 8902.
Tanner, 6697.
Woolcombe, 5707.

From the great increase which the Custom-house books show in the amount of our exports and imports, a conclusion might be drawn that the Shipping Trade had largely participated in such apparent prosperity; but the very reverse is the truth, and the cause is almost unanimously ascribed, more or less, to the effect of the RECIPROCITY TREATIES, which, by placing the untaxed Foreign ship-owner on an equal footing with the British, have fostered a competition against which the latter is utterly unable to contend; and under which he is gradually sinking since every protective distinction has been removed.

Barry, 6223.
Powles, 6229.
Nelson, 6531.
Gilmour, 8769.
Tanner, 6610.
Nickols, 5911.
Powles, 6264.
Gibson, 7481.
Brown, 8557.
Gilmour, 8607.
Spence, 6980.
Richmond, 7523.
Powles, 6231.
Anderson, 7415.
Shelley, 8007.

In describing the effects which those treaties have produced on the trade, several witnesses do not hesitate to declare, that if no amelioration is granted, the sooner an English ship-owner carries his capital to Prussia, Sweden, or Denmark, the better; for, so long as the present system is continued, capital embarked in British shipping must be sacrificed in the ineffectual struggle against untaxed competition. Acting on this conviction, several British capitalists have already transferred their establishments to the Baltic, to settle there as Prussian subjects: thus adding their means and their industry to assist in driving the British ship-owner out of the Baltic trade.

Richmond, 7322.
Gilmour, 8664.
Gilmour, 8666.
Astle, 6857.

The ships of those nations with which Treaties of Reciprocity have been entered into, *viz.* Norway, Denmark, Sweden, and Prussia, engross from a quarter to a third of our whole Foreign Trade; and to some of our ports the tonnage engaged in the *Timber Trade* is almost altogether foreign. They have encreased within the last few years in a very extraordinary, and, to us, destructive ratio; and we are now consequently forced to come down to a rate of freight remunerative to them, but totally inadequate to our expenses. As a natural result, a similar reduction has taken place in all other trades, even in those where British shipping has a monopoly; for it follows, as a matter of course, that if several hundred ships are thrown out of employ in the Baltic trade, which would otherwise have continued there, they must necessarily occasion a surplus of shipping, and consequent depression of freights, in whatever other trade they may be forced into.

Richmond, 7254. Spence, 6958.

Gilmour, 8610. Astle, 6832.

Richmond, 7256. Powles, 6229. Gibson, 7564.

Richmond, 7273. Spence, 6955. Roxby, 8857. Forrest, 8993. Gray, 5783. Powles, 6253. Carter, 5774.

Forrest, 8995. Tanner, 6626. Richmond, 7274. Gibson, 7530. Nelson, 6533. Tanner, 6627. Powles, 6247. Anderson, 7392. Gibson, 7485. Carter, 5790. Nelson, 6509. Spence, 6969.

The shipping belonging to Prussia engaged in the Baltic trade occupied, for the three years immediately preceding the passing of the Reciprocity Acts, about *one-third* of the whole; but at present the Prussian ship-owner has nearly *two-thirds* of the carrying trade from that country. An average of three years, under the influence of the same system shows a similar result in the case of Sweden, the proportion of tonnage from thence being 32 per cent. British, and 68 per cent. foreign. The trade with the United States, which is also carried on on the principle of reciprocity, is in nearly the same proportion. In 1831, the tonnage arriving from thence was 320,000, of which 91,000 only were British. It may be noticed in passing, that it is not alone in the *direct* trade between the United States and Great Britain that the tonnage of the former nation preponderates. It appears, that the renewal of intercourse between the United States and our West India Colonies has not only seriously injured the Intercolonial Trade itself, but has actually occasioned a large increased

Powles, 6232.

Powles, 6299. Gibson, 7564.

Powles, 6361. Do. 6362.

Gilmour, 8725. Do. 8729.

employment for vessels belonging to the States, to the exclusion of British shipping.

Barry. 6161.
Anderson, 7422.

As might have been anticipated, the advantage thus afforded to foreign ships, at the expense of British, in the home as well as in foreign markets, has shown itself in the

Gilmour, 8621.
Richmond, 7355.

marked improvement that has taken place in the construction and build of those vessels. Prussian ships, particularly, are now of a very superior description; and even those of

Gibson, 7509.

Norway, which used to be far behind other countries, show great and visible alteration for the better. But the same

Brown, 8557.
Barry, 6193.

cause, by compelling the British ship-builder to build as cheaply as possible, in order to meet the competition, has introduced an inferior class of vessels amongst us.

*Forrest, 8998.
Gray, 3668.
†Richmond, 7267.
Gilmour, 8618.
Roxby, 8986.
‡Gilmour, 8616.
Forrest, 9001.
Gibson, 7618.
Tanner, 6612.
Astle, 6837.
Powles, 6227.

During the progress of this investigation, abundant proof was adduced of the immense advantages possessed by foreign over British ship-owners, in the comparative expenses attending the building,* victualling,† equipping, and navigating‡ their vessels, as evinced in the relative cost of bringing timber from the Baltic, the present freight of which, at 14s. per load, yields the foreigner a handsome profit, while the lowest rate of remuneration of the British ship-owner could not be

Spence, 6972.
Powles, 6244.

Powles, 6231.
Richmond, 7278.
Forrest, 9024.
Gibson, 7596.

under 21s.—the latter also being subjected to certain restrictions to which the former is not liable.

It is necessary to guard against a prime source of error which has been fallen into by many, who, seeing from Parliamentary returns, a great annual increase of tonnage, take it for granted, that the shipping must be in a flourishing

Gibson, 7577.
Barry, 6141.
Nelson, 6539.
Astle, 6929.
Gibson, 7563.
Nickols, 5870.

state. Nothing is more fallacious.—The mere fact of *quantity* of tonnage, is in itself no evidence that the ship-owner is prosperous; nor does it follow, that because new ships are built, the aggregate tonnage of the country requires those ships; but in consequence of the system pursued at

Shelley, 2080, et seq.
Gray, 3728.

Lloyd's, of attaching *character* to *age*, the ship-owner is under the necessity of building a *new* ship in preference to repairing the *old* one, which, whatever its condition may be, becomes greatly deteriorated in value after it passes a certain letter.

The main cause of the evils under which the shipping interest is suffering being traced to the Reciprocity Treaties—which, to use the emphatic language of one of the witnesses, have "destroyed" the ship-owner—the general call is for the abrogation of those treaties, and for a return to the Navigation Laws under which the maritime interests of this country so long flourished. It is true that some even despair of such a measure mitigating the evil; for, say they, "we have made the foreigners ship-owners, and we have created foreign ships, consequently we cannot go back to the same state as before." Other modes of relief (supposing things to remain as they now are) are suggested by several witnesses; such as, to allow to British ships the exclusive privilege of bonding goods imported by them; and to give a bounty to the British ship-owner, or impose some charge, as a discriminating duty, on cargoes brought in foreign ships, so as to put both on a similar footing in point of expense.

Gilmour, 8607. Powles, 6334. Astle, 6980. Roxby, 8985. Gilmour, 8773. Gibson, 7587. Shelley, 7963. Nelson, 6564. Anderson, 7409. Barry, 6200. Tanner, 6623. Gibson, 7592. Gilmour, 8718. Forrest, 9006. Do. 9016. Astle, 6981.

Among the various subjects of inquiry which occupied the Committee's attention, the question as to "*what effect would be produced by imposing an increased duty on Canadian, and reducing the duty on Baltic Timber,*" came under consideration; and it was clearly proved, that any change on those duties, which should occasion the chief supply of wood to be brought in future from the North of Europe, would assuredly cause the annihilation of the North American Trade, and would throw British shipping to a vast extent out of employment, as well in the direct Colonial as in the Intercolonial Trade dependent thereon. To a great proportion of shipping so employed no other trade is open; for, even supposing that it were possible to compete with foreigners under present circumstances, (and the contrary has been distinctly shown), many of the ships now in the North American trade are altogether unsuitable for the Baltic trade, on account of their great draught of water; they would, therefore, be rendered totally useless, and laid up to rot.

Gilmour, 8639. Spence, 6969. Gilmour, 8661. Do. 8713 Powles, 6377. Do. 6379. Nelson, 6562.

The evidence likewise establishes the certain consequence of such a measure to be—the loss of capital embarked in the trade of North America—the checking of emigration to our Colonies—and the shutting up an important market for our manufactured goods, by depriving the colonists of the means of paying for them: their only returns, either directly or indirectly, being in lumber.

Powles, 6375. Gilmour, 8671.

Should the competition in the supply of Timber between the Baltic producer and North America be broken by equalization of duties, the price would be at least one-third more than it is at present. Nor is this mere supposition; for

Powles, 6413.

it is notorious, that when, in 1831, it was in contemplation to reduce the duty on Baltic Timber, foreign producers were so ready to raise their price, that contracts were made at a certain rate if the law remained as it was, and at so much higher if the expected Act should pass. But with the com-

Powles, 6416.

petition, as it has hitherto existed in this branch, the price of Baltic wood is now at as low a price, with the advanced duty, as it was in 1794 and 1795, when it paid only a small duty.

The whole of these details, it will be noticed, are verified by a numerous and most respectable body of gentlemen, whose testimony acquires a double force from the extraordinary anxiety manifested throughout the examination to elicit a contrary result; but it is proper at the same time to mention, that *two* of the witnesses examined before the Committee differed very materially in their views from all the others, and gave an evidence diametrically opposed to theirs. This evidence will found in the sequel; and in order to avoid any imputation of its being given in an imperfect shape, the *whole* is faithfully transcribed, while short extracts only from the others are inserted.

It is needless to make any comment on that part of the evidence which forms the exception alluded to, further than to observe, that when we find, in the room of practical

Norman, passim.

information, the speculations of a visionary theory, or assertions confidently brought forward which turn out on

Hedley, 8233, &c.

investigation to rest altogether on mere vague hearsay;

and when these are contrasted with *facts* founded on personal knowledge, and established by indisputable documents—we can have little hesitation in determining to which parties credit is due.

On reviewing the Evidence, of which a brief summary has just been attempted, it is satisfactory to observe, that the foregoing REMARKS are fully borne out by the best authority—that of well-informed men, intimately and practically acquainted with the subject. There is one argument, however, mainly relied on by the promoters of an alteration in duties on Timber, which has been but slightly touched on, and may now again be adverted to, namely, "that the present system forces the people of this country to use an inferior *quality* of wood at a high price,"—an assertion which has been so often repeated, as to have almost become an axiom with the advocates of the new doctrines. Now, this is assuming one of two things,—either that Baltic Timber is excluded altogether from our market by the present discriminating duties, or that it can only be procured at such an extravagant rate as virtually prohibits its use. But what is the fact? Reference to the Table already quoted* shows at one glance, that not only is *price* actually kept down by the present scale, but that importation of wood from the North of Europe to a large extent has been uninterrupted, and that Baltic wood may be had at the present day at a very moderate rate in any port of the kingdom. The consumer is, therefore, by no means driven to use colonial wood against his will, since, if he prefer European, he can readily obtain it at as low a price as when the duty was a mere trifle. And so far from the present system *forcing* an inferior article on the market, it is owing to that system *exclusively* that the consumer is enabled to make a choice which would otherwise be beyond his reach.

---

* Page 7.

Another plea set up for altering the duties on Timber is the supposed additional revenue which would accrue in the increased amount of those duties, were the major part of the supply to be brought from Norway and the coast of the Baltic; but the promoters of a narrow policy are either ignorant of the fact, that the measure from which they expect such increase in one branch would occasion a defalcation in others to a fearful extent,—together with the total destruction of capital embarked in the Colonial and Shipping Trades, and the ruin of thousands connected therewith;—or, being aware of these consequences, they rashly venture to sacrifice all those interests to uncertain experiments in Legislation, for the purpose apparently of maintaining the paradox, that the Policy which raised Great Britain to her boasted pre-eminence amongst nations was altogether founded in error; and that she is competent to maintain her place, even though she were destitute of "SHIPS, COLONIES, and COMMERCE"!

APPENDIX.

WITNESSES EXAMINED.

ROBERT ALEXANDER GRAY, London.
WILLIAM WOOLCOMBE, London.
ROBERT CARTER, London.
JOHN NICKOLS, London.
ROBERT BARRY, Whitby.
JOHN DISTON POWLES, London.
HENRY NELSON, London.
HENRY TANNER, Sunderland.
JOHN ASTLE, Dublin.
JOHN SPENCE, Sunderland.
WILLIAM RICHMOND, Tynemouth.
ROBERT ANDERSON, South Shields.
EDWARD GIBSON, Hull.
JOHN SHELLEY, Yarmouth.
THOMAS HEDLEY, Newcastle.
THOMAS BROWN, Newcastle.
ALLAN GILMOUR, Glasgow.
ROBERT BENTON ROXBY, London.
THOMAS FORREST, South Shields.
GEORGE WARD NORMAN, London.

ROBERT ALEXANDER GRAY, Esquire, called in; and Examined.

3588. In what business are you engaged?—As a Merchant and Ship-owner.

3589. What is the name of your firm?—Melhuish, Gray and Company.

3590. As a merchant, are you engaged in general trade?—We are engaged in general trade, but more particularly with the Mediterranean; and our ships are mostly employed in the Mediterranean.

3605. Have you found that British tonnage has a preference of employment in those countries in which it comes into open competition with the tonnage of other countries, in the Brazils for instance?—No, I think not. The Hanse Towns' shipping appear to enjoy as great an advantage as the British ships, for this reason, the shippers from experience finding that the Hamburgh vessels deliver their cargoes in better order than the British ships, the averages being fewer.

3606. To what do you attribute that?—I attribute it in a great measure to the inability of the English owners to keep their ships in proper repair.

3607, What do you attribute that inability to?—To the heavy charges upon the British ships in all their outfits; and there is also a considerable difference in the wages; the wages of a Hamburgh vessel would not be more that 25s. or 30s. a month.

3608. What do you pay the captain?—We pay our captains rather liberally; we find they are good servants, and we like to reward them; we pay them £8 per month.

3609. Do you know the wages of foreign captains in any trade, including their privileges of every kind?—I am told, in the vessels engaged in the Norway trade, the seamen receive about 25s. per month, and the captains so much a voyage, £20 or £30; I believe in the Dantzic vessels the captains receive about £4 or £4 10s. a month, and the sailors about 30s.

3668. What is your opinion as to the relative cost of building and equipment of ships in the ports of Prussia and in England?—I had occasion four or five years ago to write to our correspondent

at Dantzic upon that subject, and his reply was, that vessels at Dantzic were contracted for at a much less price than we paid for ours.

3669. About five years ago were not the prices rather high here?—I think the spirit of speculation had subsided a great deal at that time.

3670. At what time do you think the spirit subsided?—I think it lasted from about 1825 to about 1827 and 1828.

3671. You mean that at that time there was an undue disposition to build more ships than the market actually required, and that disposition continued till 1827 or 1828?—I do.

3672. And during each of those four years, you think that more ships were built than the actual wants of the market could take off?—I feel persuaded of that.

3673. What was the price of building ships in the river during each of those four years?—That I cannot state; it was much higher than now.

3674. With respect to the copper and iron work required in the hull of a vessel, do you think that Great Britain, or the ports in the north of Europe have the advantage?—I should say Great Britain decidedly: the price is much less here.

3675. Would not you expect it to be the natural consequence of the over-building of ships for four years in succession, that for some years after there should be a low rate of freight, hardly sufficient to remunerate the proprietors of ships?—That is the natural effect of over-building.

3676. And an effect which could not be prevented by any interference?—I think that the giving to the Northern powers equal facilities in their commercial intercourse with this country may perhaps have displaced many ships, or compelled them to take freights that are not remunerative: but we have not been exposed to that in the Mediterranean, because the vessels generally prepared for the Baltic are not so well adapted to the Mediterranean trade.

3679. Do not you think it would be desirable if the registered tonnage were calculated in a different manner?—I should say a very considerable benefit would arise from it, and I do not know anything that would tend so much to establish British ships so much in the estimation of foreigners as an alteration of that sort.

3684. Do you attribute the fall of freight to the competition in the trade of shipping?—I think it must be attributed to superabundance of tonnage, and the anxiety of people to find some employment for their ships.

3685. Are you aware of the comparative aggregate quantity of British tonnage at present and at former periods?—No.

3686. Then you attribute it to the over-building of ships; are you aware that there have been similar features of over-production in all other commodities?—I am aware that there are; but the ship-owner is very peculiarly situated. In the hope of mending his situation, he often sets off upon a speculative voyage, and it is fair to presume that a merchant who has goods to ship, when he sees a number of vessels in the port, will make his terms accordingly.

3728. Are you acquainted with the mode of registering ships in Lloyd's books?—I am; they give a character to them according to their build and their age.

3729. Is it not a practice, till a ship is 10 years old, to call it

A 1?—Vessels built to the west of London are considered A 1 for 10 years; vessels built in the north are considered A 1 for 8 years, and vessels built in the river, for 13 years.

3730. When they are removed from A 1, what do they become?—Then they become E 1, and they go on till they get down to 1 O 1, and then they are unfit for use.

3731. What is the qualification for belonging to E 1, and who are the judges of it?—The surveyor at Lloyd's considers that as long as the vessel is capable of carrying a dry cargo she should remain E 1.

3732. Whenever a vessel is repaired at the port of London or at any other port, is not it his business to superintend that vessel?—It is.

3733. So that they have always means of knowing the real quality of the vessel?—They have.

3734. Have you any reason to apprehend that valuations are capricious?—I should think not; they have no motive to give an undue representation of the state of the ship.

3735. Is it not a fact, that not only A 1 ships have a decided preference of employment in the Mediterranean trade, but that it is extremely difficult to procure employment for vessels that have gone off A 1?—Not only in the Mediterranean, but in the Brazils.

3736. Then if a ship-owner be engaged in the Mediterranean trade, after his ship has passed the age at which he can procure employment for her in that trade, he must either abandon that trade or build a new ship?—Certainly.

3737. Will not that circumstance in some degree account for the production of new ships for particular trades, although the aggregate tonnage of the country at the moment may be redundant?—It may explain that.

3738. Does it often happen that an E 1 ship is a better ship than an A 1 ship?—Frequently.

3739. Would it not be desirable that the surveyor at Lloyd's should not adopt that arbitrary division, but give the real character of the ships that he surveys?—I am quite of opinion, that considerable improvement might take place in the mode of surveying vessels; I think if Lloyd's surveyor was to state by whom the vessel was built, that would have a very good effect.

3740. Are the committees who superintend those books private or public bodies?—They are supported by private subscription.

3744. Is it customary for Lloyd's surveyors to survey a vessel without the consent of the owner?—Always.

3745. Are you not aware that although those books assume to be private publications for the sole information of the parties immediately interested, they do in fact find their way to all parts of the world, and become the standard by which merchants regulate their shipments?—I have no doubt of the fact being so. Having suffered so much from ships damaging my goods, I have taken good care to send books to our correspondents abroad, that they may know the character ships bear in the estimation of the surveyors at Lloyd's.

3746. Is it not a common practice that a merchant in this country sending out an order to a foreign port, say Rio, for the shipment of a cargo of sugars, directs his correspondent to ship the sugars by an A 1 ship?—Invariably.

3747. Does not it follow, from the system as you have described it, that a north country built ship, in the eighth year of her age,

not having undergone any repair, bears the character all over the world of a ship of the first quality?—Yes.

3748. And if having passed her eighth year, that ship should undergo repair, which restores her to a condition equal, or nearly equal to that which she held when a new ship, she will then stand as an E 1 ship, or a ship of an inferior quality?—After the time allotted for an A 1 ship, it matters not what money is expended upon her; she goes to a foreign port with a very bad reputation in consequence of the letter she then bears; and the consequence of that is, that she receives a very reduced freight.

3749. Has not such a system the natural tendency, and does it not in your opinion produce this result, that there is a competition for building the cheapest and not the best ships, because, however good they may be, they necessarily fall into an inferior estimation after a certain period?—Decidedly; it is from my knowledge of this that I think so indifferently of the north country ships, because a vast many of them are built merely for sale; they are very sightly to the eye, but in many instances unfit to carry dry cargoes: vessels of that description have tended to bring British ships into great discredit abroad, because a person does not ask where she was built, but it is sufficient for his purpose to know that she is a British ship; and he ships under the presumption that she will deliver her cargo in good order; and you may conceive his disappointment when he receives an account that the cargo has been damaged. I know of my own knowledge that at Oporto, when they send directions to the Baltic to ship flax and hemp, and things that would be injured by water, they invariably stipulate that a British ship should not be employed in the conveyance; and that has arisen from the damage that goods have sustained which have been conveyed in British ships.

3750. Then you attribute to the practice at Lloyd's a double tendency; first, that it causes bad ships to be built to run for a very short period, thereby giving a bad character to British ships generally; and next, that it operates injuriously upon good ships that have not been built with that view, because after a certain period after they get off the first letter, they no longer, however good they may be, find employment?—That is undoubtedly the effect.

3751. Is there not this further disadvantage attending it, that it tends to cause rather an undue number of ships to be built, inasmuch as people finding that the moment their ships are off the first letter, however good they may be, they cannot get the employment they desire in the best trades, carrying the best goods, are tempted to sacrifice those ships at any cost for the purpose of replacing them by fresh ships which may be fit for those particular trades?—It produces that effect.

3752. When those are sold and replaced by good ones, are they generally broken up, or do they go into other trades?—They go into other trades.

3753. Do the underwriters make any difference between A 1 and E 1?—Very often.

3767. Supposing the present state of the shipping trade should continue permanent, what do you consider will be the consequence to the shipping interest?—I think half the ship-owners will be ruined; and then you will be more dependent upon foreigners than you are at present.

3768. Do you know any circumstances that are likely to render the state of the shipping interest different from what it has been

of late years?—I should say, that if his Majesty's Government would permit ship-owners to supply themselves with provisions wherever they could get them cheapest, that would be a considerable relief to the shipping interests.

3785. Do you think that any remission of duties which it is in the power of the Legislature to afford, can enable the British ship-owner to build, equip, and navigate his ship at as cheap a rate as the ship-owners of the Northern nations of Europe can build, equip, and navigate theirs?—There must always be a considerable difference on account of the wages, and you cannot get the better of that.

3786. Are the Committee to understand that though the plan you recommend would place the British ship-owner in a more favourable situation than he now occupies, yet you do not think it would place him in such a situation that he could, without disadvantage, compete with foreign ship-owners?—In his intercourse with the Baltic, I should say no.

3791. With reference to the rate of wages, is it not the habit of foreign ships to put more men on board to navigate their ships than the English ships do?—I think the number is about the same as our own; we have five men to 100 tons, and theirs is about the same.

3792. In distant voyages have you not seven or eight to 100 tons?—In large ships.

Mr. William Woolcombe, called in; and Examined.

5671. What is the business in which you are engaged?—I am at present engaged, and have been for some years, as a ship-broker, in the buying and selling of shipping.

5672. Does your business lie in the department of chartering ships, or in the purchase and sale of ships?—Entirely in the purchase and sale of ships, and in the surveys of shipping.

5673. You have been extensively engaged in that for some years past?—For many years past.

5674. Previous that period were you a ship-builder?—I was.

5675. Have you had extensive opportunities of being acquainted with the state of the shipping market for the purchase and sale of ships?—I have.

5676. What is the state of that market at the present time?—It is very depressed; the prices are exceedingly low.

5677. What do you consider, as compared with the prices at a former period, take 1824 for instance, is the depression in the market value of ships?—I should think the present price, as compared with 1824, would be perhaps a depreciation of 30 per cent.

5674. Has the decline of the value of ships from that period been pretty progressive?—It has declined gradually, with one exception, and that is the year 1825.

5678. Are there a great many ships for sale at the present moment?—No, very few.

5680. How do you reconcile the fact of there being so small a number of ships for sale with the fact you have stated, that only very low prices can be realised for them?—I can only attribute it to the ship-owners being averse to bring their property forward for sale, owing to the present low prices.

5681. Is there any indisposition on the part of the ship-owners to sell, if reasonable prices could be obtained?—What there are for sale they are content to take low prices for.

5682. Do you find an indisposition on the part of ship-owners to realise their ships by sale, if a reasonable price can be obtained for them?—I have no doubt they would be very ready to part with their ships if they could obtain reasonable prices.

5703. What do you think should be considered the depreciation upon the cost price of a ship, if brought to sale five years afterwards?—Take a new ship and run her five years, and you must put by a sinking fund to meet her depreciation of 45 per cent.

5704. Would not that depend, in a great degree, upon the size of the ship; would a small ship experience the same depreciation?—It will; I sold a ship of 280 tons, she cost about £5500, and I was glad to get £2800 for her; she was in her fifth year; she was a Newcastle built ship.

5705. Had she experienced no injury beyond the ordinary wear and tear?—She had not.

5706. Have you had a good deal of experience in the sale of ships by order of mortgagees?—I have.

5707. Has the practice of fitting out ships under advances, for which the ship herself was pledged as a security, prevailed to a considerable extent?—Yes.

5708. Have the parties who so mortgaged the ships as security for the advances they received, been generally able to redeem themselves?—In most instances the property has been sold by the mortgagees; they have never been able to comply with their engagement, with very few exceptions.

5709. Do you recollect any exceptions to that rule?—I do not know of an instance in which the mortgager has complied with his engagement; they have paid a certain sum down, say a fourth or one-half; and in no instance that I am aware of have they complied with their engagement.

5710. Have you had many new ships placed in your hands for sale at various periods?—Not many new ships; they seldom find their way to the hammer.

5711. From your information are you acquainted with the price at which new ships have been sold lately?—From £10 to £14, according to their quality, within the last year.

5712. What description of ships?—North country ships not coppered.

5713. And with what is termed a single outfit?— Yes.

5714. From your experience as a ship-builder, do you think the prices at which those ships have been sold have paid the builders? On the contrary; I think in most cases the prices have been ruinous.

5715. You have stated that there are not a great many ships for sale in the market; then the depression that exists is not in consequence of redundant tonnage?—Certainly; it is evident that it is not, because there are very few ships laid up for sale.

5716. At the conclusion of the war for instance, in 1817, were there not a number of ships built in the river Thames?—There were.

5717. Do you recollect the yard at Northfleet—of a very respectable builder, being fully occupied at that time?—Perfectly well.

5718. In what state is that yard now?—Desolate, like all the dock-yards in the river; there are only two ships building.

5719. In the course of your recollection, what is your opinion as to the employment at the present time and the employment at any former period, in ship-building in the Thames?—I have seen many depreciations and slack times, but I never saw it so depressed as at present.

5720. Does that arise from the want of capital on the part of the ship-owners or merchants, or from a disinclination to become ship-owners?—I can only draw an inference; certainly, if I had capital I should be very sorry to invest it in shipping.

5721. Can you state what was the price of a good West India ship in the year 1792?—I know that my father built ships for about £9 a ton for the hull in the year 1785; he built the Dominica at that time for £9 a ton.

5722. Do you know the prices paid for the hulls of shipping in 1817?—The price was as high then as it was in the war; I surveyed several ships about that time; it was as high in the river Thames as £16 a ton.

5723. Has it been gradually diminishing year by year since that period?—Certainly; building in the river has got somewhat lower, but when ship-builders build by contract in the river Thames, they must have a good price, from the nature of the ships that are built; it is very little lower than during the war.

5724. Has there not been a great fall in the value of timber?—There has been a considerable fall in the price of ship-building materials, but the labour is nearly as high as in the war.

5734. What is the average price of building a ship of 300 or 500 tons in the river Thames for the hull?—Not less than £14 to £15 per ton for a good ship.

5735. What would be the addition of the outfit?—You cannot get a river-built ship for the West India trade under £24 or £25 per ton.

5736. What proportion of the expense of building a ship is incurred for wages?—About one-sixth for the shipwright's work; I have by me a particular account and specification, which I can produce.

5737. Have you been accustomed to go to the principal out-ports to look at ships?—A good deal.

5738. Is the state of ship-building there much like what it is in the river Thames?—Very much; particularly at Bristol and Chepstow, and the western ports.

5739. Is it the same for large ships at Liverpool?—At Liverpool there is no building of any large class of tonnage.

5740. Is it the same at Whitby; are they building large ships at Whitby for the foreign trade now?—I understand not.

5741. Are there any large ships building at Yarmouth?—No large ships.

5742. Are there any ships building suitable for a time of war, or for bringing masts, or for the carriage of sugar in a long voyage?—I am not aware of any.

5743. What do you call a large ship?—In the ordinary merchant service, a ship of 500 or 600 tons; but the ships employed in the East India Company's trade extend to 1300 or 1400 tons.

5749. You have stated the disinclination of the merchants and

ship-owners to build ships on account of the times; is there the same disinclination on the part of those gentlemen to repair ships? Of course; it naturally follows.

5765. How long has it been the practice to mortgage ships?—I believe it is about seven years since the Act passed allowing ships to be mortgaged.

5766. Were not the reciprocity treaties in 1824?—Yes.

5767. Was not that the period when the depreciation began?—Shipping was very low at that period.

5768. Has the depreciation been more rapid since 1824 than it was at any period before that time?—The depreciation has been more rapid, with the exception of the year 1825.

5769. Has it been going on year by year?—Yes, it has, progressively.

5770. In the year 1832, for instance, were ships worth less than in the year 1831?—I think not.

ROBERT CARTER, Esq. called in, and Examined.

5771. What is your business?—A ship-broker.

5772. In what particular department are you engaged; is it in the purchase and sale of ships, or in the chartering of ships?—Very little in the sale of ships; chiefly in the chartering and freighting, and that principally in the timber trade from the North American colonies and the Baltic.

5773. Does the nature of your business give you access to information as to the condition of ships engaged in those trades?—Yes.

5774. What, in your opinion, is the general state of the shipping engaged in the North American and Baltic timber trades?—I consider that they are sailing at rates which are not remunerative to their owners.

5775. Have the rates of freight remained steady, or have they declined within the last ten years?—They have fluctuated from year to year, but upon the general average they are reduced now considerably. I have made out a statement, which, with the permission of the Committee, I will put in. It is the result of every ship chartered by my house from the year 1818 to the present year, taking the freight of every ship from Quebec, from the lower ports of America and from Memel, for a load of square timber. I have added together in each year the freights of all the ships, and divided by the number of ships, so as to give the exact average.

5776. Is that average founded upon a considerable number of instances?—From 50 to 100 ships in each year; upon the average, I find that the freights from 1826 to 1833 inclusive are 25 per cent. lower than from 1812 to 1823, leaving out the years 1824 and 1825, which were years of particular excitement.

5777. Have the goodness to deliver in that paper.

[*The witness delivered in the same, which is as follows:*]

AVERAGE RATES of FREIGHT upon square timber, per load of 50 Ft.

Years.	*From Quebec to the United Kingdom.*	*From New Brunswick, Nova Scotia, &c. to the United Kingdom.*	*From Memel to the East Coast of England.*
1818,	£3 0 6	£2 17 9	£1 7 3
1819,	3 3 0	2 14 6	1 4 6
1820,	2 10 4	2 5 6	1 1 0
1821,	2 8 6	2 0 0	1 1 2
1822,	2 7 0	2 3 9	1 2 5
1823,	2 13 4	2 6 11	1 6 8
1824,	2 15 2	2 9 2	1 5 7
1825,	3 0 1	2 12 10	1 10 10
1826,	2 5 5	1 19 1	1 1 8
1827,	1 19 5	1 14 2	0 19 9
1828,	1 18 2	1 14 5	0 19 3
1829,	2 2 10	1 17 4	1 0 8
1830,	1 17 9	1 13 5	0 18 0
1831,	2 0 9	1 16 8	1 0 0
1832,	1 19 4	1 14 3	0 18 6
1833,	1 17 10	1 12 10	0 18 0

5778. Do you think the expenses of shipping have diminished in an equal proportion with the reduction of freights?—Not in equal proportion.

5779. What is the average rate of seamen's wages?—In the present year, from 50s. to 60s.

5780. Can you state what it has been for the period for which you have given the rate of freights?—I have not taken it from year to year in that manner, but there has been scarcely any variation; I may say, that during the whole period from 1818 it has been from 50s. to 60s.

5781. Have the principal articles of provision fallen?—Some have; beef and pork are about 10 to 15 per cent. lower than they were at the commencement of that period.

5782. Are you aware of the proportion that wages bear to provisions in the expense of navigation?—I think it is usually reckoned that the expense of provisioning seamen is about 18d. a-day, which would make 45s. a-month.

5783. To what do you attribute the low rate of freights in those trades with which you are conversant?—The competition of the foreign shipping in the North of Europe is the primary cause.

5784. How is that competition manifested in your practical experience?—We see the practical effect of it every year in the opening of the spring-trade: a few ships are chartered here to load at Memel at a given rate; very shortly advice comes of foreign ships being chartered at Memel, at perhaps 2s. a-load under the price that has been given here, the immediate effect of which is to reduce the freights of the British ships to the same sum that is paid at Memel on the foreign ship.

5785. Has that result followed in your experience for several years past?—For several years past I have noticed that every spring.

5788. Has that diminution in the rates of freight of the foreign ships also been progressive for some time past?—It has.

5789. But has it uniformly been the case, that the freights have opened in the Baltic upon foreign ships at a lower rate than those at which British ships have been fixed in this country?—That has been the course of my observation for several years past.

5790. Have you found that the freights in the American timber trade have been affected by this reduction which you have stated in the rate of Baltic freights?—Certainly, in the same proportion; that is, if there has been a reduction of 1s. in the Memel freight, it has occasioned a reduction of 2s. in the American freight, the freight being double; and the same effect has been produced upon all other ships depending for employment upon the common freight market.

5791. Have you given any particular attention to the practical results of this as exhibited by the Parliamentary returns?—I have particularly looked to the tonnage entered inwards from those particular countries to which I allude, Sweden, Norway, Denmark, and Prussia, and I have drawn out the average of the British and foreign tonnage entering inwards from those countries into the United Kingdom, from 1816 to 1823, and from 1824 to 1832, and the result is, that British tonnage has increased in the latter period over the former 11 per cent., and foreign tonnage has increased 80 per cent.; I have added to that the annual average, leaving out the year 1825, which has generally been considered an unfair year to look at, and the average then shows an increase in British tonnage of 4 per cent. and in foreign of 70 per cent.

5792. Is that paper prepared from Parliamentary documents?—It is.

5793. Have the goodness to deliver it in.

[*The witness delivered in the same, which was read as follows:*]

TONNAGE entered INWARDS in the UNITED KINGDOM, from SWEDEN, NORWAY, DENMARK, and PRUSSIA.

	British.	*Foreign.*	*Annual Excess of Foreign over British.*
Average of eight years, from 1816 to 1823,...	139,663	172,588	32,925 tons.
Average of nine years, from 1824 to 1832, ...	155,209	311,057	155,848 "
Average increase ℔ annum	15,546	138,469	

Increase of British Tonnage in latter period over former.....11 per cent.
Do. Foreign do. do. .....80 per cent.

	British.	*Foreign.*	*Annual Excess of Foreign over British.*
Average of eight years, from 1824 to 1832, excluding 1825	145,222	294,346	149,124 tons.
Average increase ℔ annum.....	5,559	121,758	"

Increase of British Tonnage in latter period, over 1816 to 1823, 4 per cent.
Do. Foreign do. do. 70 per cent.

From Parliamentary Paper, Lords, 201, 5th July, 1830, for the years 1814 to 1829, inclusive.
From Parliamentary Paper, Commons, 350, 12th April, 1831, for the year 1830.
Do. do. do. 234, 5th March, 1832, for the year 1831.
Do. do. do. 286, 16th May, 1833, for the year 1832.

5797. What is the general condition of the ship-owners in those trades with which you are conversant?—They are in a state of great general depression; I know many instances of men in a state of ruin, who a few years ago were respectable men, and men that were considered of some considerable property.

5798. Were those men, to whom you refer, personally acquainted with the management of the property in which their capital was embarked, and have they conducted their concerns with prudence; or has the loss to which you have referred been the result of imprudent speculation or ignorance on their part?—I allude particularly to men in the North of England, whose whole pursuits have been connected with shipping, and who have conducted them with the greatest economy, and, I believe, conducted them well.

5810. Do not you consider that the greatest disadvantage that the British ship-owner labours under in competing with the foreigner is, that the wages of British seamen have continued stationary, while the others are so much lower?—Where there is so great a difference between the wages of the one and the other, it must be a great disadvantage to the British ship-owner.

5811. If the British ship-owner could reduce the wages of his seamen to nearly the same standard as that paid by the foreigner, would not he derive advantage from such reduction?—He would, *pro tanto*.

5829. Is there full employment for the British shipping engaged in the Baltic and Canadian trades?—It appears to me that the shipping is generally employed.

5830. Then it is not for want of employment that the shipping trade is in a bad state, but for want of adequate price?—That is my opinion of it; it appears from the returns that the importation of all bulky articles has greatly increased, and consequently the employment for shipping must have increased.

5831. Has there been more timber imported in the last six years than there was from 1818 to 1824?—The importation of timber has been gradually increasing since I have known anything of the trade.

5832. But notwithstanding this increased employment, you have known men of fortune, and of economy and prudence, that have failed in those pursuits?—I have.

5834. Do you think that any alteration which could be made in the scale of the seamen's wages would place the shipping trade in a sound and healthy state?—I should think not that alone; that is only one of the many items of expenditure in British shipping.

JOHN NICKOLS, Esq. called in; and Examined.

5838. What is the name of your firm?—Nickols, Son, & Green.

5839. In what business are you engaged?—Principally in the Mediterranean trade, but generally as ship-owners and brokers.

5840. From your experience, have you any opportunities of forming an accurate judgment of the state of shipping engaged in those trades?—Certainly.

5841. As the result of your experience, what is the present state of the shipping in those trades with which you are conversant?—They are extremely depressed, very low indeed; in many instances not more than half what they were a few years since.

5843. Have the expenses of navigation diminished in any and what proportion within the period to which you refer?—I am not aware of any diminution; the wages are the same, and the provisions are nearly the same; there is some trifling variation in the price

of the salt provisions, but taking them generally, I do not think there is any great reduction; certainly not a reduction commensurate with the reduction of freight for the last three or four years. There is so little difference, that when we have contracted with the master to victual and man we have paid the same.

5855. Is there much foreign competition in the Mediterranean trade?—There is amongst the Austrians, the Danes, and the Swedes, in the carrying trade in the Mediterranean.

5856. Had not the British vessels formerly great preference in the Mediterranean trade?—They had; and we could not find a better employ than to keep them for two or three years in the Mediterranean and Black Sea trade.

5857. Does not that preference still continue?—It does not.

5858. Can you state the reasons for that?—The Genoese now are carrying on a good deal of trade to the Black Sea; the Austrians and the Sardinians, and many of the Greeks under Russian colours, go up there; and they take the freights much lower than we can, and our ships cannot stay out; they come home as fast as they can.

5867. Is not a large portion of the British tonnage engaged in the Mediterranean trade of that class of shipping which is known by the term A 1, or first class?—They very seldom would engage a vessel that is not so; in fact, it would be a very difficult matter to do it.

5868. Is there much greater difficulty in procuring employment in the Mediterranean for ships that have passed a certain age than for those within that age?—Certainly; it is very seldom that the Mediterranean merchants will touch a second class vessel.

5869. Therefore it is necessary for those ship-owners that engage in the Mediterranean trade to provide themselves with new ships, after the ships in employment have passed the proscribed age, unless they meant to abandon the trade?—No doubt it is; and in fact, in many ports they have got so particular that they have actually got Lloyd's register-book.

5870. Then may it not be a fact that British shipping must be built for carrying on the Mediterranean trade, although the aggregate tonnage of the country may at the moment be redundant?—Certainly, because they would not load any other than a first class vessel in that trade. I have been obliged this very day to refuse two vessels, because they were just past the first letter.

5886. When did the great reduction in the freights commence?—It has gone down progressively. In 1825 they were rather better, in consequence of the excitement; but from 1825 down to the present time they have gradually declined.

5887. Were the freights lower last year than they were in the preceding year?—Yes; there may be a fluctuation in different years; for example, if the port was open for corn, freight would get better.

5888. Do you see any prospect of the freights rising?—I am afraid not; and I am afraid there is little chance for the British ship-owners even if the freights get better, because the foreigners would come into competition with them.

5889. Why can they carry at a less rate than we can?—They victual the men at little more than half of what we can.

5890. Do you know the rate of the wages of seamen in foreign ships?—I have got a memorandum of what they were a few years

ago; at that period, when our wages were £2 15s. the Prussians were about £1 10s, the French £1 15s, the Swedes about 20s, the Danes about 22s, and the Dutch about £1 12s. 6d.

5891. What difference is there in the cost of building ships in those countries and here?—At that period the cost at Dantzic was about £5 13s. a ton, in Denmark about £8 10s. and at Kiel about £5 6s.; at that time ours was about £13 to £14 in the river, and the out-ports in proportion.

5892. Can you state the cost of victualling their ships?—I cannot recollect, except one; I think, according to a calculation we made, the Prussian was about 5½d. for the same for which we paid 13d. They have a great many cheap substitutes for the food which our men use.

5893. Is not their clothing much cheaper?—It is.

5894. What is the number of men on board the foreign ships, as compared with the English?—I believe the Danes and Swedes have much the same as our own; the French have more than we have, and the Italians and the Austrians sail by the share.

5895. Have the Prussians more men?—I think about the same.

5896. Have you known many failures of persons engaged in the shipping trade during the reduction of freights?—I have; in fact, they have gradually gone down; they have been selling part of four or five ships to clear off the rest.

5897. Were those persons men possessing property at one period?—As far as I can judge.

5898. Did they manage the business economically and with prudence?—They had all the appearance of it.

5899. And notwithstanding all this precaution and care, you have known many failures amongst them?—I have.

5900. Then are you of opinion that men will pursue a losing business till they become insolvent?—Yes; but they were obliged to go on, because they had many apprentices on board, and the ships are in clubs, that they are compelled to send them to sea.

5901. Then your opinion is, that their insolvency is not the work of a day, nor the result of improvident speculation, but it has arisen from being engaged in a bad business, which they have found it difficult to get out of?—Yes; we have a ship just come in from Odessa; she has been 16 months out. She is a vessel of 257 tons, and she has made in that period under £1,800. Now that vessel must have sunk a considerable sum of money.

5902. Do you attribute that reduction of freight and consequent loss of profit chiefly to the foreign competition?—Certainly.

5903. Do you attribute it wholly to that?—I am not aware of any other cause that it can have arisen from.

5904. Has there not been also domestic competition?—When freights are in the state they are now, and trade depressed, an owner is glad to catch at any employment he can get, and of course that creates competition.

5911. Is there any legislative provision which has affected the trade between the Mediterranean and this country with regard to foreign ships?—I consider that the repeal of the Navigation Laws, and again the regulations under the Reciprocity Bill, have done mischief in that way. By the old law, you could only bring the produce of any port in the ships of the country, or a British ship, but now it may be brought in a ship of the country where it lies.

5912. Do you know any instances of Mediterranean produce being carried to ports of countries with which we have reciprocity

treaties, and being from thence brought to this country?—The produce of many parts of Turkey and the Mediterranean is carried both to Leghorn and to Trieste and other ports in Europe, and it used to come here either in British ships or in ships of the country; but as the law now stands it can come either in a ship of the country or in a British ship, or a ship of the country where it lies.

5920. Have you a general acquaintance with ship-owners engaged in all trades?—I have.

5921. If you had a friend who had a large sum of money lying idle, would you advise him to enter into shipping with it?—Certainly not; and if any ship-owner would present me with a ship to employ her for five years, and to give her back again in the same state of repair and equipment, and to employ her in the meantime, I would not accept of her.

5922. Would you have said that at any former period, 20 or 30 years ago?—No, nor 15 years ago.

5927. If the cost of sailing British ships was brought down to the same amount as the cost of sailing foreign ships, do you think it would be a profitable trade?—It would be much better than it is now, and it might be a profitable trade.

5928. Do not foreign sailors live much worse than the British sailors generally?—I think they do; I can mention an instance. We had five or six Greek vessels that came to us from Alexandria, and those men lived upon beans, they were loaded with beans, and the English sailing-master declared to me, that, with the exception of a little beef once a week or ten days, they had nothing to eat but the beans boiled with oil.

5929. Do you know how the Swedish and Norwegian sailors usually live?—They have pulse or fish, and other substitutes for meat.

5930. Have you ever seen their bread?—I have; it is rye bread, extremely black, such as our men would not touch.

5931. Then it would not be possible for our ships to navigate upon the same terms as the foreigners, unless we were to degrade the physical condition of the British sailor down to the condition of the foreign sailor?—I do not think the men could live upon that, their habits are different, and even their very clothing would cost considerably more.

5932. Is not their clothing such as English sailors would hardly wear?—It is.

5936. Can you account for the expenses of building, the wages of shipwrights, and all that belongs to the outfit of a ship, having suffered so little diminution in the period you have been speaking of, while the rate of freights has diminished so much?—I believe there is very little diminution in the wages of any men employed upon ship-building, and there are very few of the materials that are much less.

5937. Can you account for there being very little diminution in the wages of building?—I cannot, except that the men will be paid liberally for what they have done; the builders have struggled hard to reduce it, but they have not been able to accomplish it.

5938. Do you think upon the whole, that the condition of the labouring shipwrights is better than that class of people have a right to expect that it should be?—I think in some cases they are paid better than they should be.

5939. Are you acquainted with the condition of the labouring shipwrights?—Merely from general observation.

5940. Receiving the same wages as they have done for some years past, and the prices of most articles of consumption being diminished, is not their situation better now than it was some years ago?—I scarcely feel competent to speak to that, because I cannot tell the number of surplus hands; there is little doing, and of course there must be many men out of employ; and unless they are paid well when they are employed, they could scarcely live: if they were regularly employed at the same wages that they had 15 or 20 years ago, of course they would be better off than they were then.

5958. Do you think that any reduction that could possibly be made in the wages, would restore the shipping trade to a state of prosperity?—I think not; because, taking a ship of 15 or 16 hands, if you take off 5s. a month, that would not make £50 a year.

5959. What suggestion would you make, by way of relief to the shipping interest?—I am at a loss to suggest anything, unless we could do away with the competition, by getting back to the old system, by going back to the navigation laws that are done away with.

Mr. Robert Barry called in; and Examined.

6012. What is the business in which you are engaged?—I was engaged as a ship-builder, in Whitby, till the year 1830; I then relinquished the ship-building business, because I could not make it pay.

6013. What business are you engaged in now?—I am attending to the ships I have, as a ship-owner.

6021. Has the trade in ship-building declined at Whitby?—Very materially.

6022. Can you say to what extent?—Previous to the year 1830, there were eight ship-building establishments in Whitby, but now there are only four.

6023. Was their falling off owing to circumstances connected with the diminution of the whale fishery there, or from general causes?—From general causes.

6115. From the conclusion of the war in 1815 till 1825, were the ship-building establishments in Whitby in tolerably good employment?—Yes.

6116. Better than at the present moment?—Much better.

6117. To what do you attribute the falling off?—To foreign competition.

6118. Not to any want of capital on the part of the people at Whitby?—No; it is a place that has supported itself entirely by ship-building.

6119. If you had any friend with a large capital lying idle, would you advise him to invest it in building a ship?—Certainly not.

6135. Are your ships engaged entirely at London or Liverpool, or at any port where they can get the best freights?—They are engaged at any ports where they can get the best freights.

6136. And to any part of the world?—Yes.

6137. How are the Committee to account for the continued employment of those vessels under such adverse circumstances?—I should be very glad to get quit of them if I could.

6138. Are the Committee to understand that the alternative, which this state of things presents to the ship-owner, is either to continue his vessel unprofitably employed, or to make an immense sacrifice in the sale of her?—The fact is, that I have been going on, in expectation that the trade would get better from year to year.

6139. Is it your opinion, that it is the hope that a favourable change might take place in the employment of shipping, that has chiefly led to the continued employment of many of those vessels?—Yes.

6140. Is there any ground for such a hope at present, in your opinion?—I retain the hope, that something will be done to give protection to British shipping, in order that we may be able to sail them more profitably than we are doing at the present moment.

6141. Then are the Committee to understand that the mere fact of those vessels continuing to be employed, is not an evidence by any means that they are employed profitably for the owners?—Certainly it is not.

6144. How do account for there having been during the last few years, up to the present moment, a certain number of ships still going on building?—I account for it in this way: people that have establishments cannot lay them down immediately, and they must go on doing something.

6145. Is it not necessary for those persons to continue making new purchases for timber and iron, and other articles required in ship-building?—If all the ship-building establishments in the kingdom were thoroughly examined, they would all be found to exhibit a loss at the present moment.

6146. How do you reconcile that with the fact, that new ships are still going on to be built?—I said before, that people cannot lay down their establishments.

6147. Have not you known numerous instances of failures among persons engaged in ship-building?—Yes.

6148. Do you think it is the case that persons in any trade, when they find themselves in a state of insolvency, immediately give up their establishments?—No, I think they continue.

6149. Has not the result been, that they have continued year after year their employment, until they have ultimately paid their creditors a very small dividend in the pound, or nothing?—Yes.

6150. Have not you known numerous instances of ship-builders who have clung to the employment of their capital year after year in hopes of improvement, and whose property has ultimately, after the lapse of a great many years, sunk under them?—Yes, I have known many instances of the kind.

6151. Do you find any disposition, on the part of persons engaged in shipping, to quit it as soon as they find it to be unprofitable?—They cling to it with the hope that it will ultimately become more profitable.

6152. As soon as this hope deserts them, would they continue it?—Like a drowning sailor, they cling to it till their property is gone.

6153. Were your hopes that things would become better entirely founded upon an expectation of what the Legislature

might do? —Yes; what the Legislature might do to give encouragement to British shipping.

6159. Are the Committee to understand that the persons engaged in that business would be glad to relinquish it, if they could find other employment for their capital?—Yes.

6160. Do you perceive the same sort of depreciation in the foreign ship that you do in the English?—No.

6161. As a shipwright, do you perceive any improvement in the construction of foreign ships beyond that of the English?—Very considerable.

6162. Do you attribute that to any greater encouragement being given by the countries they come from than what has been given in this country?—Unquestionably I do; I consider that they are making larger profits.

6163. What do you mean by an improvement in the construction of foreign ships?—They are very much improved in the construction of late years, and in the equipment.

6171. Supposing the same fall of prices and the same loss to exist in all other branches of industry in England, would you not consider that such general and common depression must originate in some general and common cause?—Yes.

6172. Supposing such to be the fact, have you formed any opinion what might be that general and common cause?—Foreign competition, in my opinion.

6173. What was the state of the shipping trade in 1824 and 1825?—They were profitably employed.

6188. You say that the foreign nations have given greater encouragement to their shipping; what encouragement have they given?—I referred to the encouragement given by this country to foreign ships, by allowing them to come to this country upon the same terms as British ships.

6189. Do you mean by the abolition of discriminating duties in favour of importations in British ships?—Yes.

6190. You mean by the treaties of reciprocity?—Yes.

6193. Does not the improvement in the construction of foreign ships partly account for their having got into increased employment, in competition with the British in neutral markets?—Yes, and also in this country.

6194. Has there been a corresponding improvement in the construction of British ships?—No.

6200. Can you suggest anything that in your opinion would relieve the distress of the ship-owners?—Not allowing foreign vessels to bond their cargoes in this country would be one relief; but giving that privilege only to British ships, and to oblige the foreign vessels to pay an additional rate.

6207. Does the want of employ for seamen prevail to a great extent in all the northern ports?—I believe it does.

6208. And is it the same in London?—Yes.

6209. Are those men suffering great distress for want of employment?—Some of them remain a long while out of employment.

6221. Are you aware that the English exports and imports have been very much increased since the peace?—Yes.

6222. And of course a greater trade is carried on by the English than was carried on during the war?—Yes.

6223. Ought it not to follow, that the shipping trade ought to be as prosperous now as it was during the war?—Yes, but it is not

the case; there is a great deal more foreign shipping engaged in the trade with this country.

JOHN DISTON POWLES, Esq. called in; and Examined.

6227. Can you give the Committee any information as to the rate of freight now, as compared with what it was ten years ago?—The rates of freight generally are now very much lower than they have ever been at any former period.

6228. To what extent?—With respect to the Baltic trade, the rate of freight of timber from Memel, in the year 1823—24, was £1 6s. 3d. per load; by a British ship it is now 18s.

6229. To what do you attribute that great reduction?—It seems to me clearly to arise from the operation of the Reciprocity Act, which I believe came into operation in the year 1824; and I find, that since it has been in operation, a much larger proportion of the shipping that was employed in bringing timber here from Prussia has consisted of foreign shipping.

6230. Do you infer from that, that the foreign ships are navigated at much less expense than the British ships?—I take it that it is quite clear, as a matter of fact, that the foreign ship is navigated at a less expense than the British ship; and I will state why it must be so, and that is, because the articles employed, both in the constructing and in the navigating a ship, are all cheaper in the Baltic than they are in this country, and also because the Prussian ship-owner is not subject to the restrictions to which the British ship-owner is subject.

6231. What restrictions do you particularly allude to?—In the first place, the British ship-owner can only employ a British-built ship; secondly, he must have three-fourths of his crew British seamen. The Prussian ship-owner is of course under no such restrictions; he gets his ship, his men, his provisions, and his outfit cheaper than the British ship-owner; and the reason why the British ship-owner has not latterly been able to compete with him appears simply to be this, that previous to the operation of the Reciprocity Act, there was a difference, but not a large difference, in the duty paid upon the import of timber by a British ship, as compared with the import of timber by a foreign ship; that difference amounted to five per cent. on the amount of the duty, the duty being £2 15s. per load; the difference granted as a protection to the British ship-owner was 2s. 9d. per load, which was always considered by the ship-owner as a remuneration to him for the restrictions to which he was subject for national objects; but since the protective distinction has been removed, he is utterly unable to compete with the Prussian ship-owner in that trade.

6232. Have you got any statement of the number of foreign ships engaged in the timber trade with the Baltic, and the number of British ships for any given period?—I have taken out from the official returns the tonnage of British and foreign ships for three years previous to the operation of the Reciprocity Act, namely, the years 1820, 1821, and 1822; and I find, that in those three years the whole amount of tonnage arriving from Prussia was 423,000 tons, of which 268,000 were British, and 155,000 were Prussian. I I have also taken out the last three years which I find in the official

return, being 1829, 1830, and 1831; and I find that the total tonnage was 716,000, of which the British shipping was 310,000, and the foreign shipping 406,000. So that in the first period, the Prussian ship-owner had about one-third of the whole trade, and at present he has nearly two-thirds of the carrying trade from Prussia.

6233. Were those ships engaged in the timber trade, or, in general, in carrying all commodities from Prussia?—All commodities; the official return does not distinguish, and therefore I have no means of distinguishing.

6238. Is not the result of your investigation with respect to those two periods as follows: that while the British tonnage has increased in this trade to the extent of 42,000 tons, foreign shipping has increased to the extent of 205,000 tons?—It is; and I beg leave to say, that the distinction, whether the article be corn or timber, makes no difference in the question; the competition is equally the same.

6244. Has there been much variation in the rate of freight for timber from the British possessions in America?—It has greatly declined; in the spring of 1815, the freight of timber from Quebec was 57s. 6d., and in the spring of 1833, the same article was 37s.

6245. Can you state what it was in 1822?—In the spring of 1822 it was 42s. to 45s.; and in 1823 it was 50s.

6246. Do you consider 37s. a load as a remunerating freight to the ship-owner?—I answer without the slightest hesitation that it is not; and that I say from my own experience as a ship-owner in that trade, in which I was till six or seven years since.

6247. To what cause do you attribute the great reduction in freight upon timber coming from America, where there is no competition in the carrying trade?—If the effect of the Reciprocity Act has been to throw several hundred ships out of employ in the Baltic trade, which would otherwise have found employment there, it follows as a matter of course that it must depress all the other trades, and particularly a trade carried on to a certain extent by the same class of shipping.

6248. Have not you stated that there are more English ships employed in the Prussian trade?—I have.

6253. Do you know any trade at this time in which the rates of freight are remunerating to the ship-owner?—I do not.

6254. You have stated, that the whole difference of duty before the Reciprocity Treaties, on timber brought by a Prussian ship, or brought by an English ship, was 2s. 9d. a-load, or about 5 per cent.; is that the amount of the injury which has been sustained by the British ship-owner, as regards that article, by the change in the law?—It is.

6255. Then do you consider that the small difference of five per cent. in the freight is sufficient to account for the great depression which you attribute to the Reciprocity Treaties?—I think that upon a freight of 18s. there being two active competitors in the market, a difference of 2s. 9d. would so decidedly turn the scale in favour of the one as compared with the other, that it would make all the difference of a losing or a profitable voyage.

6258. You have stated the rate of freight in 1818 of timber from Canada to have been 57s. 6d. and you have stated that in 1822 it had fallen to 42s.; were the Reciprocity Treaties in effect in 1822?—I do not think they came into effect till 1824.

6259. Were they agitated at all prior to 1823?—They had been matter of discussion for a year or two.

6260. So that, independently entirely of the Reciprocity Treaties, freights had fallen from 57s. 6d. in 1818 to 42s. and 45s. in 1822?—Those are the facts; but in 1823 it was 50s. again, in 1824 it was 50s. and in 1825 it was 52s. 6d.; and from that period there has been a gradual decline without any rally whatever. In 1826 it was £2 6s., in 1827 £2., in 1828 £2., and it has now got down to 37s.

6261. What was it in 1819 and 1820?—In 1819 it was £3.

6262. Do you consider 50s. a remunerating rate?—Yes, I do.

6263. Does not it appear then that freight had fallen materially, namely, from 57s. 6d. down to 42s. and 45s. previous to the Reciprocity Treaties being made; whilst for three or four years after the Reciprocity Treaties came into operation freights rose again?—I have given the figures and the years.

6264. If that was the case, how do you attribute the whole effect of this depression to the Reciprocity Treaties?—I do not attribute it wholly to that; there may be many other causes; but when I see that the effect of the Reciprocity Act is to bring foreign shipping into the market for freight, it seems to me a natural cause for the depression.

6265. Supposing the Reciprocity Treaties were done away with, or did not exist, would it not be in the power of the foreigner to lay on a countervailing duty upon our ships, equal to any which we imposed upon his?—I should never be afraid of that, and for this reason, that we are such very good and large customers to Prussia for timber, that it would not be her interest to sacrifice that trade; and moreover, we had previously gone on for a long course of years with a constant difference in favour of British shipping.

6266. Would not the consequences of such a course be these, that if we refused to take off the differential duty of five per cent. upon the duty, the Prussian might, if he pleased, impose a differential duty of five per cent. upon the export of his timber?—Certainly.

6267. And our only mode of meeting that, would be to lay on an additional duty?—Yes; but we have for all the articles that the Prussian can supply such an excellent resource in our own colonies, that my opinion is, the contest would have been a very short one if it had ever been tried, but Prussia had never tried it before, even during the war, and I can hardly believe that she would now have done it.

6268. Could we supply ourselves with the same article from Canada, which we now get from Prussia?—You might with Canada and Russia together; and with respect to Russia, we have never had any maritime competition with her.

6269. Do we not now in this country pay a much higher price for the Prussian timber than we do for Canada, that price being augmented by the great difference in the duty which exists?—The market price of Prussian timber, as compared with Canada timber of equal quality, has generally been nearly, I believe, the same; I mean the red pine timber, which is of equal quality with the Memel crown timber.

6281. Do you think that, supposing this country had adhered to the discriminating duties which existed previous to the Reciprocity Act, that Prussia would, under such circumstances, have foregone

the advantage of our market for the sale of timber ?—I think not ; and for this plain reason, that we had gone on for a long course of years in carrying it on in the way we were then doing.

6284. You have stated, that the only advantage which the British ships possessed previous to the Reciprocity Act, was the discriminating duty of 2s. 9d. a load ; were not the pilotage and light charges higher ?—All the port charges were higher on foreign ships.

6285. Are there any Government tonnage dues upon either British or foreign vessels ?—They are abolished as to both.

6290. Do you know the amount of shipping employed in the trade to our North American colonies ?—It appears by the Parliamentary Returns, that there were 480,000 tons arrived from the British North American colonies in the year 1831.

6299. Are you aware, that to the consumer of the red pine timber there is a loss nearly equal to 15s. a-load, as compared with the Baltic timber, in consequence of the irregular form of the timber and the imperfect squaring of it ?—That is, I understand, from the consumers themselves, the precise reason for the difference in the market price, the quality of the one being about intrinsically as good as the other. With respect to the effect of the Reciprocity Acts, I have looked to the case of Sweden, which is wholly unencumbered with any question of the import of corn, and I find that taking the same three years referred to yesterday, previous to the commencement of the Reciprocity Act, namely beginning at 1820, the whole imports from Sweden were 61,000 tons in British shipping, and 36,000 in foreign, leaving the employment of tonnage, being 63 per cent. of British and 37 per cent. of foreign from Sweden. I have taken again the other three years, ending in 1831, under the influence of the reciprocity system, and I find the total import from Sweden to have been 127,000 tons, of which 40,000 were in British shipping, and 87,000 in foreign, leaving the result of tonnage employed 32 per cent. British, and 68 per cent. foreign, leading, as the Committee will perceive, as nearly as possible to the same result that I endeavoured to show yesterday in the case of Prussia.

6309. If that were the case, and that diminution of consumption materially affected the consumption of timber, would not it be very likely to affect the freights upon ships going to Canada for timber ?—I think the great circumstance that affects them is the competition in the market between the Baltic and the Canada timber. If Baltic freights are low, Baltic timber is brought proportionably cheaper ; and instantly that the Baltic timber is cheap, Canada timber falls in proportion ; and the importer of colonial timber sets himself to work, of course, at once to reduce the freight to the British ship that brings him his timber.

6315. Previous to the passing of the Reciprocity Act, was not the amount of the difference of 2s. 9d. the usual difference in the rate of freight between the Prussian ships and the British ships going to the Baltic ?—Exactly.

6316. Were not the Prussian ships even then extensively employed ?—To a certain extent ; the proportions were 36 per cent. foreign, and 64 English ; and in the last three years it has been 56 per cent. foreign, and 44 per cent. English.

6331. Is the present price of Riga timber a high price, in your opinion ?—No.

6332. If it be the policy of England to encourage and increase the English shipping, at the expense of imposing a higher cost upon the consumers of goods, what should hinder the Prussians from taking the same view of their proper policy?—The British Legislature imposes upon the British ship-owner very severe restrictions; if you will let the British ship-builder go over to Norway, take with him a few of his best workmen, and build his ships in that country, employing the people of the country, getting the timber of the country, and living upon their cheap provisions, and be exempt from the burthens which press upon him here, and if you will let the British ship-owner navigate that ship with foreign seamen, then you will hear no complaints of the want of protection on the part of the British ship-owner; but when we have put forward that view, we have always been met by this question, "What shall we do for a supply of seamen for our national marine, if we are not to have the mercantile marine to draw upon for that supply?"—To which, of course, the rejoinder of the ship-owner has always been, "Then give me something in compensation."

6333. Why should it not be open to Prussia to take the same view of her interest, and to sacrifice in the same manner the interest of her commerce and of her subjects, as consumers, to the object of forming a considerable commercial marine?—It is of course quite competent for Prussia to do anything she may think proper in that respect, she is only likely to be restrained by a sense of her own interest, from doing what would be so exceedingly injurious to her own population, and she is not a maritime power to the extent we are.

6334. If Prussia considered it necessary to form a considerable mercantile marine, would not she adopt the same steps that you recommend the English Government to adopt, assuming those steps necessary to attain the end?—My reason for recommending the adoption of those steps is simply, that we should return to the state in which we were not many years ago; and I find, that just in proportion as the commercial marine in this country has been fostered and encouraged, which it was by the whole system of the Navigation Acts, just in the same proportion has the national marine been rendered powerful and effective; and if the Prussian Government had thought that it could have advanced its own strength by taking the same course as we take, the Prussian Government of course would do it, and we should stand upon our own ground.

6335. It appears that, upon the average of the last three years, about 450,000 tons have arrived from the British North American colonies; supposing that, upon the average, a ship employed in the trade were able to make a voyage and a half, how much do you suppose that the money freight of the ships so engaged may have amounted to in the season?—I should think about £1,000,000 sterling.

6336. Did you ever see a Parliamentary document stating what the additional duty paid upon Canada timber and deals would have amounted to, if they had been subject to the same duty as European timber and deals, and showing that the result would have been an increased payment into the Exchequer of £1,200,000?—The difference was a very large sum of money; but I have not looked at it for some time.

6337. Supposing that calculation to be correct, is not that a sum

which would be adequate to employ the whole of the tonnage employed in Canada shipping for the last 12 months?—The difference between the duty on Baltic timber and the duty on timber imported from the colonies exceeds, I have no doubt, £1,000,000 sterling; but that is not a sum of money paid by any person whatever. If the money was paid in the shape of duty, that money would be paid by the British consumer of the article; at the present moment it is neither paid nor received by any person.

6358. Is it not a sum which, if paid into the British Exchequer as duty would be sufficient to engage for the entire average shipping season the whole of the British tonnage now arriving with cargoes from British North America?—Speaking largely, it is very likely that it would.

6359. What other nation besides the Prussian is it where ships come into injurious competition with the British ships? The whole of the North of Europe; this Reciprocity Act has hardly applied to any other nations except those of the North of Europe; the whole discussion has always turned upon the North of Europe.

6360. Do you mean to say that the competition of American ships with British ships has not been facilitated by those Reciprocity Acts?—I am not aware that the question has been touched as between us and the United States by the operation of the Reciprocity Acts.

6361. In fact, is not the trade with the United States carried on on the principles of reciprocity?—It always was.

6362. Can you state the result of that?—The result of that has been, that the United States shipping have infinitely the larger proportion of the trade; in the year 1831, the whole tonnage was 320,000 tons arriving from the United States, of which 229,000 were United States shipping, and 91,000 British.

6363. Have they a larger proportion of it than they had a few years ago?—I find that in 1829 the total tonnage from the United States was 223,000, of which the United States shipping were 162,000, and British 61,000.

6369. Is it not a complaint on the part of the British ship-owner, that whilst he is subject to certain disadvantageous restrictions, on the alleged ground of protection and benefit to other classes of the community, he is exposed to foreign competition, without any of that protection which other classes enjoy?—It is a complaint which he has been making every day for many years past; and I can most unhesitatingly state, that, with respect to a large portion of British ship-owners, those particularly in the north of England, with whom for many years I was in active correspondence, there is no class of persons who, as a body, are in a state of greater pecuniary embarrassment, and I may almost add insolvency, than those persons are, from the state of depression they have been sustaining for many years past. I had occasion to go to the north, not very long ago, and I was perfectly astonished at what I heard upon the subject.

6374. With reference to questions put to you upon the subject of the timber trade, in your opinion, upon the supposition that the Legislature was to equalise the duty upon the timber from our own Colonies and from the north of Europe, could the timber trade with our Colonies be sustained?—I conceive it to be utterly impossible, and for this reason, that at present, from the respective qualities of timber, and from their relative prices in the market,

there is a consumption of each sort at those relative prices; but the moment you were materially to affect the price of the one or the other, that is to say, if by reducing the duty upon Baltic Timber one-half its present rate, you were to reduce its price in the market £1 7s. 6d. perload, it would give such an advantage to the Baltic timber, that any notion of sustaining a competition between that source of supply and the supply from the colonies would be utterly out of the question.

6375. Would not the necessary consequence of the loss of supply of timber from the Colonies, or any material diminution of it, be to raise the price of timber, in some degree, from the north of Europe?—There can be no question about that. By the present system you keep open two sources of supply; and it is a consideration that, I humbly submit, should never be lost sight of, in looking at the question of the timber duties, particularly when I remember the time when the maritime defence of the country could not have been sustained without the supplies from the Colonies. If that trade is thrown into a state of decay and inactivity, it would take a long course of years to revive it, if ever it could be done at all.

6376. If the necessary consequence of the loss or diminution of the supply of timber from Canada would be some advance in the price of timber from the North, is not the amount of that advance in price to be deducted from the loss sustained by the discriminating duties?—Certainly; but with respect to the loss sustained by those discriminating duties, it seems to me to be treated as if there was a sum of money paid by the nation, which is not the fact.

6377. Would not the unavoidable consequence of the transfer of the whole, or any part of the timber trade with our own Colonies to the north of Europe, be to increase the tonnage of the vessels belonging to those states, at the expense of a diminution of our own shipping?—Beyond all question. No measure could have, in my judgment, (and I have not at this moment the slightest personal interest in the matter), so disastrous an effect upon British shipping as that.

6378. Is it not your opinion that the collateral consequences of such a further depression in the shipping interest of this country would, in a national point of view, be infinitely more important than any pecuniary saving that is supposed likely to arise from the equalization of the duties?—They are consequences which you cannot measure by money, in my judgment.

6379. Is it not your opinion that the policy which this country heretofore followed in encouraging the produce of her own colonies beyond that of the productions of foreign states, had reference, in a great degree, to the beneficial influence of such a system of policy upon the export of manufactured goods to those colonies?—There can be doubt about it; it is quite clear that whatever sum of money we pay to our colonies for the timber which we buy of them, we pay for in our own manufactures. In the case of what we pay to a foreign nation, we may pay part of the price in our own manufactures if it suits them to buy them; but they go wherever they can get what they want cheapest, whereas the colonies must of necessity consume our own productions.

6385. Are the Committee to understand from what you have stated, that you are of opinion that before the foreign shipping should be placed upon the same footing as British shipping, it would be just and necessary to make corresponding alterations in the debts,

taxes, contracts, and prices, to which British shipping is at present exposed?—I said, that before the British ship-owner was put upon an open competition with the foreign ship-owner, he ought to be allowed to make use of the same material that the foreign ship-owner does: that is, he should be allowed to make use of a foreign ship, and there should not be restrictions pressing upon him which the foreign ship-owner does not experience.

6392. What proportion of the cost of the timber imported into this country from the colonies consists of freight?—I think at present it is about half.

6393. How is the other half paid? —A portion of it is paid to the colonial producer of British manufacture, and a certain other portion in charges on the timber disbursed in this country, and the duty in this country, the duty being 10s. per load.

6394. Then, with the exception of the 10s. paid for duty, the whole remaining portion of the price of the timber is expended on British interests?—Wholly.

6395. Supposing the importation of timber to be transferred from the British colonies to the northern European states, and a portion of that importation to take place in foreign shipping, how would that be paid to the foreign state by the British consumer?—The mode of payment, in the first instance, would be by a bill drawn by the importer of the timber in England; the money which that bill would produce; it is hardly possible to trace the employment of accurately in Prussia. The seller of the timber lays it out to supply his wants; and if any of those wants consist of articles of foreign production, he goes to whatever market he can get them cheapest; whereas, in the case of our colonies, the only articles they are permitted to consume are of our own production.

6397. How would the portion of it be paid which consists of freight?—It it clear that the whole of that goes into the pocket of the Prussian ship-owner.

6398. Does it not follow, that the whole of the freight paid by the British consumer for the Canadian timber goes into the pocket of some other national interest, without making any alteration in the aggregate amount of the national stock, whilst the portion of freight paid to the foreign ship-owner is absolutely abstracted from the national stock without any return?—Every thing that we pay for British colonial timber is devoted to British interest, from the growth of the timber to the hour of its consumption in the carpenter's yard. In the case of the import of foreign timber, it is quite clear that that does not take place; the money paid for freight in that case is paid to the Prussian ship-owner.

6413. If no timber were imported from Canada, do you not suppose that a large increase would take place from the north of Europe?—Yes, and I think it would be paid for at a much higher price than it is now; it would raise the price of Baltic timber instantly: and in the year 1831, when it was under the consideration of the Legislature to alter the scale of duties, the foreign producers of timber were so ready to raise their price, that contracts were either made or proposed to be made at such a price, if the law remained as it was, and at so much higher if that Act had passed the British Parliament.

6416. Are you aware what the price of timber was in Prussia and Russia during the war from 1793 to 1802, and again, from the breaking out of the war again to 1807?—No; I can only arrive at

it by inference. The Memel timber was sold here at about £5 or five guineas, in about the years 1794 and 1795, and it then paid a much smaller duty than it does at present; it is now selling here at about the same price that it did in 1793, and paying a duty of £2 15s. per load, so that without the British consumer paying any thing more for the Memel timber, he gets it here at nearly the same price that he did 30 years ago, with the £2 15s. paid for duty.

6417. What was the freight at the two periods?—The freight was much higher than it is now, but I cannot state it exactly.

6419. You have stated that there was a former time, when the maritime defence of the country could not have been sustained without we had possessed the colonial timber; what was the period to which you refer?—The period at which, by the influence of France, we were wholly excluded from the Baltic; I think about 1809 or 1810.

6422. Are you not aware that the trade in maritime stores, and in timber with the colonies, hardly existed till after the year 1812, and that it was only in consequence of the high discriminating duties that were imposed upon European timber as compared with Canadian timber, that the trade in timber with Canada rose to any importance?—Considerably before the year 1812, large contracts were made by the Commissioners of the Navy with Canada houses, for the supply of masts, spars, and timber for the King's dock-yards.

6424. Since you admit that if no timber were imported from Canada, a large increase of import of timber would take place from Europe, if the timber so imported from Europe paid the same duty that it now pays, would not a large increase of revenue come into the British treasury?—That is quite clear.

6425. Do you think that the whole of that discriminating duty, which amounts to above 1,000,000*l.* sterling, goes to the advantage of the British ship-owner?—It goes to the advantage of the ship-owner, of the colonist, and of the British manufacturer that supplies the colonial market.

6427. Do you not think that if that additional duty were to come into the British treasury upon the timber imported from Europe, this country might, without any loss in that case, afford to divide that duty amongst the British ship-owners?—I think the mere giving money to the British ship-owner is of little importance compared with enabling him to keep up the navigation of his shipping, and to carry on a profitable and healthy trade.

6428. Would not the distribution of money, if the Legislature chose to make that distribution, have the same effect in keeping up a large navy trading with Canada, as the discriminating duty now has in keeping up that trade?—That is so contrary to any thing that one sees in common life, that I cannot tell what the effect of distributing money among the ship-owners would be; they would be very glad to have it, I dare say.

6429. Suposing the change that is contemplated were made in the timber duties, do not you think that the effect would be that £1,000,000 per annum, which it is now imagined is sacrificed by the British people for the support of the shipping and Canadian interest, would go into the pockets of the foreign timber grower and the foreign shipping interest, rather than into those of the British people?—There is a very great mistake always made in calling that million a sum of money paid by the British people;

there is no such payment made. If this Canada timber, the great bulk of which is a low priced timber, was brought here, and you compelled the British buyer to pay a price for that timber equal to Baltic timber, which is of higher quality, then it might be contended that a sum of money was paid by the British public to sustain a particular trade: but here there are two or three sorts of timber brought into the market from distinct sources of supply, and the consumer goes and takes whatever suits him the best, buying the more ordinary quality at a lower price, and giving for the better quality a better price.

6465. You have stated that there are three parties, who, in your opinion, participate in the advantages of the present system of duties on the timber trade; namely, the colonist, the manufacturer, and the ship-owner; do not you think that the British labourer is also a participator in those advantages?—Of course all the persons employed by the manufacturer and the ship-owner are interested in that branch of trade.

6466. With reference to the question whether the British ship-owners might not be compensated by the division amongst them of the increased duty that would take place supposing the whole of the timber were imported from the north of Europe at an increased duty, can you imagine how that is to be effected without additional employment being found for the British ship-owners?—I do not see where that employment is to come from.

6467. Supposing that the British shipping at present employed in any trade was displaced, can you imagine any new source of trade in which they could be advantageously employed?—I know of none.

6468. Is not the general complaint of the British ship-owner at present, that every source of employment is already overstocked with shipping?—He complains of that to a considerable extent; but he complains also that the employment that he does get does not remunerate him, from the effect, particularly in reference to those countries of which I have spoken, of the competition to which he is subject.

6469. You consider that the diminution in freights, which has taken place in every branch of trade, is owing to the increased competition?—I have no doubt that the Reciprocity Acts have had a great tendency to produce it; at the same time I would not desire to be understood as stating that the whole of the depression is to be charged on the Reciprocity Acts, because it was clear to all persons acquainted with shipping, that the transition from war to peace would subject the shipping interest to a very severe trial.

6470. Suppose the case of a large import trade now carried on in British tonnage exclusively, with one of our own colonies, taking British produce and manufactures in exchange, transferred to a foreign state whose policy was to prohibit or discourage British produce and manufacture, and exposed to the competition of foreign navigation, what effect do you suppose such transfer would produce on the British interests?—It must produce the most injurious effect upon them that it is possible to imagine.

Mr. HENRY NELSON, called in; and Examined.

6472. You are a considerable ship-owner?—I am.

6473. Where do you reside?—In Crosby-square, in London.

6478. In what trades are the ships engaged of which you have had personal knowledge within the last few years?—For the last 18 or 20 years principally the Baltic trade; also the West India trade, the American trade, and the East India trade.

6479. With respect to those that are not your own, in what way are you interested in them?—I am part-owner and manager.

6480. From your personal experience, and your opportunities of observation, what is the general condition of the shipping engaged in those trades to which you have referred?—They are very much depressed.

6518. Have you a general statement of the Baltic freights with you?—I have prepared an account of the freights from the year 1823, taken on a general average.

6519. Have the goodness to deliver in that paper.

[*The witness delivered in the same, which was read, as follows:*]

RATES of FREIGHT from PORTS in the BALTIC for LONDON.

YEARS.	PETERSBURGH.				RIGA.	MEMEL.	DANZIG.
	Hemp, ℔ Ton.	Tallow, ℔ Ton.	Wheat ℔ Qrtr	Deals, ℔ S.P.hund	Timber, ℔ Load.	Timber, ℔ Load.	Timber, ℔ Load
1823	£2 17 9	£1 16 9	*s.* — *d.*	£4 11 10	£1 8 4	£1 6 3	—
1824	2 17 9	1 16 9	—	4 14 6	0 0 0	1 6 3	—
1825	3 3 0	2 2 0	—	5 12 10	1 14 11	1 11 6	—
1826	2 12 6	1 10 0	6 0	4 0 0	1 5 0	1 1 0	1 2 0
1827	2 10 0	1 8 0	5 0	3 7 6	1 3 0	1 0 0	1 1 0
1828	2 7 6	1 7 0	0 0	3 6 0	1 1 0	0 18 6	0 19 6
1829	2 10 0	1 8 0	5 3	3 7 6	1 3 0	1 1 6	1 2 6
1830	2 7 6	1 6 0	5 0	3 5 0	1 2 6	0 19 0	1 0 0
1831	2 12 6	1 10 0	5 0	4 0 0	1 3 0	1 0 0	1 1 0
1832	2 7 6	1 6 0	4 6	3 7 6	0 0 0	0 19 0	0 0 0
1833	2 2 6	1 4 0	0 0	3 0 0	0 0 0	0 18 0	0 19 0
Differ. from 1823 to 1833...	0 15 3	0 12 9	1 6	1 11 10	0 5 4	0 8 3	0 3 0
Equal to ℔ Cent.	26½	34¾	25	33¾	19	31⅓	13⅓

6520. What freight for those articles do you consider would afford you a fair remuneration for bringing those articles from St. Petersburgh?—Thirty-five shillings upon tallow; and upon other goods in proportion; upon hemp £2 17s. 6d; and upon deals £4 10s. 6d.

6528. Have you any ships in the Baltic trade?—No, I have been beaten out there completely.

6529. Were not you interested in the Baltic trade formerly?—Since the peace, I have had a set of traders between London and Russia for 18 years, but they have beaten me out of it, as the gross freight of the ship Burlington, 287 tons, from Petersburgh to London, amounted only to £183 11s.

6530. You mean to say, that freights had fallen to a rate that was no longer remunerative to you?—Yes.

6531. To what cause do you attribute the reduction of freight in the Russian trade?—To the Reciprocity Acts.

6532. Are you aware that we are not in reciprocity with Russia?—Yes.

6533. Then how do you account for the reduction of the freights in the Russian trade, by the Reciprocity Act?—There is no doubt it forces more ships into the Russian trade to get employment, freights being low all over the world.

6534 From what trade are they forced into that?—From the Prussian trade; a great number of ships that used to go to Memel, now go up into the Baltic seeking employment; if they cannot succeed at Memel, they go to St. Petersburgh.

6535. Do you consider that the future prospects of the employment of shipping are better than they have been during the period you have been describing?—We have been long hoping and expecting that things would become better; but without some alteration by the Legislature, I should think it impossible there can be any improvement.

6536. Will you explain why it is, that under such discouraging circumstances you have continued to employ those vessels?—We cannot get out without an immense sacrifice.

6537. Would it not be better at once to make such a sacrifice, than to continue the employment of ships by which you are constantly losing money?—We are looking forward to a change; any political change will improve our shipping.

6538. Then in point of fact, were it not for the hope you have entertained and still entertain, that some change might take place either legislatively or otherwise, to the advantage of British shipping, you would get out of the business?—Certainly; and I believe my partners at present are upon the point of going out whether or not, let the sacrifice be what it will.

6539. Then the Committee are not to understand, that the mere fact of finding so many British vessels employed, is in itself an evidence that the ship-owner is prosperous?—Certainly not; some years ago, there were few ship-owners bankrupts, and now the accounts prove themselves.

6540. Can you state as a fact, that more ship-owners have become bankrupts within the last few years, than there were before in an equal period of time?—I have noticed a great deal more than I have noticed before, but I have not kept any account of it.

6541. When you say bankrupt, do you mean insolvent?—Yes, insolvent.

6542. Do you believe that many other ship-owners besides yourselves are actuated by the same hopes and the same motives in continuing the employment of their vessels?—I am quite of that opinion for I believe that the greater part of the shipping interest now is under mortgage; and I am also of opinion, that they mortgage from year to year further and further, and they are going down in that way.

6547. Do you believe that the same hopes and the same motives which induce the British ship-owner to continue the employment of his vessel, under adverse circumstances, actuate the builders also in continuing their trade, even whilst they are losing money? I think so.

6548. You think that the builders of ships also would not be likely to abandon altogether a trade in which so much capital is

invested, as long as any hope remains with them, that by continuing it they could make money?—Yes, they look for changes; in the first place, they look to the Legislature to make some change, and I am sorry to say, that hitherto they have looked in vain; and the next thing they look to, is the chance of some political disturbance.

6555. You have stated, that there are a great many mortgages now raised upon shipping; has it been to an extent that has rendered it difficult now to raise money in that way?—No doubt of it.

6562. What would be the effect upon the shipping interest, if there were any considerable alteration made in the relative duties on the Baltic and Canada timber, by reducing the duty on Baltic timber without a corresponding reduction in the duty on Canada timber?—It would be very serious and very alarming.

6563. Do you think the ships that might be thrown out of employment in the Canada timber trade, would not find employment at a remunerating rate in the Memel timber trade?—Certainly not.

6564. Can you suggest any thing which would relieve the shipping interest from the heavy depression under which it now labours?—I am of opinion, that with a very small alteration in the bonding system, great relief would be given to the shipping interest of this country; I would not allow the foreign ships, for instance, the privilege of bonding goods imported by them, and the British ships only to have the privilege of the bonding system, as at present; and that is asking very little.

6565. That is to say, that if foreign vessels bring foreign produce, you would only permit that produce to be imported on immediate payment of duty, and not allow it to remain three years, as it may now, in bond?—Yes.

HENRY TANNER, Esq. called in; and Examined.

6574. You are a considerable ship-owner at Sunderland?—I am.

6576. What trade have you generally been engaged in?—In the coal, Baltic, and American trades.

6577. Have the returns been satisfactory of late?—Very unsatisfactory of late, I am sorry to say.

6609. To what do you attribute the low rate of profit on shipping?—To the great want of protection to the British shipping, and the general competition of the foreigners.

6610. Do you mean by the Act of 1824, the Reciprocity Act?—Yes; I consider it a great injury to the British shipping.

6611. Do you of your own knowledge know that a Prussian ship is navigated at less expense than a British ship?—There is not a doubt of that.

6612. Can you state how much less?—No, I cannot; but I should say that the wages are at least one-half less, which forms a very material item in the expense of sailing a ship, and the provisions are full half if not much cheaper, and their manner of life is so different from that of an English sailor, that an English sailor would rather starve than live like a Prussian or a Russian.

6616. Do you know whether any considerable portion of shipping belonging to Sunderland is under mortgage?—I am afraid there is a good deal.

6617. In consequence of losses ?—Yes; and the want of remunerating freight. A man that has a ship of 200 tons and nothing else to depend upon, is gradually going to ruin.

6618. What do you consider would be the remunerating freight for a British ship to Memel and back?—I think she should not have less than 22s. a-load for the Eastern coast.

6619. Do you know what a Prussian ship gets now?—I believe about 16s. to 18s.; I have understood that a Prussian ship has been freighted to Dublin at 18s. a load for timber.

6620. What do you get now?—I have not had a freight to Memel this year yet, but I understand not more than 18s.

6621. Do you know of any Prussian ships coming to Sunderland at 15s.?—I am not aware of it.

6622. Do you think that 18s. is a remunerating price to the Prussian?—I should think that very likely it is.

6623. Can you suggest any thing short of a repeal of the Reciprocity Act, which would afford relief to the British ship-owner? There may probably be suggestions, but I am not competent to state what they should be, except one or two. It would be a great relief if the bonding of goods was confined to British shipping; I mean, that no goods imported by a foreign ship should be allowed to be bonded.

6624. Have you many ships at Sunderland engaged in the Canada trade?—A good many I should think, from 50 to 80 sail of vessels.

6625. Have the freights in that trade been reduced of late years? Yes, and they are rather lower this year by about 2s. a-load than we have ever known them.

6626. To what circumstance do you attribute that, the trade between this country and Canada being carried on entirely in British ships?—From a number of ships being out of employ, being shut out from other places.

6627. You mean to say, that the Prussians having by competition driven out a great many British ships that used to trade to Memel and to the Baltic, they have gone to other trades, and among others to the Canada trade?—Yes; we have been sending out vessels of from 220 to 230 tons to Canada this year for want of employment for them nearer at home; they are very improper vessels for those voyages; and I have sent one vessel myself of 220 tons, because I could not find any other employment for her.

6697. Is it not the general result, that when a man mortgages his ship, sooner or later the mortgagee takes possession and sells? It is very often the case; I think it is more that way than the other way.

6703. Do you think that the rate of freight in the Canada trade is or is not affected by the rate of freight in the Baltic trade?—It certainly has a great effect; whenever that or any trade is depreciated, it has an effect upon other freights; when the freight to London with coals is reduced to the present low ebb that it now is, that has an effect upon the freight to the Baltic and Canada.

6704. Do you think that the reduction of the freight in the Baltic timber trade has or has not the inevitable effect of producing a correspondent reduction in the freights in the Canada trade?—I am quite of opinion that it has.

6706. Have you found practically that it has done so?—I have.

6711. Then it follows that the American freights are regulated

in the way you have now described, by the rate of Baltic freights ?—Very much so.

6712. Then it follows upon the whole that the withdrawal of protection from those trades in which we are in competition with foreigners, necessarily reduces the rate of freight in those trades in which foreigners are not admitted into competition with us?—Yes, that is my opinion. I think that the American freights are, in a great measure, regulated by the freights at home; that is, in the Baltic and the near ports.

6713. You have stated that it is a very frequent practice for old captains of ships, who have accumulated property by their industry at sea, to invest their property in shipping when they leave the sea?—That has been very much the case at Sunderland.

6714. It is not very much the practice now for a captain to be part owner of a collier?—Some of them are.

6715. Is it you opinion that ship-owners of that class would, notwithstanding the employment of the money was unremunerative, cling to that description of property till their last shilling was gone?—I think so, because they cannot turn themselves to any other trade.

Mr. JOHN ASTLE, called in; and Examined.

6789. You are a ship-owner and a ship-broker at Dublin?—I am.

6790. Have you been long engaged in that business?—I have been engaged as a ship-owner about 12 years, as a ship-broker about five.

6792. In what particular trade do you charter?—Principally the American, West India, Mediterranean, and the Coasting trade.

6793. By American, you mean British North America?—Yes.

6794. Are there many ships engaged in the trade between Dublin and the British North American possessions?—Yes, a good many; the tonnage employed is about 15,000 registered tons, and our import is probably about 30,000 loads.

6811. What do you consider to be the state of the shipping in Dublin?—Very much depressed, and leaving no profit; I think the aggregate of the shipping is sinking both capital and interest.

6832. Have foreign ships increased or diminished in the trade between the Baltic and Dublin?—As far as regards the wood trade to the Baltic, they have greatly increased with us; I should think that two-thirds of the whole of the Baltic timber trade to Ireland is in the hands of foreign ships.

6833. To what circumstance do you attribute that?—The inability of the British ship-owner to compete with them.

6834. Can you lay before the Committee any statement proving that inability?—In 1831 I sent a ship a voyage to Memel; her expenses were £658 2s. 1d.; her earnings, at 24s. a-load, were only £555 2s. 4d.

6835. Were those expenses above the ordinary average?—No.

6836. Do you consider that that ship was as economically managed and sailed as could be?—To the best of my ability it was.

6837. Can you give the Committee any information as to the expense of foreign ships ?—I was in the habit of chartering some Prussians, and they are complaining now that it has come down to 18s.; but when I was losing money at 24s. they were doing well, for the accounts went through my office; their rate of wages and provisions, and the manner in which they feed their crew, and the capital sunk in their ships is so different from the capital employed by us, and the wages we pay, and the food we use, that it is a moral impossibility for us to compete with them.

6846. Are the masters of foreign ships superior in respect of nautical science ?—I regret to say that I think that the masters of the British ships have retrograded in emolument and conduct very much within the last few years; but still I do not think any nation can beat ours as navigators; the French officers are better theoretical navigators than ours are, but they are not so good practical seamen.

6847. Are not all those causes of the most trifling importance, as affecting the degree in which foreign shipping has obtained possession of the import trade to Ireland ?—I think the reason of the foreigners having obtained a large proportion is our perfect inability to carry on the same terms.

6848. In consequence of the difference in the expenses of building, equipment and navigation ?—Yes.

6849. Can you state the wages in a Prussian ship ?—The wages in Prussia are from £1 to 25s. per month, and in Norway from 15s. to £1.

6850. What are they in a British ship ?—In our ships we pay 50s.; they were higher.

6857. In any other branch of the Prussian shipping do you suppose that English capital is embarked ?—It is generally supposed that a good proportion of the Prussian shipping is British property, covered with the Prussian name; and I think it very probable, because the Prussian masters generally hold a small share in the ships, and appear to manage for others.

6860. Is this state of depression in the shipping generally prevalent in the various trades in which shipping is engaged in the port of Dublin ?—From the number of ships that go through my own hands, the complaint is universal that there is more loss than profit.

6882. Are you of opinion that the competition to which the British shipping is exposed in the trade with the Baltic, acts so as to produce a reduction of freight in other trades ?—Certainly.

6883. Do not you consider that every other branch of industry in England is exposed to the same inconvenience ?—No; because every other branch is protected more or less; we have no protection at all, except to our own colonies and in our coasting trade.

6884. Is not that a considerable protection ?—I think not; it is our right. I do not know any country that will allow her coasting trade to be carried on other than by her own shipping, if she possesses sufficient tonnage for the purpose.

6891. You have stated that the shipping business is the only business that is not protected in this country; how do you suppose that the shipping trade to foreign countries could be protected ?—By any regulations relative to the bonded system, or such an alteration of the import duties as would place us in a situation of equality with a party that is paying no taxes to the State; every ship-owner is contributing, by the heavy taxation to which he is

subject, to the aid of the State, but the foreigner contributes nothing.

6892. Suppose a foreign state were to lay upon our ships a tax, equal to the tax we laid upon them, how would our shipping be benefitted?—If they laid on that tax it would ruin their trade. I should be glad if they would lay on a tax on timber, because it would advance the prime cost, and we have got abundance of good timber in our own colonies.

6897. You have stated that the expenses of a ship-owner are raised by the taxation to which he is exposed; but are not his expenses more particularly increased by the restriction to which he is subject by the registry and the navigation laws for objects of national benefit, in which he, as a ship-owner, has no peculiar interest?—Decidedly; the ship-owner has to contribute directly as an inhabitant of the country in his fair ratio of taxation; he has also, as a ship-owner, to contribute for the purpose of keeping up the national marine more than his proportion as an individual.

6903. Did the ship-owners feel this bad state of shipping in the years 1824 and 1825?—I think they did; but they were better in 1824; it has been getting worse since 1821.

6904. Was it not very bad in the years 1816 and 1817?—I do not recollect, but there was a transition from war to peace, and at that time there were a vast number of ships thrown out of the transport service; whenever there is a corn importation freights, generally speaking, rally.

6921. You have stated that there is no want of employment, but a want of profit in the shipping trade; how long has that been the case?—There has not, for the last four or five years, except in some very large ships, been a want of employment.

6922. When did the depression commence in the trade?—I do not think in 1823 and 1824 there was any depression; in 1824 things were very well, and freights were very good, and they continued so till 1827, and things have been gradually declining ever since.

6923. Is the decline still going on?—It is so far declining, that I am sure, taking the bulk of the mercantile marine in this country, it leaves no profit whatever.

6929. Then you think the fact of the employment of the shipping is no proof that they are beneficially employed?—Certainly not.

6930. You think the ship-owner and manufacturer will often carry on a disadvantageous trade for many years, in the hope of improvement?—When a capital is employed in shipping or machinery it will be a question whether he will go on at a loss, or suffer a total loss by standing idle.

6933. Have you not reason to think that the rate of profit among the manufacturers is much in the same depressed state as that among the ship-owners?—I think the ship-owner is more depressed than the other interests.

6936. What was the number before the reduction?—I should take the average of the mercantile marine at about four men to 100 tons, and there used be five and a boy in large vessels.

6937 Has this reduction of the crew increased the labour of those that are left?—Decidedly.

Mr. JOHN SPENCE, called in ; and Examined.

6945. You are a ship-owner and importer of timber in Sunderland ?—Yes.

6946. How largely are you engaged in shipping ?—We are engaged directly and indirectly, both as mortgagees of ships and as ship-owners ; but the shipping having been gradually getting depressed of late years, we have withdrawn from that interest as much as possible.

6947. But you are still a large freighter of ships ?—Yes.

6948. In what trade ?—To the Baltic, and North America, and Africa.

6953. Has there been latterly much decline in the rate of freight to the Baltic and to North America ?—There has been a very considerable reduction of freight since the year 1825 ; since 1825 there has been a gradual decline, with the exception of one year, 1829, they rather rallied a little.

6954. Do you consider that shipping property has been productive of late years ?—It has not been productive of late years.

6955. To what circumstance do you ascribe that ?—I ascribe it in a great measure to the competition of foreign vessels. In the present year we had a ship of our own lying by the walls unemployed ; we required a considerable quantity of Baltic timber, and we were informed by our correspondents at Memel, that they could supply us with ships at 14s. and 15s. a load. We could not navigate our own ship, even without profit, at less than 18s. per load ; and in consequence of the freights of foreign vessels being so low, a great number of British ships trading to the Baltic were thrown upon the American trade ; and the consequence of that is that we have had ships offered to us this spring lower than we have ever had for the last 30 years.

6956. Have you chartered any Prussian ship as low as 14s ?—Our orders have been sent out, and I believe they have been executed not at 14s. but at 16s.

6958. Is the timber from Memel chiefly brought in British ships or in Prussian ships ?—Of late years much in Prussian ships ; and if we could rely upon our orders being executed in the Baltic with the same facility that they can be done in England, we should never ask for a British ship, because the rate of freight is from 2s. to 3s. a load less by the foreigner ; and of late years that difficulty has been fast doing away with, because we find now our orders are much more readily executed than they were four or five years ago, on account of the increase of foreign tonnage.

6960. Is the American timber pretty generally used in shipbuilding ?—Yes, as far as fir and oak timber are used.

6961. Is there a good deal of ship-building carried on at Sunderland at this time ?—At present there is not ; it is in a depressed state.

6969. What do you consider would be the effect upon the British shipping if an alteration in the relative duties upon Baltic and Canada Timber takes place ?—I consider that the duties on Baltic timber and those upon American are so exactly defined, the quantity imported from the Baltic being nearly equal to that of the American, that any alteration of duty would throw the balance in favour of the one upon which the lowest duty was placed, and the loss of the American Trade to the British shipping interest would

almost annihilate it. It has been calculated that there are 1,000 vessels employed in the North American lumber trade, and I should suppose out of 1,000 300 of them are fit for any trade; therefore, if any alteration of duty takes place, and that trade is lost, I calculate 300 of those vessels, which are first-class, will be thrown upon the market of the southern freight trade: that line of shipping being already depressed, of course will become more seriously depressed; and the other 700 vessels, I calculate, would be laid by the walls and rot, because there are as many vessels now in the Baltic trade as can find employment.

6970. If an additional inducement was held out for the importation of Baltic timber, by an alteration of the duties, is it your opinion that the foreign ship-owner would partake of the additional importation to a greater extent than the British ship-owner, inasmuch as the foreigner can navigate his ship cheaper than the British ship-owner?—I consider so; and if the foreign ship-owner had capital and enterprise equal to the British ship-owner, I believe soon we should not have a British ship trading to the Baltic, because there is such a difference in the expense of navigating, and we find that they so closely imitate the form of the British vessel, that she sails as fast.

6972. What would be a remunerating freight to a British ship-owner to bring timber from Memel?—I think that to have a very small remunerating profit, the British ship-owner should not have less than a guinea a load to the east coast of England.

6980. Have you any thing to suggest which, in you opinion, would improve the depressed condition of the British shipping?—I think if the legislature would allow the duties to remain as they are, without any threatened alterations, it would have a great effect upon trade; and as regards the shipping interest, the only thing would be to make the navigation laws as they were 20 years back, because wherever the foreigners can interfere with us, being untaxed in all the articles of ship-building, and all the articles of stores and provisions used in navigation, we cannot compete with them.

6981. Are there any charges and burdens to which the shipping interest is now liable, by the removal of which any part of this depression could be relieved?—I am opinion that the British ship-owner could bear the taxation, if it were not for the competition of foreigners.

Mr. William Richmond, called in; and Examined.

7205. What is the business in which you are engaged?—A ship-owner.

7206. Where?—At Newcastle; or rather in the parish of Tynemouth, which forms the principal part of the port of Newcastle. I reside at Tynemouth.

7207. How long have you been carrying on the business of ship-owner there?—About 33 or 34 years.

7208. Have you not been at sea?—I was in the early part of my life.

7209. Are you at present possessor of many ships?—Not many; I have only two.

7214. When did you buy those ships?—The last ship that I bought was in the year 1820.

7215. In what trade are they engaged?—In the Mediterranean, in the Baltic occasionally, and in the North American trade.

7216. What is their tonnage?—328 and 252 tons.

7217. Have you found the employment of that quantity of shipping advantageous, or the contrary?—I am sorry to say, very much the reverse.

7248. Are you Chairman of the Committee of the Insurance Association?—I have been so for upwards of 20 years.

7249. How many persons does the Association consist of?—Probably from 100 to 120; they vary according to the number who enter their ships.

7250. Although you have only two ships belonging to yourself, have you had an opportunity of such investigation of the accounts of other ships, as to enable you to give to the Committee an opinion upon which they may rely, as to the state of shipping in general in the port to which you belong?—I should think my opportunities have been as good as any man in England can have had, with regard to a general knowledge of what ships are doing; I have seen a great number of ships' books recently, as well as having had many others before me as an arbitrator, and in various other ways.

7251. As the result of your experience, will you inform the Committee what is the general state of shipping in the port to which you belong?—I should say, to go 10 years back, that I know I am justified in saying, that more than three-fourths of the ships belonging to the port have paid no interest upon their capital, and that they are reduced in a similar way in point of value to that ship of which I have given an account.

7252. Are the Committee to infer, that for the last 10 years, the shipping belonging to that port has been unproductive of return to the owners, and that the capital has undergone a great depreciation in value?—I should say, a diminution of one half, as many ships have not even kept themselves in repair; but the wear and tear has increased upon them till they have become deteriorated in value, not only from the fall in price, but also in consequence of the want of the average repairs which time renders necessary.

7253. To what cause do you attribute the extreme depression which you state to have existed?—I attribute it entirely to the want of protection, which throws us into a competition with the ships of foreign nations that we are utterly unable to sustain, inasmuch as our wages and expenditure of every kind is double that which they are liable to, and I feel confident I am within bounds when I say that it is double. About one-third of our foreign trade, upon the average, is carried on by foreign ships, and it is no matter what trade we resort to, we find the effects of their overwhelming interference in one trade affecting us in every other.

7254. In what trade does the direct interference of foreigners most especially prove injurious to British shipping?—There are no foreign nations but the northern that have any ships at all worth attending to. The ships of the reciprocity nations, that is, Norway, Denmark, Sweden, and Prussia, will be found to engross a proportion of our foreign trade, varying in amount between a quarter and a third of the whole.

7255. You are no doubt aware that we are in reciprocity with other countries, besides the four you have mentioned; why do you name these four especially as reciprocity countries?—Because those are the only countries that have any shipping worth attending to that we are in reciprocity with, exclusive of the United States; the Portuguese ships have but a very small proportion; and the same observation is applicable to the other southern kingdoms of Europe that we have Reciprocity Treaties with.

7256. Has the proportion of foreign ships engaged in the trade between Great Britain and those countries greatly increased since they were admitted to competition with British shipping?—There is no doubt but it has very much increased since the signing of the Reciprocity Treaties; for instance, Prussia, Sweden, Norway, and Denmark have increased in a very extraordinary, and, to us, destructive ratio.

7257. Do you draw that conclusion from official documents?—I do.

7258. Can you give the Committee any information as to the relative expenses of building, equipment, and navigation of British and foreign ships, of the countries you have mentioned?—As to the building and equipping of foreign ships, not having had any thing of the kind through my hands, I am incompetent to answer the question; with regard to the manning and prices of stores and provisions, I think I can give most perfect information; I have extracts from my own ships' books; for instance, at Memel, beef is 23s. per cwt. and bread 14s. per cwt.

7263. What were seamen's wages in England?—Hull and Newcastle and Sunderland have never paid their seamen less than £3 per month; at London, I think our ships have sometimes paid about 55s., but very frequently £3 from thence to North America or the Baltic; at Liverpool 50s. In all the Irish ports, wherever I have had a ship, we have always been obliged to pay £3 per month to the seamen.

7264. What has been the general rate of wages in foreign ships at those periods?—I have taken some pains to ascertain this, and I should say the rate of wages is below 30s. per month in a Prussian ship, on an average, to the common seamen; that is according to the evidence I have received from different Prussian masters and seamen themselves; the Norwegians and Swedes receive a lower rate than this considerably.

7265. Do you know any thing of the practice of victualling seamen on board Prussian ships, as compared with that which is usual in our trade; do they live more or less expensively?—They live much coarser, and they have a very different allowance of food; I think the ships belonging to the port of Memel assimilate more than any others to British ships; it would be difficult to get the crew of a Memel ship to feed upon much worse food than English seamen are accustomed to; but with respect to all other Prussian ships, I should say that at the same market-price, their provisions would cost one-third less than ours, on account of the difference in its nature and quality.

7266. How is it with reference to the Danes, Swedes and Norwegians?—Infinitely more coarse and inferior, inasmuch as there is a much greater proportion of fish, and much coarser bread used by the crews of the ships of those nations.

7267. Then as a result of the whole, are the Committee to un-

derstand that navigation in the ships of the countries you have enumerated can be carried on at a considerably less cost than British navigation?—To a very great extent indeed; I know that the rates of wages upon the average of these states are considerably less than half; and, taking the nature and cost of their provisions into account, I should say that the average cost was more than half the amount less than that of a British ship's provisions and wages.

7268. At what per centage of reduction from the cost of British navigation do you consider that the expenses of navigation can be conducted in a foreign ship?—I think I have already stated under half.

7269. Would you then conceive that whatever were the relative cost of the building and equipment, as long as that cost in the foreign country did not exceed that of a British ship, it would be impossible for the British ship successfully to compete with the foreigner in navigation?—My opinion upon that subject has long been, that if I had a ship given me, whilst a Prussian or a Swede &c. bought his at the market-price of his country, at the end of 10 years, subject as I am to a British expenditure, I must be a beggar, whilst the Prussian or the Norwegian, or the Dane or the Swede, engaged in the British trade, would have reimbursed his capital, and have paid himself ample interest for the use of his money and his labour.

7270. Are the charges for lights, and dock dues, and pilotage, the same to the foreigner as to the British ship?—Where they differ, the British treasury pays the difference.

7271. You are aware that a Prussian ship could not bring East Indian or West Indian or African produce here; is not that a protection to British shipping?—It is a privilege that British ships have, but that privilege is made of no beneficial avail by the interference of untaxed competitors in the trade.

7272. When you stated that the British ships had no protection, you meant in the direct trade with those countries?—Yes.

7273. In your opinion, does the competition to which the British ship-owner is exposed in the direct trade with those countries, affect the rate of freight in other branches of employment in which British shipping is employed?—Most unquestionably it does: for instance, the rate of freight from the Baltic to Great Britain is calculated upon a standard which is highly remunerative to those untaxed ships, and we are forced to come down and accept that rate of freight, remunerative to them, but which is totally inadequate to the expenses that we are subject to. The natural consequence of the reduction of freight from the Baltic is, that a similar reduction takes place in the other trades: for instance, to North America, for as you reduce the freight from the Baltic, you reduce the value of the timber of which freight forms so large a proportion, and if a similar reduction did not take place upon the timber that comes from North America, it could not be sold in the market; therefore any thing that has a tendency to reduce the value of timber coming from the Baltic by reducing the freight, must of consequence reduce the price, and by that means the freight of that which comes from the British North American Colonies must be reduced, and so in every other trade in which the shipping of England are engaged.

7274. Are you of opinion that the freights have been greatly reduced in those trades in which British shipping has a monopoly, by the influence of the free competition to which we are exposed in the trade with the north of Europe?—I am.

7275. Can you give the Committee any information as to the charges to which British ships are subject in foreign ports?—I have brought two recent port charge accounts. Here is an account of the charges to which a British ship of 250 tons is subject in Memel at this moment.

7276. Are foreign ships subject to all these charges?—I do not know; I suppose they are, but I have no means of knowing, and I have some doubts on the subject.

7278. Are the crews of British ships free to consume their own provisions when a British ship is lying in a foreign port?—No; here is a charge, for instance, at Copenhagen, for the ship's provisions, therefore on the expenditure of a British ship's provisions there is a tax existing in the ports of Denmark.

7297. Is there a similar tax in the ports of Prussia?—There was, but I believe it is not now charged in Prussia.

7280. Is that a tax which is paid solely by British ships, or is it paid also by ships of the country?—It is impossible to tell what the ships of these nations pay in their own ports.

7281. Do you know any charge or any restriction to which British ships are exposed in the ports of Prussia, Denmark, Norway, and Sweden, which does not attach to the shipping of those countries respectively?—I do not, though I hear strong suspicions that things are not as they ought to be in this respect.

7311. Can you state whether the ship-owners at Memel are thriving in consequence of receiving the rate of freight you describe? There is no class of exclusive ship-owners at Memel, as is the case in England.

7322. Are you of opinion, that supposing you had a certain amount of capital disengaged, and supposing it suited you to go and establish there, you think it would be a thriving trade to become a ship-owner at Memel?—If I was sure that the reciprocity system would continue, there can be no question that a man would be a fool, that could get naturalised in Prussia, or Sweden, or Denmark, if he did not carry his capital there, and reside; because, as long as this system is continued, the capital embarked in British shipping must sink, from the effect of untaxed competition. If it was certain that the reciprocity system would continue, the sooner an English ship-owner emigrated the better.

7323. Do you mean the system of free trade?—I do.

7324. You understand them to be the same, do you?—Yes; I understand it as such.

7325. You consider the reciprocity system as part of the free trade?—Yes, as part of the system.

7326. Do you mean that the reciprocity system relating to ships is the same thing as free trade in general?—I consider it as part of the system; it is free trade as relates to ships; there is no protection granted to British ships.

7327. Consistently with the reciprocity system, which relates only to equal duties upon ships of different nations, might not any state adopt a system the very reverse of free trade, by giving to its manufacturers, or its commerce, very great protective duties?—Certainly, it is possible that you might admit ships to pay the same light and the same pilot dues, and yet at the same time put an enormous impost upon the goods from that country, which would put an end to the trade with it. As long as the present system is permitted to remain in force, as regards the northern nations of Europe, I think the wisest thing the British ship-owner could do

would be to take himself, and his capital, and his ships, over to those countries, and reside there; he would have all the benefit of the trade with England, and avoid her expenses.

7328. That answer relates to the reciprocity treaties touching shipping?—Yes.

7329. Are you aware, that in that case, the trade he can carry on with this country will be confined to the direct trade from Prussia to this country?—I am quite aware of that.

7330. Do you mean to say that the taxes, and wages and habits of life, which the ship-owners of England are exposed to are so burthensome as to render it impossible for them to compete upon the same terms as other nations?—I do; for when I am paying double wages, and nearly double for my provisions, and I am paying one-third more for my ships, and my habits of living, as well as those of my seamen, are much higher, it is impossible for me to carry on a competition with people whose habits are so dissimilar, and whose taxes are so much less.

7331. Then supposing the English Government should continue to act upon this system, and should drive the ship-building and the ship-owning trade abroad, do you not think the people of England would be much more injured by that loss than they would be benefited by the ostensible advantage which the system offers to them?—I do not know any advantage the country receives as an equivalent for the injuries inflicted upon us from our unprotected competition with the ships of foreign nations; the whole system is, and must be, most injurious to the maritime power and general prosperity of England.

7332. Do you know of any English capital having gone abroad for the purpose of being invested in ship-building?—I have stated the only instance in which I am aware of it; I have heard of other instances, but of my own knowledge I know of no other.

7355. Have you seen any improvement in the construction and equipment of Prussian ships of late years?—I have; their build and their equipment have decidedly improved.

7356. Have they improved compared with 10 years ago?—Very much.

7357. In the period between 1822 and 1832, have the Prussian ships improved very materially?—Within the last 10 years it is more evident in their appearance than at any previous period, especially as contrasted with our own.

7358. Were not the old Dantzic ships very fine ships?—They were very large ships; the Spring, the Newton, and those ships, were very fine ships in their day, but certainly not equal either in appearance or equipment to those of the present.

7359. Can you state to the Committee the proportion of first class ships, as compared with other classes, in this country?—That can only be ascertained by an examination of Lloyd's books; I understand that it has been ascertained lately that they are about one-third to two-thirds.

7360. Is it not an important object, therefore, to keep up that kind of employment which the merchant wants for the second-letter-ships?—It is an object of very great national importance.

7367. Do the Prussian ships require a greater number of men to navigate them, in proportion to their tonnage, than British ships?—Indeed they do not; it is a singular fact, that the Dantzic ships which brought not much less than from 600 to 700 loads

of timber, were manned with 16 men and boys, and that they were manned and sailed with fewer men upon the average than ships of the same size belonging to England: and it is a feature in the character of the seamen of the two countries which many would scarcely credit.

7368. Did any British ships at that time navigate the Baltic?—Yes.

ROBERT ANDERSON, Esq. called in; and Examined.

7369. Are you a ship-owner at South Shields?—I am.

7370. Are you deputed by the ship-owners of South Shields to give evidence before this Committee on their behalf?—I am deputed by the united managing underwriters who represent the ship-owners; they are all ship-owners, and in all cases of public interest they manage for the body of ship-owners.

7373. From your observation and experience, what is the state of the shipping interest at South Shields?—It is certainly in a very depressed state, worse this year, I think, than I have ever known it, taken generally, as applies to that port.

7374. Has the value of ships decreased within the last 10 years? It has decreased very considerably.

7375. Can you state to what extent such depreciation in the value has taken place?—The decrease within the last 10 years has been above 50 per cent. I can give an instance of one vessel that was launched the 1st of January, 1826; she cost £4,295, and was offered for sale this year at Leith, and the utmost bid for her was £1,800; she was not sold.

7376. Is that a particular instance, or do you consider it to be an illustration of the general state of the market?—I consider it a fair example of what ships would bring if they were sold in the public market; she was an oak-built ship.

7377. Have the rates of freight declined within that period?—They have, very much.

7383. To what cause or causes do you attribute the present depression of the shipping at your port?—I attribute it principally to their being placed in a state of unprotected competition with shipping of other countries, that can navigate at less expense.

7390. Is the depression in the shipping interest of your port confined to the shipping engaged in the trade with the north of Europe?—No; the depression on freights extends in quite the same degree to the shipping engaged both in the North American trade and the coal trade.

7391. But in the North American and the coal trade, has not the British ship a monopoly?—Yes.

7392. How do you account then for the foreign competition in the Baltic trade reducing the rate of freight in the colonial and coal trade, which are secured entirely to British shipping; does not that monopoly operate as a protection to them?—It does not operate to keep the freights up. In the first place, ships are easily transferable from one trade to another, and if the freights in the coal trade or in the American trade were more remunerating than

in other trades, the ships would naturally press into those trades to participate in that advantage, which would immediately depress the freights; but independently of that, merchants engaged in the Baltic trade, from the freights being reduced in that trade by the competition with foreign shipping, are enabled to sell their goods here at a lower price to the consumer, and consequently the Canadian merchant must press his freight down also, to enable him to compete with the Baltic merchant in the market in this country, and that I take to be one great cause of the equalisation of the rates of freight in both trades.

7399. Do you consider that the British ships are not so well or so frequently repaired as they used to be, in consequence of the distress of the ship-owners?—Certainly not so well repaired as they would be, if they were profitably employed.

7400. In your opinion, has the quality of the shipping deteriorated in consequence of the depression that exists in the shipping interests?—It must have deteriorated in proportion to the want of repair; they certainly receive the repairs now that are necessary to make them sea-worthy, but I do not conceive that they receive any more.

7401. Has not the severe competition that has existed in the shipping trade led to the production of the very cheapest rather than the best description of ships?—Certainly it has.

7402. Therefore the quality both of the new and old ships has deteriorated in your estimation?—The quality of those very cheap-built ships cannot be supposed to be as good as a ship that is built at a fair price, that would enable the builder to make her what she ought to be.

7406. Is the general trade of that port in a prosperous or in a depressed condition?—It is in a very depressed condition as far as those connected with the shipping go. I am not acquainted with the state of manufactures in South Shields.

7409. What do you think would be the remedy for the difficulties?—I do not see any thing that would afford permanent relief to the shipping interest, except a discriminating duty to the amount of the difference of expense of navigating with those countries with which we have to compete. There is one measure which I think would give some relief to the British shipping: if the bonding of the enumerated articles was confined to those imported in British ships, it would, I think, give British ships an advantage; but I am not sanguine as to any thing giving permanent relief, except British shipping were put on the same footing as to benefit arising from the trade, which cannot be the case whilst there is such an enormous difference in the expense of navigating, and no discriminating duty to meet it.

7410. You think, then, that if the cost of production of the British and foreign ship could even be perfectly assimilated, still the British ship-owner would be unable to maintain the competition to which he is exposed?—Certainly, unless the rate of wages and the expense of navigation could be assimilated also, the difference in interest of capital is a very small portion of the cost of navigating.

7415. Are the Committee to understand from you, that in the trades with the North of Europe, in consequence of the Treaties of Reciprocity, British shipping has no protection whatever from the competition of the shipping of those states, in the direct trade be-

tween those countries and Great Britain?—They have no protection whatever that I am aware of.

7416. And therefore, unless they will carry at the same rate as the foreigner, they must lose the trade?—Certainly.

7417. Do you know any other trade whatever, in which any British interest is exposed to such entirely unprotected competition with foreigners?—I do not know any other British interest that is exposed to unprotected competition except shipping.

7421. Do many Prussian ships come into the ports of South Shields and Newcastle?—A great many; they bring their wood and take away coals.

7422. Are they ships of a sound and good construction?—They appear to be so; I never minutely examined any one of them, but they have very much improved in their appearance in the last few years. They seem very well equipped and appointed. I was on board a Flemsburgh ship, and she was a very fine ship indeed.

7423. Is there any back freight to Memel in coal or any thing else?—Very little coal goes to Memel from Newcastle.

7424. Are there any manufactures at Newcastle of iron or glass sent to Memel?—It is a very unusual thing to get a cargo for Memel of any description from Newcastle. I am not aware what the foreign ships carry, but I do not think they carry any thing of any amount but coals, and they carry a very small proportion of those coals to Memel. The bulk goes to other neighbouring ports.

7461. You have stated that, in your own opinion, it would be a great relief to the shipping interest in the country if timber coming in English bottoms alone was allowed to be landed; have you considered whether, if such a law was to be enacted, the probable effect would not be to transfer the bonding of timber to Rotterdam, or some part on the coast of Holland?—I have not; I consider it would not have that effect.

Mr. Edward Gibson, called in; and Examined.

7473. Are you a ship-owner and ship-builder at Hull?—I am.

7474. Are you engaged in extensive business in both capacities?—Yes, I am less engaged in shipping now than I was a few years ago, having lost two or three, and having sold two or three, which I have not replaced.

7475. Why have you not replaced them?—I found them so very unprofitable.

7479. What is the present state of shipping at Hull, from your own experience and observation?—The shipping at Hull is at present declining in quantity; I believe we have less now than in 1814 by 24,751 tons, with an increased population of 9,344.

7480. To what circumstance do you attribute the reduction in the quantity of ships?—I should suppose from being unprofitable.

7481. What, in your opinion, is the cause of capital engaged in shipping being unprofitable?—My own opinion is that the change is from two or three causes. I consider that a depression of property was produced by the alteration in our currency, and another

change has been the alteration in the navigation and commercial laws, by which we have been brought into competition with our immediate northern neighbours.

7482. Is there any other prominent cause that occurs to you?—There is nothing else.

7483. Will you describe more particularly the manner in which this change, which you state to have taken place in our navigation system, has operated to the injury of the shipping of your port?—By the reduction of freights; we find that it has influenced not only the ships in the Baltic, but the American trade, in consequence of foreigners being permitted to come into immediate competition with us, and they are enabled to sail and build their vessels at much less cost than we can do; in consequence of which freights have been reduced, and we are unable to make a profit in every branch, both as to ship-building and as to sailing ships.

7484. Is it by the treaties made under the authority of the Reciprocity Duties' Act that you infer that operation chiefly to have taken place?—That is my opinion as far as the reduction of freights go.

7485. Is not that operation confined to the countries with which we have those reciprocity treaties?—No; the freights to other countries assimilate themselves nearly. I have made a memorandum of the various freights from year to year from the Mediterranean, and I find that they bear a similar proportion to the freights in the Baltic, inasmuch as when the freights became unremunerative in the Baltic, ships which are competent from their size and age for other trades naturally go to those which have suffered no reduction, till a glut takes place, and then a reduction takes place in those other trades in consequence.

7486. Are you aware that the British shipping engaged in the Baltic trade with the countries with which we have treaties of reciprocity, has upon the whole rather increased than declined?—I am quite aware of that, from the activity of the vessels, but they have not increased in an equal proportion to those of the foreigner.

7487. Then in what manner do you consider that the reduction of freights, from the competition of foreigners in the trade with the north of Europe, operates to produce a diminution of freight in those trades in which British shipping either has a monopoly, or is open to competition with the general shipping of the world?—As regards the timber trade, the prices of timber are nearly equal upon the other side, and if the freight, either upon the one side or the other, falls, the importation will increase in the Baltic or increase in America, just according to circumstances. The difference of duty rather gives it in favour of the North American colonies; but if any thing comes to disturb the equality, then we find a greater proportion of timber imported from the Baltic or from America, according as circumstances may be in favour of either.

7488. Are the Committee to understand, that if, when, from a diminution of freight in the Baltic trade, the price of Baltic timber is reduced, the importer of North American timber does not make a similar reduction upon his commodity, he would lose his market, and therefore he makes that reduction through a similar diminution of the freight?—Clearly so.

7491. It appears that you have omitted the year 1825 from this

statement; had you any other motive for doing that than that it would have exhibited an unfair view of the case?—No other; it would rather have made the freights appear to have suffered a greater diminution if I had put it in.

7492. Can you state what the freight was in 1825?—For wines it was £2 12s 6d, for raisins, £3 5s, for brimstone, £2 3s 9d, for barilla, £2 5s, for shumac, £3.

7508. What are those nations whose vessels come most into competition with the English, so as to produce the depression in the freights of which you speak?—Sweden, Norway, Denmark, and Prussia, are the principal ones.

7509. Are you acquainted, from your own observation and knowledge, with the circumstances and condition of any ship-owners in Sweden, Prussia, or Norway?—I am not able to speak as to the condition of the owners of the vessels: I am able to speak as to the great improvement in the build and equipment of the vessels themselves which visit the port of Hull; even in the Norwegian vessels, which are far behind other countries, there is great and visible improvement. Ten years ago they used to come very badly found, and any one not conversant with shipping would be able to say, that is a foreigner; but it is not so now; nobody but a professional man, in many instances, would be able to determine whether it was a foreigner or a British ship.

7510. Then, in point of fact, now a foreign ship is nearly equal to any English ship?—I think superior to many, which are now built at low prices.

7511. You mean that the English ships which have been built recently are inferior to those built a few years ago?—I say so, as a professional man, and I am borne out by the circumstance that our losses are three-fold at sea to what they were.

7512. Since when has that deterioration in the quality of English ships commenced?—Since 1822; I should say they began to decline in quality since that time.

7513. Has that arisen from using inferior materials, or from a falling off in the skill?—It has risen principally from the lowness of prices not affording remuneration to the builder.

7522. You have stated that the British vessels which come under your observation are in a state of gradual deterioration?—We find a very great difference in the deterioration of vessels for want of repairs alone. I find that since 1823 that the amount of repairs upon old vessels has nearly diminished half; in fact, when an owner comes with his vessel to the dock, he says, "I will be obliged to you to make the vessel sea-worthy, but do nothing more."

7523. Can you account, in any other way, for persons building the ships of an inferior description, to which you have adverted, but from the circumstance of its not being possible for them to obtain a remunerating freight for ships of greater value?—It is with a view undoubtedly of meeting the competition to which they have been exposed that they are obliged to build inferior ships, so as to reduce the amount of capital invested.

7524. What appears to you to be the necessary and unavoidable consequence of such a state of competition under the circumstances of the gradual improvement in foreign ships and the deterioration in British ships; if the present state of things should continue,

what effect is it likely to have upon the shipping of this country? —Every year they will become, I suppose, less in number and inferior in quality.

7525. Can you state to the Committee why it is that ship-owners continue to employ their vessels under such discouraging and disadvantageous circumstances, in preference to retiring from so unprofitable an employment?—If the ships were laid up they would deteriorate, and with hopes of realising something, and living out the depreciation, they send them to sea, and many of them are obliged to do so. Even in the year 1829 I observe there were 40,000 tons that were wholly mortgaged, and there were 30,000 tons that were partially mortgaged ; and I have very little doubt that the number of tons that are wholly mortgaged are very considerably increased, therefore the whole of the distress does not appear. The gentleman who has lent his money upon a vessel insists that she goes to sea, and looks out for the earnings that may come to pay his interest money. I know that in many instances owners remove from tradesman to tradesman, in order to obtain fresh credit to enable them to send out their vessels to sea, but the person that has a lien upon the ship always comes and takes as much as he can obtain, to pay the interest of the loan.

7526. How do you know the proportion of the mortgage?—From the Parliamentary Return.

7527. Are the Committee to understand that it is rather in the hope of some beneficial change hereafter, than from any profitable employment of ships under existing circumstances, that they are continued to be employed?—Undoubtedly.

7530. Is it not a necessary consequence of the excess of shipping in one branch of trade that it operates injuriously in other trades, to which some of those vessels are obliged to resort for employment? It must, invariably, from the natural course of things.

7551. Having stated to the Committee your belief, that the present rates of freight, generally speaking, are altogether unremunerating, is it your opinion, that if statements of the profitable employment of vessels have been made to the Committee, those must be very extraordinary exceptions from the general rule?—The only ships which can show a profit upon the face of the accounts will be those owned by merchants who are enabled to give them a freight, and to bring home their own goods in the case the freights upon the other side are not remunerative ; and the accounts that my friend will lay before the Committee will show cases of that sort, belonging to Messrs. Terry & Sons, in the Baltic trade. When there is a glut of ships at any of the Baltic ports, and freights are low, in consequence of that glut, they invariably bring home merchandise upon the ship's account ; if ships are scarce at the ports where they arrive, and freights are high, they come as carriers. Under such circumstances, those who combine merchandise and shipping together, may, in many instances, show a profit; but I am fully persuaded that the ship-owner that sends his ship to sea, if he be purely a carrier, there is no trade that will leave him a sufficient sum to pay the interest and depreciation of his property, if he will be at the trouble of winding up his account.

7558. You think that the ship-owning trade and ship-building trade have not been attended with profit, upon the average, in the last 15 or 16 years?—I am positive that it has not.

7559. And you think that the continuance of ship-owning and

of ship-building upon an extensive scale is no proof to the contrary?—None.

7563. But you are quite convinced that the present appearance of activity in the ship-owning trade is no proof of prosperity?—Activity in any trade is no proof of prosperity, in my opinion.

7564. It appears by the Parliamentary Returns, that in the year 1792, of the whole number of ships coming to this country, one out of nine were foreign ships; are you aware of the proportion of foreign ships that come now?—From the countries now under reciprocity, upon the average of 16 years. it is 103 per cent.

7565. Does not it follow, from these facts, that a vast amount of employment must have been driven away from the British ships?—As the foreigner increases his number, he displaces the British.

7575. Will not the system pursued of attaching a character to ships according to their age, instead of according to their intrinsic qualities, account in a considerable degree for the annual production of new ships?—No doubt.

7576. Therefore it does not follow, that because new ships are built, the aggregate tonnage of the country requires those ships, but in consequence of the system of attaching character according to age, it becomes necessary for the ship-owner to build a new ship in preference to repairing the old one?—For the carrying of dry goods of every kind, when a ship arrives at the age of 10 years, the owner must dispose of her and get another, otherwise he would suffer damage, because in a foreign port she would not be taken up.

7577. Therefore the fact of the Parliamentary Returns exhibiting a considerable tonnage actually built is not to be taken as a proof of the prosperous state of shipping?—By no means; and there is another cause why they have increased. In the years 1825 and 1826, there were above 80,000 tons sent from the Canadas as remittances, and there are a great number coming from the Canadas in hopes of being taken up, and being at a low price they are taken up.

7578. Was it in the years 1824 and 1825, that large ship-building in the Canadas first commenced?—I cannot recollect, but I know that in 1825 and 1826 there were 80,000 tons came from the Canadas, and the average a few years before did not exceed 19,000 tons, and since 1826 it has been about 32,000 tons annually.

7579. Continuing to come in spite of the present low rate of freights?—Yes.

7587. Therefore you consider the fact of a trade being carried on in this way to be no proof of its being prosperous?—Certainly not.

7588. Supposing the reciprocity system should be abandoned, and supposing the currency should be placed upon the same system as it was during the war, do you consider that the shipping trade would recover its prosperity?—I have some doubts of that, because we should not have an opportunity of undoing what has been done; we have created the foreigners ship-owners, and we have created foreign ships, consequently we cannot go back to the same state as before; and with regard to the currency, since the alteration was made, property has changed hands, therefore, if we go back, there would be another set of sufferers.

7590. You have great doubts about the propriety of going back

to our former situation?—I have; because things have altered so much.

7591. Are the Committee to understand that, in your opinion, no legislative alteration can afford relief to the shipping interest, of any extent?—There are many ways of giving relief, but you cannot place yourself in the same advantageous position that you were in before the change.

7592. Can you suggest any thing to the Committee, by which, in your opinion, it would be in the power of the legislature to mitigate the distresses of the ship-owners?—I have my own private views upon various points. The bonding system strikes me as being a very effectual one: if any person who brought goods in a foreign ship was obliged to pay the duty upon their arrival, it would give a decided preference to British ships, and the foreigners have no such fiscal regulation as that of bonding goods. There is another important point in which the British shipping is under a great disadvantage in going to those countries, in consequence of a fiscal regulation to which we are subject; so that if a merchant wished to give me a preference to go and fetch grain, I could not do it upon the same terms as the foreigners would. There is a tonnage duty imposed upon all vessels entering those ports, which is an annual duty; but with my ship, I have the same to pay for one voyage as they pay for a whole year, and therefore I am obliged to add this tonnage duty to my expenses, to know whether I can accept the freight that is offered.

7593. Is that the case in any of the countries we are in reciprocity with?—With all of them; and there is another consideration also, that you are compelled to have a broker both at the Custom-house and for your business, and they give you no receipt whatever; but in this country, when the foreigners come here, in most instances they do their own Custom-house business.

7594. How are you compelled to have a broker?—It is imperative upon you by the regulation of the country.

7595. You are now speaking of the reciprocity countries?—I am.

7596. Are you acquainted with any other circumstances in which the British ship-owner is exposed to disadvantages from the compulsory regulations of foreign nations, to which the foreigner is not reciprocally exposed in the transaction of his business in this country?—Yes, there is another which occurs to me. The moment you enter a Prussian port, all your provisions are sealed up, and you are compelled to use the provisions of the country; when a foreigner comes to England, he can use his own, or buy whichever he thinks proper. It is true that foreign provisions are cheaper; but if we were to lock his up, he would be exposed to a disadvantage.

7597. Do you know that that is the case at foreign ports?—I know that it is the case.

7598. Do not they oblige you to load your ship with Russian labourers, although your own crew may be doing nothing?—No; I think that is brought about by self-interest.

7599. If foreigners were not allowed to bond their goods in the Thames, would not that increase the system of bonding at Rotterdam and upon the coast of Holland?—I think not; inasmuch as when goods are put in bond in this country, they are ready at any moment to be taken out, and there would be an extra freight.

7600. For instance, a ship going from Memel to Rotterdam

would unload, and there would then be a stock of timber at Rotterdam; and if there was a demand for it in this country, could not it be moved over here with great facility?—Under very great disadvantage. At present, every English merchant generally supplies himself according to what he fancies his demand may be; he puts his timber in bond, and he can take it out just as his orders may come. If it laid on the other side, there would be another delivery and another loading.

7601. What would be the additional expense of that unloading and re-shipment at Rotterdam?—The British merchant would not think of it; he would not have the command of his timber to supply his customers if it laid on the other side.

7602. What would be the rate of freight from Memel to Rotterdam; would it be greater or less than the freight to Hull?—I do not think there would be much difference.

7603. What would be the charges at Rotterdam, and the freights from thence to the ports of this country?—It would be 15s. or 16s. a-load.

7604. Would it be nearly as much as the freight from Memel to Rotterdam?—Almost as much.

7605. Would not those considerations make it utterly impossible to bond it at Rotterdam in the manner supposed, for the use of this country?—Certainly it would.

7609. Would a merchant have any inducement to send his timber to Holland for the purpose of being re-imported here, if by importing it in a British ship he were permitted to bond it here?—He could have none whatever.

7610. Can you conceive it possible, that the difference in freight between the foreign and the British ship could in any degree countervail the difference in the expense of transport?—By no means.

7618. What is the difference in the cost of navigating the British vessels as compared with the foreign?—About half.

7619. What does that arise from?—From the manner in which the people live, and the rate of wages.

7620. Has the cost of provisions any thing to do with it?—Yes; they only cost about half as much to the foreigners as they cost them.

JOHN SHELLEY, Esq. called in; and Examined.

7943. You are a ship-owner and merchant at Great Yarmouth? I am.

7944. Are you extensively engaged in shipping?—Not very extensively; I was much more so than I am, but I found it not a very profitable concern, and so I have been leaving it off by degrees.

7945. Your shipping is principally in the Mediterranean trade? Principally in the Mediterranean trade, and the coasting trade.

7946. Will you state to the Committee what you consider to be the condition of that species of shipping now?—It is certainly in a very depressed state.

7953. Will you have the goodness to state to the Committee, from your experience in a particular branch in shipping, your views with regard to the present condition of the shipping, and any suggestions which you wish to offer?—I apprehend that the depression in shipping is in part occasioned by what has occasioned depression in property at large, I must think an alteration in the currency; but with respect to the special cause of depression, I would say, that it is the alteration in the navigation laws, because that alteration has opened out to the untaxed foreigner a competition with our ships, which are heavily taxed in one shape or other, either directly or indirectly; that I conceive to be the great cause: and I must also say, that when these navigation laws were passed, I feel perfectly sure that they would not have been passed without compensation to the ship-owners, as compensation is about to be given to the West India interest; but unfortunately, I say unfortunately, the London ship-owners of the great ships left the smaller ship-owners, such as the Yarmouth, in the lurch.

7954. Your ships are principally employed in the Mediterranean, are they not?—Yes; there we have no protection whatever.

7958. You had at that time, previous to the passing of the Reciprocity Act, no more protection in vessels of that kind than you have now?—Certainly not; but the Committee will at once see the disadvantage under which we are placed now; our navigation laws acted as a bounty on the British ship-owner; they encouraged him, while they acted as a discouragement towards the foreigner. The foreigner now, the Austrian (for I may take that as an example) at Venice, would never have thought of making those voyages, for in fact there were no Austrian vessels at Trieste at that time at all; they have sprung up now; and now they not only make those short voyages which we made, but they bring all the goods from Austria, and carry a great part of the goods to Austria, which the English ships formerly carried.

7959. Then the competition seems to arise, not from the alteration of the navigation laws, in these indirect voyages, but from ships having been built in the Austrian ports, where they did not exist before?—Exactly so; still we cannot help thinking it arose in consequence of the relaxation of those laws, because they have found employment now in the very trades which we formerly had the entire control over.

7960. What are the relaxations to which you refer?—The permission to import a variety of articles, which were formerly called the enumerated articles.

7961. Do they bring them to London?—Yes; and to Liverpool too. You can hardly take a Liverpool paper up, but you will see one, two, or three Austrian, or Genoese vessels advertised as on the berth, as it is termed, for goods to Genoa or Trieste.

7962. What are the suggestions that you would offer to the Committee, with a view to the remedying of this state of things?—I hardly know what to say upon that. The duties that have already been removed are, I must confess, a considerable alleviation upon hemp and other goods: but still, as the Committee will immediately see, it cannot meet the evil, because we must, by the laws of the country, navigate our vessels by British seamen. British seamen's families must be supplied with money at the rate at which other British people live, and therefore it is quite impossible

to meet that difficulty. You must pay high wages, whilst the foreigners are paying low; and you cannot get over that.

7993. Are the Committee to understand, that you are not prepared with any suggestions for meeting this evil?—I have no suggestions to offer that would meet the difficulty, except returning to the old system; that I fear is almost hopeless.

8007. You do not think, as things are at present, that it is practicable for a ship-owner to enter into a free competition with the foreign ship-owner?—I do not.

8008. Unless the charges on English shipping are reduced to something like the foreign level?—Certainly not.

8013. You are of opinion that in a country loaded as England is, if we are to give protection to the debts and taxes of the nation, we ought to give an equal protection to the ship-owners and productive classes of the nation generally?—That is what I have claimed, but I confess that I saw no chance of its being granted.

8014. You think, at least, that ship-owners and the productive classes of the country have an older and better claim to the protection of their national interests than the fund-owners or the owners of taxes or credits of any kind in the country?—I should think, without assuming too much, that the ship-owner has a higher claim than any other, inasmuch as for many years we were going on under the old navigation laws, which had continued for two centuries, and we are now exposed to a competition in which we cannot at all avail ourselves of any of the advantages which other classes do.

8047. At the commencement of your examination, you alluded to the general change in the currency, as causing depreciation of shipping property, and the general alteration of the navigation laws as also being a cause,—in your judgment, which has done the shipping interest the most harm?—It is quite impossible for me to answer that, as they were concurrent causes, so that I can hardly say which of them has reduced the value the most. The alteration in the navigation laws has reduced our profits the most, and the alteration by return to a gold currency reduced the actual capital.

8053. Supposing the shipping interest to continue in its present state, what would you consider to be its ultimate result?—I really cannot say; it would be very bad there is no doubt of it.

8056. As far as your observation goes, do you think that the foreign vessels in the port of Yarmouth have gradually increased in number?—I think they have considerably.

8080. Are you of opinion that the classification of the ships at Lloyd's has any effect prejudicial to the shipping, by multiplying the number of ships?—I think very much so indeed.

8081. To a considerable extent?—To an extent far beyond what is at all calculated upon, if we take all the vessels in the Mediterranean trade, the regular traders to and from Hamburgh, Rotterdam, the regular traders from the Baltic, the American vessels; I do not know whether the West India vessels, for I am not competent to say that; but certainly the free trade East India vessels; all those vessels, as soon as they have reached 10 years, which throws them off what is called the first letter at Lloyd's, are immediately reduced beyond all calculation in value, and beyond what it would be if this were altered. But that is not all; I think that the very character of British vessels is materially injured by the regulation.

8082. Of British vessels, as compared with foreign?—I would not say that; but I would say rather, British vessels as compared with what they would be otherwise. The ship-owner, when he is about to build a vessel, knows that after 10 years she no longer stands on the first letter, or answers the particular purpose for which he builds her. He builds her for a particular trade; as soon as she is off that letter, he knows that she is no longer of use to him; that he must sell her for what any person will give for her, because he does not feel disposed to go into the coal trade, or into the lumber trade, and he is obliged to sell her to the person who will do so. That acts in a double way; he sells the vessel for considerably less than the real value, and persons then become tempted, by the low price of that vessel to embark in shipping. An old master of a vessel will go to several tradesmen, and say, "I can buy a vessel very cheap, if you will make me master of her, and we shall do very well;" and he induces his friends to embark in the trade, on account of the cheap rate at which she is bought. That person who had built her originally is obliged to introduce a new vessel into the British mercantile navy, though he did not want her; but he brings her in because the old vessel, under the regulation, can no longer answer his purpose.

8083. The effect of this is to throw a larger number of vessels into the collier or lumber trade?—Yes.

8084. And to cause the introduction of new vessels into the trade, although the number in the trade may already be redundant?—Yes.

8085. That acts to a considerable extent?—Yes; that the Committee will see immediately, because the term is ten years, therefore one-tenth of the shipping in particular trades must be renewed every year.

8086. Does not this system lead also to the building of a number of unsubstantial ships calculated to last only for ten years?—Yes.

8087. Could not the owner repair the vessel so as to keep the number after the ten years?—No.

8127. You have stated that shipping is in a very depressed state; has that the effect of leading those engaged in the shipping trade to abandon the business when they lose money from it?—That depends very much upon circumstances. If a man has all his lifetime practised this particular line of business, of course a loss, even for a year or two, would not deter him, because he has known prosperous years revolve in a sort of cycle, and he hopes that they will come again; and therefore he does not immediately abandon his pursuit, any more than the farmers would for two or three years of bad harvest.

8128. Do not ship-owners cling to their property in shipping with rather peculiar tenacity?—I do not think that they do more than farmers; I have some farmers, friends of mine, that are losing money just now.

Mr. THOMAS HEDLEY, called in; and Examined.

8129. You are a ship-owner and ship-broker at Newcastle?—I am.

8130. Are you extensively engaged in shipping?—Not extensively as a ship-owner, but as a ship-broker and commission merchant.

8131. Are you engaged in the coasting trade, or in the foreign trade principally?—Both foreign and coasting, to the United States and British Colonies, Russia, Prussia, &c.

8132. What do you consider to be the condition of the shipping trade, as far as you are acquainted with it, as compared with former periods; generally speaking, do you consider it to be depressed?—Not more than it has been for some time past, taking the present value into consideration.

8133. Is it not a business liable to great fluctuation?—Certainly; it has within the last few years, from the change in the currency and from the decreased value of the materials of which ships are built, which has affected them considerably.

8134. Do you consider that there has been a less inclination to engage in shipping of late than formerly?—Not at all; quite the reverse; as soon as one ship is lost, another of more value is bought or built by the owner.

8135. Have you found any disinclination on the part of the people to engage their capital in shipping?—None at all; a great number of men in other businesses have engaged into shipping at Newcastle, Shields, Sunderland, Blythe, and the neighbouring ports, and many have given all their time to it, and in the event of losing a ship, they do not return back to the trade they carried on before, but they increase the extent of their shipping.

8136. Have you heard great complaints of the unprosperous nature of the shipping business?—Not more than I have for these 30 years past.

8137. Persons are in the habit of complaining, are they?—Generally so with us.

8138. Have you reason to believe that it has been of late a more unprosperous business than formerly?—With ships of great value perhaps it has, but with ships that have been built the last few years, that has not been the case.

8139. Has the shipping of Newcastle increased or diminished?—Not much increased in tonnage, but there is full employment for the whole; indeed we cannot get ships at present, and are obliged to go to Sunderland for A 1 ships for the corn trade whenever we want them, we have so few of that class and suitable size at Newcastle.

8140. In your business as a broker, have you lately found ships pressing greatly for freight upon the market?—Certainly not, quite the contrary; we have had a difficulty in getting ships the whole of this spring, and the freights have lately been as good as formerly, taking into consideration the value of ships; 45s. was considered (by liberal minded ship-owners) a remunerating freight to Quebec a few years ago, and we are now giving 37s. to 38s. between Quebec and Newcastle, and therefore, taking into consideration the difference in the cost of the ships, I consider it a better remuneration than 45s. four or five years ago.

8141. You think that 38s. bears the same ratio to the cost of

building ships at present, that 45s. did a few years ago?—Rather more.

8142. You consider that there has been a fall in freights only in proportion to the cost in producing the article by which freights are made, namely, ships?—Not in proportion; I think that freights are much better at present, because a ship that cost, five or six years ago, £14 to £15 a ton, may now be built for 10 to 11 guineas. Five years ago, a ship of 300 tons would cost about £15 at Sunderland, and may now be built at 10 to 11 guineas; that is the contract price at present for ships of 280 tons, and if you add a pound more for the extra tonnage, that will be about £12 10s. for ships above 400 tons.

8143. Whilst freights have fallen only in proportion of from 45s. to 38s.?—The freights from Canada to London are 41s. at the present moment.

8144. Can you state the Baltic freights at present, as compared with former periods?—That depends upon the ships running out to seek freights, but at the present, tallow is 26s. at St. Petersburgh, and last year it was down as low as 18s.; indeed, there was a parcel of tallow brought at 14s. to Newcastle at one period.

8145. Then the state of freights which may be paid at any given time in the Baltic trade would not be a fair criterion of the average rate?—No, it would not; it depends upon the number of ships running out; you may get the freights of the general ships chartered this year at 25s. between St. Petersburgh and London, and 24s. to Newcastle.

8146. Is not the best index that can be taken, the rate at which ships will engage to go out?—Yes, it is; and it is improper to take the other as the criterion, that is now about 25s. for tallow, and hemp was about 45s.

8147. Upon the whole, are you of opinion that there is no greater reason for complaint on the part of the shipping interest now than at former periods?—I do not think there is upon north-country shipping.

8148. And are you confirmed in that opinion by finding that fresh capital is continually investing in ships, and that where they lose their ships they replace them at once, and many people leave their other business and go into shipping?—A great many men of business at Newcastle have entered considerably into shipping with the spare capital they had; there are several gentlemen in Newcastle that were not worth a shilling fifteen or twenty years ago that now own several fine ships in the West India and Southern trades.

8149. And they have made their money in the shipping trade?—Entirely, with economy and good management.

8150. You consider that those men thoroughly understand their business?—Yes, they look after the ships themselves.

8151. Are they captains themselves?—No, they get good captains; but they fit out the ships themselves, which is a great consideration.

8152. Should you yourself have any objection to embark capital in building a new ship at present?—Certainly not, if I could not employ my money otherwise. I employ a great number of ships at present; I have six at present belonging to Mr. Young, at Shields.

8153. Are you prepared with any statement of accounts of ships?—No, I am not prepared with any.

8154. Will you state the names of Mr. Young's ships which have been profitable?—I will state them. The first ship that I sent out this year was the Hebe, to return home for myself, and I think she will be profitable, if fortunate. I had several ships last year.

8155. Will you state the names of the other ships which you have this year?—The Speedwell, the Mary Young, the Oak, the Renovation and Nautilus, the two last; I can state what the Renovation made out and home; she made £455 for freight, &c.

8156. Had she any passengers?—She had ten or fourteen passengers from Plymouth, for which she received upwards of £40, but I cannot exactly state that, because I was not interested in that part.

8157. Was that more than sufficient to pay her expenses and to pay interest?—Yes; and she made £718 home to Liverpool.

8158. What was her tonnage?—Upwards of 320 tons.

8159. What was the age of that ship?—About fourteen or fifteen years old.

8160. What was her value when she went away?—I should suppose she is worth £8 a ton; she is a very excellent ship, and has received a great deal of repair.

8161. What was the expense of her outfit, did she take any repair?—No; I always take so much from the ship's sailing, wear and tear included; and I have taken that ship at about £145 or £150 a month, including insurance, and wear and tear, and sailors' wages, and everything. I have a vessel of the same tonnage, and therefore I know what it is.

8162. Can you tell what time elapsed from the period of her lying on the berth at Newcastle to load out till her final discharge at Liverpool?—Within six months.

8163. Did she meet with any accidents?—None.

8164. When accidents occur, notwithstanding the ship is insured, does any part of the loss devolve upon the owner?—Of course there is the loss of time; we recovered two-thirds from the underwriter, and one-third falls upon the owner.

8165. Is not it generally the fact that, in the course of those repairs which are rendered necessary by an accident, the ship-owner is compelled to incur other expenses of which the underwriter bears no part?—That depends upon the way in which you insure.

8166. Did you ever know an instance of a ship having met with an accident in which only one-third of the loss incurred devolved upon the owner?—Not to any extent.

8167. Does it not frequently amount to one half?—I think not with myself. I never entered into a club.

8168. You say that the ship was out six months, and that she incurred expenses covering £900, and she returned in those six months £1,150; was that the state of the account?—As far as I can recollect, it was.

8169. What are the ships in which you yourself are concerned?—The Columbus and the Martha.

8170. Do they belong entirely to you?—The Columbus does; and the Martha I have only a third of. I do not pretend to be a ship-owner to any extent.

8171. You find a more profitable mode of employing your capital?—No, if I had the means I would do so directly, extensively.

8172. You have said that there is no less inclination than formerly to engage in shipping, and you find many persons in trade have engaged in it in your port, and yet that the tonnage of the port has not increased; how do you account for that?—They buy a great number of ships in Sunderland, and they come into our port to be fitted out and registered; of course many are lost; they have increased the value of the shipping but not the tonnage, in my opinion.

8173. If persons have abandoned other trades in order to embark in shipping, either they have taken the place of others that have retired from it, or the tonnage of the port must have increased?—No; if a ship is lost worth £1000, they buy or build a ship worth £1,500 to £2,000.

8174. Therefore there has been no fresh shipping engaged in the port, but as one has worn off, it has been re-placed either by the same parties, or by other parties?—The number of ships have increased, but not the tonnage, in consequence of a great number of large transport ships employed during the war going out of the market altogether, which have enabled more useful ships to come in.

8175. You stated that the number of ships belonging to the port has increased, and that the aggregate value of the ships has increased, but not the aggregate tonnage?—Exactly so.

8176. How do you ascertain the aggregate value of the ships?—From the knowledge I have of the ships and building materials.

8177. Then it is a mere matter of opinion, not grounded upon any calculation?—Pretty nearly; I know all the calculations that are made.

8178. You stated that freights have lately been as good as formerly; taking into consideration the different costs of the ship, has not the advantage of the rate of freights reference to the cost of navigation as well as to that of the ship?—The risk of navigation is considerably less than it was formerly; they make the voyages much quicker; take Archangel, for instance; you make two voyages in a season to Archangel generally, and formerly you only made one.

8179. Have you any considerable quantity of shipping engaged in the coal trade in the port of Newcastle?—A great many from the port.

8180. How many voyages were made in the coal trade in the course of a year?—I do not know; but a gentleman told me that one of his ships made 14 voyages last year.

8181. How many do they make upon the average?—Many make 12 in the year; but there are many captains that are slow in their proceedings, and there is often delay in London; I should think the average is about 10 in the year.

8182. Do they make as many now as they did four years ago?—I think more.

8183. Can you state the rate of wages paid to seamen now and five years ago?—No; there is not much difference, I believe; perhaps 5s. a month.

8184. What was the rate of wages five years ago?—It varied very much; several times the sailors have stood out for increased wages.

8185. Can you state what was the rate of wages five years ago? —I cannot; I was not a ship-owner then.

8186. What was the cost of salt provisions five years ago, and what is it now?—Five years ago it was 52s. 6d. a barrel of pork, and it is now £3 5s., or respectable ship-owners buy it at £3, taking large quantities.

8187. What was beef?—Eighty-four shillings to 90s.

8188. If therefore wages and provisions are not lower now than they were five years ago, how do you infer that the rate of freight of 38s. now is as remunerative as 45s. was five years ago?—Because I consider those things are hardly worth calculating; the quantity of pork required is so small, that the difference of price in pork is a mere nothing; our ships rarely take more than eight or ten barrels of pork to Quebec, frequently less.

8189. Can you state the average price of those provisions for the last three years, as compared with the former three years?—You may take it about three guineas for pork; the provisions got extremely low about five years ago, arising out of circumstances; I sold them as low as 42s., but you may take the average for the last five years at about three guineas.

8190. How would that be as compared with the average of the preceding years?—It varied considerably below that; I have sold pork at £5 10s, and £5 15s previous to that.

8191. Do you consider the quality of the ships that have been built recently is better or worse than formerly?—I think since we have got Sierra Leone oak the quality of the ships has been better; we have had it so much cheaper than formerly, that we have been enabled to build and repair with that wood.

8192. What is the price of Sierra Leone oak?—I have sold cargoes at £7 10s to £7 15s.

8193. Is not it the case that at Sunderland a great many ships have been built of bad quality within the last few years?—At Sunderland they give them that character, but I cannot speak to that.

8194. Are you aware that the ships built in the north of England are not in so good a repute as the ships in the south of England? —As they stand in the books; but I believe they build as good ships in Newcastle as any where.

8195. Are you acquainted with the state of the ship-building yards at Newcastle?—Yes.

8196. Are they generally in good employment now?—No; they build them so much cheaper at Sunderland that our ship-owners generally build there.

8197. How is it that they are able to build cheaper at Sunderland?—It is because they have got a better class of carpenters; we have a great many old carpenters, and a great many apprentices; in fact, Shields is the nursery for carpenters for Sunderland. The Newcastle ship-owners build them at Sunderland, and bring them round to Newcastle to be fitted.

8198. What is the distance of Sunderland from Newcastle?—Eleven miles.

8199. Then within the distance of eleven miles there is that remarkable difference in the character and skill of the shipwrights? —No; but Sunderland being a new port, very few carpenters exceed the age of forty-five or fifty; at Newcastle we have a great

many old carpenters; they are a different class of men at Sunderland.

8200. Do they build ships as good at Sunderland as at Newcastle?—At many of the yards.

8201. Does a Sunderland ship bring as good a price as a Newcastle ship?—No, they do not, in most instances.

8202. How do you account for that?—From the character they have got.

8203. How much per ton does the difference in price amount to?—I suppose between the Tyne and the Wear there is a difference of 25s. to 30s. a ton, in many instances, in the first cost of a ship.

8204. You have described the state of the shipping in the port of Newcastle as tolerably prosperous; are you able to give the Committee any precise information with respect to some particular ships exhibiting that prosperous state?—Yes, I think I could do so easily when I go home; I can state the result of a vessel that went to Sierra Leone two years ago, called the Zenophon, 352 tons, a vessel that cost £1,800 two years ago, and she has cost £400 for repairs; she has made upwards of £1,400 freight in five or six months, upon a voyage to Sierra Leone and back to the Tyne.

8205. What is her build and age?—I cannot say, but she is a British-built vessel, repaired at Quebec.

8206. Does she belong to you?—No, she belongs to a friend of mine, Mr. Dobinson, at Shields.

8207. Was she chartered?—Yes, I chartered her myself.

8208. Is not five months a very short voyage to Sierra Leone?—It is; she was only nineteen days from Yarmouth Roads to Sierra Leone.

8209. How long are ships generally upon the voyage?—The ships this year have not averaged much more than five months: there are thirteen sail of vessels bound this year from Sierra Leone to Sunderland with large cargoes, all laden with oak; there were 400 loads of timber in some of them.

8210. Should you have considered that £1,400 a fair remuneration, if the voyage had been of an average length?—Yes.

8211. What was the average last year?—Every year since I have known the trade, they have lessened the time in the despatch; we consider six months a fair average.

8212. Have you known any ships detained at Sierra Leone a long time in consequence of mortality among the crews?—Yes; I have had a ship detained there nine months, but not frequently; since they have known the place better, and the jungle has been cleared away, there has been less sickness.

8213. Do you consider that that sum of £1,400 would leave a fair remuneration upon a voyage of an average duration?—Yes.

8214. Upon a ship of what value?—Upon a ship of £4000 value.

8215. As there have been so many cargoes of Sierra Leone oak, is there much building going on?—It is in consequence of the low price of it; they cut it now into planks instead of Dantzic plank and Memel oak: it is imported and cut into plank at Sunderland.

8216. What does square Memel oak sell at?—£6 10s. to £7 10s.

8217. How much would the sticks fetch?—They have been selling at £7 5s. to £7 15s.

8218. Do you consider it a great advantage to the British ship-builder to have introduced this oak into use here?—A very great advantage.

8219. What would you have paid for English oak of the same size?—About £3. 15s.; but you could not get the timber of the size; you cannot get it in length. I have had one piece of Sierra Leone oak this season measuring 166 feet, and there is now one in the West India Docks that is six loads; you can get English oak for timbers, &c. but you cannot get it for planking of lengths equal to Sierra Leone.

8220. Then the use of African oak is much increasing in ship-building?—So much so, that a few years ago at Sunderland they did not import it at all, and this year they have thirteen cargoes.

8221. You state that, at present, in your opinion, the shipping is as profitable as it has been for some years past; are not there greater complaints now than there used to be among the owners of shipping there?—They do complain, but I consider they have not cause for it more than usual.

8222. Are you able to assign the cause of that complaint?—Yes; a great many of the ship-owners were formerly captains of ships, who retired from their ships soon after the war; they have never returned, and they expect the ships to support them by sending captains on board; now, if they would go themselves, they would be amply repaid.

8223. Did their ships formerly pay them when they returned on shore and sent a captain?—They did during the war, and for a short period after.

8224. Ten years ago, were those persons able to maintain themselves by remaining on shore, out of the profits of their ships?—No; I think they have been cutting up their capital ever since, by remaining on shore, and living beyond their means.

8225. If they went in command of their own ships, would they not be entitled to receive both the emoluments of a captain, and the advantages of the employment of their capital as ship-owners?—Certainly, and there would be a return then, whereas there is none now, because the captain's family is to be supported in the first instance.

8226. Then how are captains' families to be supported that have no means of taking parts of ships?—There would not be so many of them.

8227. Have you ever chartered coal ships to France?—Only twice to Havre.

8228. Do you know what duty is charged upon English coals there?—No, I do not; I merely sent them as ballast.

8229. Are you of opinion that the shipping have any reason to complain on account of undue charges for pilotage and lights?—Yes, I think so; both pilotage and lights are very heavy, particularly upon vessels going to the Mediterranean, United States, &c.

8230. Are you prepared to make any suggestions upon that subject?—No.

8231. Has foreign tonnage entered inwards in your port increased or decreased?—I think it has decreased, speaking from my own observation.

8232. Has it decreased positively in amount?—I am satisfied that we have not had near the number of foreigners that we had five or six years ago.

8233. Are you acquainted with the expenses of the navigation of foreign ships, as compared with the expenses of the navigation of English ships?—I consider that they cannot sail them cheaper than we can.

8234. What are the wages of Baltic ships?—The wages are very low; but the captains have what they call hat-money, which makes up the amount.

8235. What do the wages and emoluments of captains in the Prussian trade amount to per month?—I never calculated that.

8236. If you do not know the amount, how do you come to the conclusion that they cannot sail cheaper than we do?—By mixing with gentlemen that are perfectly acquainted with it.

8237. Have you ever been informed what is the amount paid to the foreign captain and the men in a foreign ship?—The men have 25s. a month, the mate about £2 10s., and the captain sometimes £5, and sometimes £6.

8238. And what is the hat-money in addition?—It depends upon the cargo; I have paid 10 guineas, and I have paid 20 guineas for a run over, and I have paid 5 guineas.

8239. Upon what principle did you pay it?—It is always stated in the letter, a bill of lading.

8240. Then the hat-money is paid by the merchant, and not by the foreign ship-owner?—It is; but that is of no consequence.

8241. Then it does not constitute a charge upon the foreign ship-owner, but upon the merchant?—The captains have frequently an interest in the ship.

8242. What is the rate of wages in the same trade to the captain and mates and seamen in British ships?—£2 15s. this year for the men; £4 5s. for the mate and the carpenter; and the captain, according to the size of the vessel, from £6 10s. up to £9 10s.

8243. For what reason, with that great disparity in the rate of wages, do you infer that the foreigner cannot sail at a lower rate of expense?—From superior knowledge of navigation and industry; the foreign ship generally lies in port double the time that the British ship would do; there is a great inactivity about the foreigners.

8244. Do you conceive that the crews in the foreign ships are more slack in the performance of their duty?—I do.

8245. Do you think upon the whole that foreign ships in the Baltic do not make so many voyages as English ships?—I am satisfied they do not.

8246. Do the British ships ever make four Baltic voyages?—To Memel one ship made four Baltic voyages last year.

8247. Do you know the ship called the Helena, now in the port of London?—I do not.

8248. What is the average number of voyages made to Memel by foreign ships?—I do not know; I do not think I ever had a foreign vessel above twice in the season, but they sometimes go to Bourdeaux and other places afterwards.

8249. Upon what authority is it that you say that the generality of foreign ships are slower in performing their work?—From observation.

8250. Do not you think that the Prussians have some advantage in being able to start earlier with their cargoes?—I think that is only in the corn trade.

8251. Is not that so in the timber trade?—I think not; we rarely have any foreign ships with timber to Newcastle.

8252. Are foreign ships generally navigated with more or with fewer men?—With more men; a 250 ton foreign ship will have about 12 men, and ours will have about 9.

8253. Can you give any instances by name of Prussian and English ships engaged in the same trade in which that disproportion prevails?—I could by referring, but not here.

8254. How did you ascertain the difference?—I have had them consigned to me.

8255. Have you made it a matter of specific inquiry, the number of men by which they were navigated?—I have.

8256. Is it not the fact, that you find that a Prussian ship does not make the despatch in getting out of port and going away upon her voyage which is made by an English ship?—It is generally the case; they are extremely dilatory.

8257. Can a Prussian ship upon any voyage, execpt a timber voyage, be insured at the same rate as an English ship?—No; certainly not; we do not insure them at all at Newcastle.

8258. Could the goods she brings be insured at any thing like the rate of those brought in English ships?—Certainly not; I do not think there would be much difference in London, but with us there would; perhaps it would be one-half per cent.

8259. Is it the general practice to insure in Newcastle or in London?—We can only go to a small extent in Newcastle; I insure all in London myself.

8260. Then the difficulty arises, in your opinion, from the smallness of the number of underwriters at Newcastle?—I do not think they would take them at all at Newcastle.

8261. Have you had much experience of foreign captains?—A good deal.

8262. How are they as compared with English captains?—A very inferior set of men indeed, generally speaking; I have met with some clever and active men, but not frequently.

8263. Inferior in what respect?—In point of loading the vessel, and discharging and navigating, and every thing else.

8264. Have you many foreign vessels coming to your port?—Not lately; I had 14 or 15 Prussian ships in one year, but not the last five years; I had one last year from Prussia.

8265. As to sobriety, how are the foreign captains as compared with the English?—I should think they are more sober than the English, generally speaking.

8266. And the seamen?—Much more so.

8267. Are they not under greater subordination?—I should think they are; they appear more comfortable among themselves; they are more satisfied with their situation than British seamen.

8268. Will not they perform many duties that English sailors refuse to do?—I do not know that.

8269. Will they take in ballast?—I never saw them refuse to do any thing.

8270. Have you seen English sailors refuse to do any thing?—Certainly.

8271. Is not it an advantage to have obedient sailors?—That rests with the owner; I would not keep a man on board, that refused to do any work that I ordered him.

8272. Can you always obtain men that will do any work that you wish them to do?—At all times; except when occurrences take place in the Tyne, when men would not work at all, in consequence of combinations among the sailors.

8273. Has any one of those occurred recently?—No.

8274. When was the last?—Three or four years ago.

8275. With regard to the condition of the seamen of Newcastle, are there more hands out of employ now than usual at former periods?—I had a vessel going out lately to New-York from Shields, and we could barely get suitable men.

8276. What do you call suitable men?—Men that the captain would approve of; there were plenty of loose hands that could be got.

8277. Do you think any British sailors would deliver ballast?—Yes, any one would do it by being paid; they go by the voyage from Newcastle to London, and the voyage ceases upon the arrival, and the ballast-heavers are employed; but if you make your arrangement to pay those men, they will be glad to do it; but the ballast-heavers interfere, and will not allow them.

8278. Will the sailors discharge a cargo of timber?—At the close of the year they would be glad to do it.

8279. While in pay, will they do it as part of their work?—No; there are lumpers to do that work; but the seamen on board will engage to do it by being paid the same as the lumpers.

8280. You have of course heard great complaints made of the effect of the Reciprocity Treaties; what is your opinion upon that subject?—The ship-owners complain of that very much.

8281. Do you think they have been injured by it?—I do not think so.

8282. Do you think the shipping interest would be benefitted by an alteration of the corn laws?—I think if there was a fixed duty it would give very great increased employment to British shipping instead of foreign in the early part of the year; at the present moment, when any prospect of bad weather occurs during the harvest, or even in the spring of the year, the orders are sent out so quickly that there is not time to send English vessels out, and the foreign vessels are taken up forthwith. Now, if there was a fixed duty, there would be none of that speculation, and we should have a supply of corn of superior description; there would be a regular import instead of a fluctuating one. I think, if there were a fixed duty, British shipping would become the carriers of nearly all the corn.

8283. Does not the British shipping enjoy considerable advantage in the carrying of corn, from the better character of the ships?—There are some very good Dantzic ships, that carry grain very well; I have had several cargoes delivered in excellent condition.

8284. Have you observed, in the orders you get for chartering ships for grain, that any preference is given to British ships?—Latterly so, unless under the circumstances I have named, of great expedition being required, in order to save the duty.

8285. Will a higher freight be given to a British ship than to a Prussian ship, suppose them both loading grain in a port in the Baltic?—It depends upon the merchants shipping; if they have orders to take up a ship, they give the preference to their own ships; but if I was taking up a ship, I should give a preference of 6d. a-quarter for a British ship upon the present freights.

8286. What are the present freights?—About 4s. 6d.

8287. That would be about 12 per cent. in favour of the British ship?—Yes, nearly 12 per cent.

8288. What would you call a moderate fixed duty upon corn? About 12s. 6d. to 15s. for wheat, and the other grain in proportion. I suppose that 12s. 6d. to 15s. would be a sufficient protecting duty.

8289. Do you form that opinion upon any calculation of the expense at which foreign corn can be imported?—I have given it a good deal of consideration.

8290. Are you of opinion that ships can be built cheaper in the foreign ports than in the English?—I think not; the labour makes up the difference in the price of timber. I think they cannot build cheaper than we can. There is a ship that was built at Jersey which cost £21 a-ton, and the carpenters only had 2s. 8d. a-day; she is now loading for Calcutta in the East India Docks.

8291. Have you any knowledge of the cost of ships in the river Thames?—No.

8292. Perhaps you would be surprised if you saw the account of a ship of 500 tons that cost £12,000 last year, sent to Calcutta?—There are two fine ships now in the East India Docks that were built at Newcastle that would cost 15 guineas to 17 guineas per ton.

8293. Is that complete for sea?—No: they would cost about £20 to £22 to complete with provisions, &c. to sea.

8294. You have stated that you think the English shipping would be benefitted materially by the change in the corn law you have mentioned; would not that depend upon the comparative expense at which foreign and British ships could be navigated?—I think that British shipping could be navigated as cheap as foreign, and even if it could not, I should prefer British shipping in bringing corn; you have no dependence upon the foreigner bringing corn; he, perhaps, runs into foreign ports, and you have nothing but trouble and vexation with him; a great many of them have run into Norway, &c.

8295. Do you mean to say that generally a higher rate of freight is paid upon the importation of corn in a British than in a foreign ship?—Yes, I know it to be the fact in our port; I sent out in 1831 about 30 sail of vessels for grain, and therefore I ought to know something of it; there has been a difference of from 5d to 6d a quarter latterly.

8296. Does it frequently happen that any irregularity occurs in the performance of the voyage by foreign ships?—Very frequently indeed.

8297. With respect to the price of ship-building abroad, do you mean to say, that ships cannot be built much cheaper at Memel or Dantzic than in an English port?—I do not think they can of equal quality, from the conversation I have had with the Prussian ship-owners.

8298. What is the price of a Prussian-ship?—I should think a good Prussian ship could not be built at less than £10 to sea, without provisions.

8299. What is the comparative durability?—The Prussian oak does not last so long as the English oak.

8300. Have you not known some very old Prussian ships?—Yes; they were built of stone oak, of which you cannot get any in this country.

8301. Then, are the Committee to infer that the better quality of oak is now exhausted ?—No; it may be got, but it is too expensive for them to get to build ships with at present.

8302. Do you know the price paid at Memel or Dantzic for shipbuilding oak ?—Yes; 65s for the best oak (not stone), for square oak, and there is an inferior quality about 52s 6d.

8303. What is the price of stone oak ?—There is none to be got in large quantities at present.

8304. How much freight is paid upon the Dantzic oak ?—The freight is about 18s a load; but to import a whole cargo I have paid 25s; it cost about £6 5s or £6 7s 6d imported.

8305. Then you would greatly prefer the Sierra Leone oak ?—I would, and the ship-builders prefer it; my opinion is that the other oak that is remaining on hand at Sunderland will not be sold, except at a very reduced price; you can import Sierra Leone oak of very good quality at £6 15s, short lengths.

8306. If the duties were equal, would the Prussian oak be used in preference ?—Never again: the Sierra Leone oak is of very superior quality altogether.

8307. Are there not different qualities of Sierra Leone oak ?—There are two qualities only, the yellow and the red; the yellow sap is the best, and you may get it now from another part, from the river Sherbro, about 40 miles south of Sierra Leone.

8308. Has any timber been imported from Fernandez Po ?—None to our Ports.

8309. What, in your opinion, would be the effect upon the shipping interest of an equalisation of the duties upon Canada timber and upon Baltic timber ?—I think it would reduce the value of the shipping very much indeed, the old shipping especially.

8310. You are of opinion that if the duties were equalised there would be a diminished demand for the services of British ships ?—No doubt of it.

8311. To a considerable extent ? —To a considerable extent.

8312. Are not the shipping employed in the North American trade and in the Baltic trade generally of a different description ?—They are.

8313. So that the same ships would not be employed in the Baltic trade ?—A great many of them.

8314. You have stated that the English navigate their ships with fewer men, and make the voyages in less time, than the foreigner; does that apply to the Americans ?—No; I was only speaking of the Baltic.

8315. Are you of opinion that any injury accrues to the shipping interest from the mode of registration and classification of ships in Lloyd's Books ?—Yes, I think there ought to be a new classification altogether. There is now a difference of two years between Newcastle and London.

8316. According to the present system, are not ships classed by age rather than by their intrinsic quality ?—They are.

8317. And you would consider it an improvement if they were classed according to their intrinsic quality ?—Yes; but how could that be obtained ? I am afraid it would not be easily done.

8318. Do you think that the present system has the effect of introducing a greater number of new ships into the trade than

would be introduced if a better classification were adopted ?—I do not think it would.

8319. Do not you think it drives many ships from carrying cargoes into the coal and lumber trade, in consequence of their being undeservedly rated in a lower class ?—We do not make any difference of that kind, but they do in London, and in the corn trade; but I think it would prevent a great number of ships being repaired that ought not to be in existence at all.

8320. Are the British ships navigated with fewer hands now than formerly ?—Yes, the number has been reducing as navigation improved.

8321. Then they make the voyages now quicker with a reduced number of men ?—Yes; last year a vessel from Aberdeen made three voyages to Montreal.

8322. Does that increase the labour of the seamen engaged in the navigation ?—I do not think it does; of course there is a difference in discharging and loading the vessel, but not in any thing else.

8323. Have you observed any change in the mode of carrying on the shipping business in the last few years; is there any greater attention to economy, both of time and of expense, than was the case formerly ?—Certainly, there is very great economy used in our port as well as at Shields and Sunderland. There are a different class of men; there are many men now that were captains of ships, that now own four to ten ships.

8324. Within how many years has that change taken place ?—Within 10 or 15 years.

8325. Within what hours are you allowed by the Custom-house regulations at Newcastle to discharge cargoes ?—From eight till four.

8326. Would it not be a matter of importance to you to work at later hours ?—Considerably.

8327. Could not you sometimes make an additional voyage to the Baltic if you could save a few days in the port ?—I do not think it would have any serious effect, but it would be an advantage, because you might perhaps save a voyage by it.

8328. May not the greater economy and diligence which have been introduced into shipping of late years, account for the bad fortune of some people already engaged in shipping who have not practised it ?—It is easy to account for it in this way; many men have retired from the sea, expecting that the ship would keep their families, instead of going to sea.

8329. Are not they a class of men that would be most likely to practise economy ?—I am afraid they are too late in beginning; they could economise in the navigating of the ship, but they were too late in beginning the other business, which they were not accustomed to. I know there are some instances in which accounts have been made out showing considerable losses at North and South Shields; they have charged the ships with the captain's wages, but at the same time his family, as well as the owner's, have been supported out of that ship.

8330. Have you had the means of knowing in those instances that those owners have not run in debt and sunk their capital ?—I am sorry to say there are many of them running into debt.

8331. Then may they not have been supported by running into debt?—It will ultimately prove so.

8332. Is there a want of employment for seamen in any ports in the north of England?—None that I know of. It is certainly injurious to the ship-builders at Newcastle that the carpenters' wages are so high, considering the description of the men; they charge as much for the old men as for the able-bodied men, and they charge as much for the apprentices, when they have been with them three or four years, as they do for able-bodied men at Sunderland; and they are all able-bodied men at Sunderland.

8333. Will not the same thing happen in the course of time at Sunderland that has happened at Newcastle?—No, I do not think it will, because they do not take so many apprentices at Sunderland.

8334. Upon the whole, you are of opinion that the shipping interest has not much to complain of?—I think not; and I have advocated that for many years past among themselves.

8335. And you think the outcry which has been made against the reciprocity treaties is unfounded?—Very unfounded; we have many men that have become men of considerable property by means of shipping alone.

8336. And you think that if carried on with attention to economy and order, it is, upon the whole, a fair business?—My opinion is, that money cannot be employed better than in shipping.

8337. Do you think that if there were many seamen unemployed in the Thames they could obtain employment in the northern ports?—No doubt of it. There is one thing I would beg leave to suggest with reference to timber: I am aware that there has been a great deal of fraud by evading the duties on timber at different ports, which I will not name; in discharging timber at some ports the duties are not collected. I would suggest, that instead of discharging the timber in the loose manner that it is now from the ship's sides, without any mark whatever upon it, it should be struck in a proper manner, so that no evasion could take place.

8338. You have stated that there is no scarcity of employment for willing hands at Newcastle; are there some men that are unwilling?—A great number. There are a great number of that class of men that are unwilling to work at any time.

8339. Is the number of those at Newcastle very great?—Not at all.

8340. If they will not work, how are they supported?—By the poor's rate, &c.

8341. Is there no objection by the overseers to support them?—Occasionally there is, but not frequently.

8342. Have you any other suggestion to make to the Committee, with regard to what you would consider as a means of benefitting the British shipping?—I would suggest, that taking off the export duty upon coals would give considerable employment to shipping, particularly to the United States. It is 3s. 4d. a-ton.

8343. Are you aware that the price of coals has risen considerably within the last 30 years in Newcastle, in consequence of the wearing out of the coals that were nearest the surface or nearest the sea?—Quite the contrary.

8344. Is there any symptom of wearing out?—None at all.

8345. Has the price of coals fallen of late years?—It has; I am paying 15s. and 16s. for export coals, that I paid 24s. for last year.

8346. How is it, comparing the present period with 30 years ago?—About thirty years ago, the price was 24s. for Walls-end export coals; the price is now 18s. for the same coals; they rose during the war to 34s.

8347. Comparing it with 50 years ago, has the price increased?—It has advanced at certain periods, arising out of circumstances, such as the expense of keeping up the machinery and the expense of keeping horses, for which the machinery answers the purpose now.

8348. Is not the machinery simpler and less complicated where the coal is obtained nearer the surface, than it is where you have to obtain it from a greater depth?—There is very little difference; the length of the rope is greater where there is no water.

8349. Have you made any calculation of the quantity of coal that the United States would take of this country, if the export duty were taken off?—I have not done that, but I believe the difference would be large; the difference between Cape Breton and American coal and the English coal, is about two dollars the chaldron of 36 bushels.

8350. Is there any duty in America upon English coal?—The duty is 3d. per bushel.

8351. Is it probable that America will increase the duty?—From correspondence I have had, I believe they would reciprocate.

8352. Is there any other country from which the demand for English coal would increase?—In France, I believe, considerably, and in the Mediterranean, and at St. Petersburgh.

8353. Does not it fall peculiarly hard upon the exporter having to pay the duty in advance?—No doubt it does. It is about £40 to £70 a ship in advance.

8354. Do you consider the coal fields to be almost inexhaustible?—Quite so, for ages.

8355. Why did the price rise during the war?—From the expense of working, which was very high at that period; hemp was £130 a ton, and now it is only £25 10s.

8356. Are there many coals sent to the Baltic?—A great many.

8357. Do you think that trade would increase if the duty were taken off?—Yes.

8358. Is the duty paid in advance?—It is paid upon the export at the custom-house, before the entry has passed.

8359. What would be the cost price of coals on board the ship?—That depends upon the quality; it is about 6s. 6d. to 9s. a ton for exportation.

8360. Is not the duty lower than it was?—It is.

8361. Has not the exportation considerably increased since the duty was diminished?—It has.

Mr. THOMAS BROWN, called in ; and Examined.

8489. What is the business in which you are engaged ?—I am a ship-owner, and a partner in a ship-building and ship-repairing company, and also a canvas manufacture on the Tyne.

8493. How many ships have you?—I am manager, owner, or part-owner of about 24 ships.

8494. In what trades are they chiefly engaged ?—Chiefly in the Baltic and coal trades.

8495. What do you consider to be the condition of that business at present ?—Freights being low and wages high, it is not in a good condition.

8514. Have you any ships in the timber trade?—I have.

8515. What are the freights in that trade ?—The freight from Quebec is 38s., and from Memel it is 18s.

8516. What were the freights 10 years ago?—I had a ship in 1824 at £10 for deals from Quebec, and in 1825 at 36s. from Dantzic, but had little interest in shipping before those years.

8517. From 1826 to 1827 what were they?—They were gradually reduced then ; I think in 1827 they were about 21s. from Memel.

8518. What were they to America in 1828 ?—About 42s.

8519. Do you think that 38s. from America now will pay a ship-owner as well as 45s. would have done five years ago, in consequence of any diminished cost of navigation ?—No, I do not think it would.

8520. Is there any diminution of the cost of navigation in the last five years?—Very little.

8521. Cannot you build cheaper now than you did five years ago ?—Yes, we can build cheaper, the price of ship-building materials being lower.

8522. Do you use much foreign timber at your port ?—A great deal.

8523. Do your ships perform their voyages quicker than they used to do ?—I do not consider there is much difference ; perhaps the reduced freights have caused the ship-owners to exert themselves to produce as quick voyages as possible.

8537. Do you consider the freight of 38s. a load for timber from Canada a remunerating freight with reference to the cost of building ships at present ?—I should say it is not a fair remunerating freight even at the present low prices of shipping.

8538. Is it a freight that could enable you to go on without loss ? —Yes ; I think that ships purchased at the present low prices might go on without actual loss, provided they did not meet with any casualties.

8548. Do you think that 38s. for timber will enable a ship-owner to keep his shipping employed in the trade, taking into account those casualties, as well as the expense of navigation ?—I think not.

8549. What freight should you think would pay ?—To make it a desirable investment of capital, it should be 44s. or 45s. at the least.

8556. Have you attended to the subject of the reciprocity treaties at all, and their effect upon shipping ?—I have to a certain extent, as far as it affects our local trade.

8557. Have you found your local trade much affected by them ?—I consider they have been the cause of bringing down the value of shipping and the rate of freight, by obliging the ship-builder to build as cheap as he possibly can, and causing a different class of ships to be built also.

8558. Has there not been a considerable change in the mode of managing shipping of late years, and greater attention to economy both of time and money ?—There certainly has.

Mr. Allan Gilmour, called in; and Examined.

8589. You are a partner in the firm of Pollok, Gilmour, and Company, of Glasgow ?—Yes.

8590. You are a ship-owner?—Yes.

8591. What is the extent of the tonnage in which you may be interested along with your partners ?—Ten thousand tons, or upwards.

8592. Consisting of how many ships ?—Eighteen.

8593. How have those ships been engaged latterly ?—In the North American trade.

8594. Exclusively ?—Nearly so; there may have one gone, occasionally, to Sierra Leone, and so on.

8595. How long have you been a ship-owner ?—Nearly forty years.

8596. Have you been altogether in the Canada trade ?—No; in the Baltic a long time.

8597. What sized vessels are they ?—From 300 tons register to 700, but mostly approaching upon 600.

8598. Since you have been a ship-owner, have you generally had vessels of that large burthen ?—No, we have had them of a much less burthen; but we have been quitting all from 400 tons and downwards as fast as we could sell them.

8599. What was your object in selling them ?—Because they would not pay.

8600. Then do you find that a ship of 400 tons and upwards pays better than a ship from 400 tons downwards ?—Yes.

8601. How do you account for that ?—It is easily accounted for: one captain, one mate, and one officer, is the same expense upon a 700 ton as upon a 200 ton.

8602. How many men per hundred tons have you on board your ships ?—We have 25 men to 27 men on board vessels from 580 to 600 tons.

8604. Have the ships you have been engaged in made a profitable return upon the capital of late years ?—No, quite the reverse.

8605. For how long have you found the shipping trade depressed ?—It has gone regularly back since 1824, except a temporary rise for a few months, when any stock was a little reduced.

8606. Have you found the freights between the United Kingdom and the North American colonies gradually lowering since 1824?—Yes.

8607. To what circumstances do you ascribe it, as the British ship-owner has the exclusive carrying between the British colonies and the mother country?—The cause I assign for it is the Treaty of Reciprocity, in 1824, with the northern nations; to wit, Sweden, Norway, Denmark, Prussia, and Germany, has destroyed the British ship-owner; and if it is to be considered that these northern nations are to be placed upon the same footing with British shipping, the time is not far distant when no British ship will be able to enter the Baltic; at present no British ship can carry goods from Norway, nor for many years past.

8608. Have you found that, since 1824, the proportion of foreign ships arriving at Glasgow from the Baltic, laden with timber, has increased in a greater ratio than the English?—There is scarcely any Baltic trade comes to the Clyde at all; the Baltic trade comes into Grangemouth.

8609. Is there much trade between the Baltic and Grangemouth?—There is considerable.

8610. Has there been an increase of the foreign tonnage engaged in the timber trade between the Baltic and Grangemouth, as compared with the English?—The foreign tonnage has it nearly altogether.

8611. Is that difference to be ascribed to the Swede and the Norwegian, and the Prussian, being able to undertake the voyage at a less rate of freight?—There is not a doubt of it, because they will do it for half that the British ship-owner can do.

8612. Do you mean the Committee to understand that those foreigners can afford to bring timber from the Baltic to Grangemouth at half less than would pay the British ship-owner to bring the like article?—From Norway they will bring it for the half, and less than the half.

8613. Can you state what is the rate of freight per hundred upon deals from Norway to Grangemouth?—I could not say upon deals from Norway; but from Memel they will bring timber at 14s. per load.

8614. What would be the lowest rate of remuneration to the British ship-owner for a like voyage?—I question whether they could do it under a guinea, to keep their vessels in proper repair.

8615. To what do you ascribe the difference of expense between navigating a Norwegian ship and a British ship?—I was informed when I left home, by a gentleman from Falkirk, that there is a Dane in there now paying his seamen 15s. for the trip from the time the vessel broke ground, in Norway, till they return, and I reckon that a month's voyage.

8616. What would the British seamen require for that voyage?—We never have had any below 50s. per month for many years, and from that to 60s., according to the season of the year, and generally £2 15s. You will not get a British sailor to go under 50s. per month.

8617. What is the rate of freight from Memel to Grangemouth?—I stated previously 14s. from Memel; it would be less from Norway, because I do not consider Norway the Baltic.

8618. You have stated that the only reason is the difference of

the wages of the British seamen as compared with the Prussian seamen; is there any other circumstance which would make a difference in favour of the Prussian?—There is another difference, because I was five years in Norway and the Baltic, and I never saw them have any thing on board their ships but a little black bread and stock-fish, upon which, I believe, they can victual their men at 3d. a day.

8619. Do you consider that a sailor, fed upon rye-bread and upon stock-fish, can do as much work as an English sailor that is fed upon biscuit, beef, and pork?—I never saw any that could stand the same fatigue as an Englishman.

8620. Is there any difference as to the cost of the ship between the British and the foreigner?—Between the cost of a Norwegian ship and a British ship, there will be fully a half difference.

8621. Do you find that the Prussian ships have much improved in their construction of late years?—Amazingly, the same as British ships, and the reason is, that draughtsmen are taken from this country to make them upon the same models.

8622. Have they more or less men per hundred tons in their vessels than the British ships?—They sail their vessels with a great deal fewer hands.

8625. You have stated that you have something more than five men for every hundred tons; do you consider that it would be unsafe for you to have fewer hands than five men for every 100 tons? I do not consider that it would be our interest to have fewer hands than that.

8626. Why would it not be as much your interest to have fewer hands as the Prussians?—In the trades we are in, some of the hands run away; and if any hands were to run away, in that case we should not have enough. We like to load our vessels quickly, that our vessels may get despatched, because without quick despatch it is impossible to keep the vessels afloat; and therefore, even if two or three hands were to run away, we can still go on with the loading and bring home the vessel.

8627. Have you been in Sweden, Norway, and Prussia?—Part of five seasons, both in Norway, Sweden, and Prussia; I have been round every part of Sweden.

8628. Therefore what you say as to the way in which the crew are maintained, is from your own personal knowledge and observation?—From my own personal knowledge, for I have seen in the ports of England and Scotland, 36 of them at one time.

8629. Do your houses in North America purchase the timber already prepared for the British market, or do they prepare it themselves?—We in general sent out British goods for the people who make it, that we term lumberers, and we have British goods and money, and barter or purchase, as we may be able.

8630. You send out to the North American colonies British manufactures, and you dispose of those in return in barter for timber? —Yes.

8631. What are the articles that you chiefly send out?—Everything, from a pin and a nail, and all durable articles, of every kind that people can use, because they have nothing there but what is got from this country.

8632. Do you send out any other articles than British manufactures?—I do not think that we do.

8633. And you supply those articles to lumberers that supply timber?—We do.

8634. Are those lumberers people that have emigrated from the United Kingdom?—The bulk of them are people that have emigrated either from England, Scotland, or Ireland.

8635. Is the timber they supply that which they cut down from the land previous to cultivating it for agriculture?—Yes, a great part of it is that, because they cannot clear the land for corn till the wood is cut down.

8636. What do you consider would be the effect upon that great class of the community, if they were deprived of the British market for the sale of their timber?—They would emigrate and go into the United States, because the climate is better there; for there is nothing else for them to be employed at, because the snow for six months in the year is many feet deep.

8637. Have you been in that country yourself?—Part of seven different seasons.

8638. You have stated that you have six establishments in those colonies, and from the extent of your business, you must have a large capital embarked in that trade?—We have.

8639. What would be the effect upon that capital, supposing there was to be an increased duty upon Canadian timber, and a reduced duty upon Baltic timber?—We would nearly lose it altogether.

8640. Would you not also lose a considerable part of the capital which you have embarked in the 18 ships?—We would nearly lose it altogether, because we were forced to build them large. I do not think they would enter the Baltic harbours in consequence of drawing so much water.

8649. As the Baltic-grown timber is not much brought to the Clyde, do you infer that the people of Scotland are satisfied with the Canada timber?—There is not a practical gentleman in Scotland that I know that finds the smallest fault with it.

8650. Where were your 18 ships built?—Some in England, some at Miramichi, some at St. John's, and some at Quebec.

8651. Of what material are they built?—Latterly they are built of oak, and what we call white-rock elm.

8653. Is there much ship-building in the Clyde of late years?—Very little.

8654. Has it much fallen off?—I think it has fallen off; I think there are none building at Glasgow but a steam-boat, and the same at Port-Glasgow and at Greenock. Among the builders there, I should think that there may be three or four ships building, and those not of a very large size, building for people that have settlements in the colonies.

8655. Used not Greenock to be a large ship-building place within your recollection?—It was.

8656. Were there not a considerable number of ships built at Glasgow and at Port-Glasgow?—Yes; but now it has left Port-Glasgow altogether, and the ship-builders have left it.

8657. Are there not large ship-owners in Glasgow?—There are many, but none so large as we are.

8658. Have you had any communication with them as to the state of their shipping?—Nearly every day.

8659. What do you recollect has been the result with respect to their shipping?—They heard me reasoning upon it, and every one of them has agreed with my ideas.

8660. Does that apply to shipping in other trades besides the North American trade?—It certainly does; because when that is so much depressed, it turns them into other trades.

8661. You have stated that the effects upon the emigrants and settlers in British North America would be very prejudicial in the event of an alteration in the existing scale of duties upon timber brought from those possessions and brought from the Baltic; what effect would such alteration have upon the British ship-owners?—I consider if that was the case, it would have an effect upon the British ship-owner; that his vessels will have nothing left but to lie in Britain and rot, the sailors to become paupers, and the sea-port towns of Britain to go into ruin.

8662. What would be the fate of your 18 vessels, which were built mainly for this trade, in the event of the duty upon Canada timber being raised, or even remaining as it is, and the duty upon Baltic timber being reduced?—If the Government did not open up some other employ for them, a total loss.

8663. You have stated the great advantage that the Baltic ship-owner has in the superior cheapness with which he can conduct his navigation; from what cause is it that he does not, under those circumstances, entirely drive the British ship-owner out of the Baltic trade?—I have no hesitation to say, that it takes a little time before any thing will come into play; and the time is not far distant when he will drive every one of them out.

8664. Do you think that it is the want of capital that has restricted them?—The want of capital has but little effect, if you view it in one way; but there is no want in another view, because there is plenty of British capital, and there are plenty of people that have money invested in those northern nations along with foreigners; and I believe that if British capital kept away, they could not get on. If I was a young man of 25 years of age I would go into the Baltic with all my fortune.

8665. Do the foreign ships, with their improved construction, make the voyages as quickly and as safely as British ships?—In every instance that I know, they do; and some of them much less.

8666. Do you know any British capitalists that have gone to the Baltic?—Yes, I do.

8667. Men that have gone to settle there themselves?—Yes.

8668. Where?—I have known them even at Archangel, and I have known them long since in Prussia.

8669. Do the foreign ships that trade to the ports in Scotland from the Baltic take back British goods in exchange for the commodities they bring?—Never; I recollect once, as I mentioned before, 36 foreigners at a time; and I think never, in one season, could I barter British manufactured goods to the amount of £100. When I proposed that, they said, "Give me your banker in London, and a draft of 60 days." They say, "No British goods, we do not want them."

8670. If, by an equalisation of duties, the supply of Great Britain with timber was transferred from America to the Baltic; is it your opinion that the British consumer would obtain his timber

cheaper in consequence of such change?—If the competition was broken down with British North America they would pay one-third more, because they would have no competition against them.

8671. You consider that the Baltic producer would raise his price when relieved from the competition to which he is now exposed with the British North American producer?—I am sure he would.

8672. Do you happen to know whether, when it was in contemplation in the year 1831 to reduce the duty upon Baltic timber, it had any effect upon the price of timber in the Baltic?—It had that effect. When the Prussians and the people in the Baltic considered that there was to be a duty imposed upon the colonial timber from British America, they wrote to their agents to sell no timber but at an advance equal to what might be imposed on the colonial timber.

8673. By that means there would be no relief to the British consumer?—Exactly so; and it is upon that ground I have no hesitation in saying, that the timber is cheaper now than it would be if they broke down the competition.

8674. What is the general state and condition of British shipping engaged in the various branches of the carrying trade?—I have been visiting every port in England, Ireland, and Scotland, and within the last eight or ten years I should hold the bulk of them not sea-worthy; and all dry goods that we ship on board British vessels are either lost, or the goods damaged in such a way that we can hardly get them insured.

8675. Are the Committee to understand that there is no advantage in insuring goods shipped in British bottoms beyond that which would arise if the same shipments were to take place in foreign bottoms?—No; I could do it cheaper in foreign bottoms than in British, because there is not sufficient money expended to keep them sea-worthy.

8676. What is the cause of that?—When the freights were fair the ship-owners got a living to support themselves and their families, and if they had a little over it was spent upon the ship; but they cannot make enough now to maintain themselves, and the vessel must go to rack.

8677. Then you consider that the poverty of the British ship-owners, arising from the unremunerative employment of their capital, incapacitates them from keeping up their ships in an efficient state?—I am sure of it.

8678. And that the British tonnage is in consequence generally deteriorating in quality?—It certainly is to a great extent.

8679. Does not a practice prevail to a considerable extent of advancing money upon mortgage of ships?—I believe now every where it is becoming more and more as the owner gets poorer; and I know it is done now, even in Glasgow; and I have been told since I came to London that it is done here very generally.

8680. Are there more borrowers than lenders?—Yes; and when the trade is in that state it never can prosper.

8687. You have stated that you sent out British manufactures to Canada in return for timber; how long has that been the practice?—It has been the practice ever since we had the establishment at British America.

8688. Do you sell those manufactures and purchase timber with the proceeds, or do you barter the manufactures for timber?—We

do both, both sell and barter; if the people are able to pay us we sell them, and the people that are not able to pay us, if they are honest and good people, we barter them.

8689. Do you send cotton manufactures?—Yes, to a great extent.

8690. Is there any particular description of cotton fabrics of which you can state what quantity you gave for a given quantity of timber seven years ago, and what quantity you give now?—I could not state that from my memory, but the cotton goods that we send out there are generally heavy goods, such as checks; but indeed every thing that is worn in this country, because they are people that have gone from this country.

8710. You have stated that you have establishments at New Brunswick; what returns do you get from those places?—We get lumber and nothing else.

8711. Do those colonies furnish any other commodities than lumber that they could send to this country in payment for the goods sent out to them?—From New Brunswick they send nothing but lumber.

8712. Supposing, then, the market for lumber here, by any change of the duties on Baltic timber, were to be so disadvantageous that lumber could not be imported from those colonies, what means would they have for paying for the manufactured goods sent out there?—There would be no British goods got; because they have no means of paying for our manufactures but by lumber.

8713. Then you conceive that any measure that would have the effect of transferring the lumber trade from the North American provinces to the north of Europe would necessarily deprive us of those markets for the sale of manufactured goods now sent there?—That is evident to every man that ever has looked into that country.

8714. Would not also the loss of the timber trade with those colonies have the effect of either throwing out of employ, or of obliging the owners of the vessels now engaged in that trade to seek employment in some other channel?—Yes; they would of course seek employment, if it was practicable, in other trades.

8715. As a ship-owner yourself, do you know of any trade at present in which you could employ the tonnage now owned by you to advantage?—No, I do not any trade; because, as I stated before, no British vessel could enter the Baltic with any advantage, and it must be put an end to in a very short time.

8716. Supposing the Legislature decided upon such an alteration of the timber duties as would throw the whole timber trade of this country into the north of Europe, and supposing the consequence of that were that the vessels now employed with our North American provinces were to enter into the Baltic trade to carry the timber jointly with the vessels belonging to Sweden, Norway, Denmark, and Prussia, what effect would that have upon the shipping interest?—They cannot go at all, because they cannot compete with those northern nations, because they can undersell us with every cargo they bring.

8717. Are the Committee to understand, that it is your opinion that ultimately, if not immediately, the effect of such a change would be to give nearly the whole of the carrying trade to foreign-

ers?—Quite so, with the Norway and the Baltic people; and even in the state that the navigation laws are in now, it is impossible that it can be otherwise.

8718. Supposing things in other respects were to continue as they now are, can you suggest any means by which relief can be afforded to the British ship-owners?—I would suggest one, and that is to abolish the bonding of cargoes of foreign ships, because it is plain that it is British capital that is supporting the foreigner against our British tonnage.

8720. Has the importation of red pine from the British North American provinces increased considerably of late years?—Perhaps 200 or 300 per cent.

8721. What is considered the relative quality of American red pine, as compared with the red timber of the Baltic?—I consider that the Memel timber is the same as the red pine; it is the same plant and the same species of timber, and it grows in the same climate. I brought home the seed of the very thing, and I proved it to be the same.

8722. Is it considered of equal value in the market?—There was a prejudice against it, but that prejudice is wearing away.

8723. Is there any limit to the supply of that description of timber which might be obtained from the British North American provinces?—I should think it would continue a very long time; but I consider that there is a limit to all timber, because it takes such an immense time to grow.

8724. Do you think that any remission of duties which it is in the power of the Legislature to afford on articles used in the building, equipment, and navigation of British ships, can enable the British ship-owner to compete with the ship-owner of the Baltic?—No; I do not think that any of the petty changes which have lately been attempted can have the least effect, because it is so far from coming to a balance with the northern nations.

8725. Can you give the Committee any information with respect to the trade between the North American provinces and the West India islands; has the renewal of the intercourse between those islands and the United States had any effect?—It has had the effect of destroying the British shipping trade between British America and the West India colonies.

8726. Is there now comparatively little intercourse between British America and the West India islands?—I consider there is very little, and what is doing is making the people insolvent.

8727. Was there a considerable capital employed in that trade, and also a large quantity of British shipping?—There was.

8728. To whom has that now been transferred?—To the States.

8729. Is the lumber trade now carried on between the North American States and the West India islands in American shipping?—Yes.

8730. Has not that had the effect of reducing the British shipping to its present depressed condition?—It has.

8731. What is the reason that the lumber trade has been transferred to the United States?—Because they took off a part of the duty.

8732. Then, in point of fact, the West India islands can get their timber cheaper from the United States than from the Canadas?—No; it has operated just as the Baltic does. If you break me

down and take away my property, it is not likely that I can enter into it the next day. It acts in that country very differently from England. A merchant goes out to North America with a little capital, and if he loses that he comes home, and he will never go back; and therefore it takes a length of time to restore things to a good situation.

8733. If a cargo of timber could be carried from New Brunswick to the West India islands cheaper than it can go from the United States, what is to hinder one of your ships taking a cargo of timber from New Brunswick to the West India Islands?—Because the ships are so large. We had small ships, but it was so ruinous that we were forced to sell them.

8734. Did you sell them immediately after the renewal of the Intercourse Act with America?—Yes, we did.

8735. Was the reason of that because you could not compete with the Americans in that trade?—Yes.

8736. Are you concerned at all in emigration from the port of Glasgow?—We are concerned a little.

8737. What is the return cargo with vessels employed in emigration?—Nothing but lumber.

8738. Supposing the lumber trade was injured by a change of the present system of duties, would that have a material effect in checking emigration?—They could not be carried out at all, unless Government did it, and paid for it.

8739. Would not the passage be much dearer if there was not a return cargo?—It would be doubled perhaps.

8740. In coming here to give evidence do you come as an individual, or are you delegated by other persons in the same trade?—I am delegated here by the West India and the Glasgow Shipping Society.

8741. Can you state what rate per head was paid for emigrants to Quebec five years ago, and what it is now?—I think they were even taken out at £1 and 25s either last year or the preceding year.

8742. What was paid five years ago?—I have seen 50s paid where there are an immense number, but where there are only few they rise.

8743. If our trade with the North American possessions was to be diminished would not the expense of sending out emigrants increase?—If the lumber trade was done away, they could not go at all, and there would be no motive to go, because they could not get employment there.

8753. Can you state what was the price of timber when you made one voyage, and when you made two?—When we made one voyage it might be from 3s to 5s a foot.

8754. What was the duty upon the timber of that country at that period?—I believe at that period there was little or no duty upon the American at all.

8755. At that period you obtained 4s 6d a foot for the same timber for which you now obtain 15d?—Yes.

8756. Has the fall of price been gradual?—It has been gradual since the reciprocity treaties were entered into.

8757. Was there any fall in price from 1816 to 1824?—Yes, I believe there was a fall at that period also; but the falls that now take place are owing to the markets being fully stocked or badly stocked.

8768. Has not the fall in the prices of New Brunswick timber from 4s 6d to 1s 6d been one cause of the unprofitable state of your business?—There is no doubt, a fall of goods in any man's hands, as merchant, must be a misfortune to him.

8769. Then is the depressed state of the shipping wholly attributable to the change made by the Reciprocity Act?—Yes, I attribute it entirely to the Reciprocity Acts.

8770. Then are the Committee to understand that the fall in the price of timber from 4s 6d to 1s 6d has been caused by the Reciprocity Acts?—No, I have not expressed myself so. The freight is reduced down even to 32s for a load of 50 cubic feet, where we paid once seven guineas.

8771. Is there any other point upon which you can give information bearing upon the shipping interest?—There are various small things that bear upon the shipping interest. I think the alteration of the policy duties which was lately made will be of no advantage to the British shipping; it appears to me to be done to serve the Norway and the Baltic altogether, because it does not in the smallest lessen the policy duty to British America or the West India Colonies, or the East Indies: it may lighten it a little upon coasters, but nothing else.

8772. Is not the reason of that because the premiums on a distant voyage exceed 30s?—It is; the premiums upon the voyages in which the British shipping are generally engaged exceed 30s. and therefore it is no benefit to us.

8773. Can you mention any thing else that would benefit the shipping?—I would say, retrace the steps as to the reciprocity treaties, and then it would be all right; but without that you will never put it right.

8774. Has there been the same difference in the prices of Baltic timber which has existed in New Brunswick?—Yes; they have gone a good deal on a par with one another; but the British North American keeps that in check.

Mr. Robert Benton Roxby, called in; and Examined.

8856. You are a ship-owner, and you also act for the purchase, sale, and valuations of ships?—Frequently.

8857. What is the present state of shipping, both in reference to price and to the return for its employment?—I have been 43 years a ship-owner, and I never knew the shipping trade so bad as it is at present. With respect to the price of shipping, I never knew them so low in value as they are at present.

8858. Is that low price the result of a greater cheapness in the cost of production, or the depressed state of the market?—The depressed state of the market undoubtedly.

8859. Has not the cost of ship-building diminished lately?—It has diminished a little, but still the loss upon the sale after it has

decreased is immense. I have now four ships in the market, which have been here for six months, and I cannot sell one at a great depreciation.

8860. Wher you say at an immense depreciation, do you mean at an immense loss to the builder?—Yes.

8861. You know what has been the price of the production of those ships?—Yes.

8862. Have the new ships that have been sold by you in this market during the last few years, to your knowledge, repaid the cost of production or not?—I should certainly say not.

8885. You have stated that there is a great depreciation in the shipping market; what, in your opinion, is the cause of that?—The competition with foreign vessels.

8886. Will you explain how the competition of foreigners operates to reduce the value of ships in the market?—They can trade much cheaper than we can.

8900. Have you any means of knowing whether a considerable portion of the tonnage of the country is mortgaged?—Yes, that I know is the case.

8901. More than there used to be?—I suppose 10 or 20 times as much.

8902. Has it often occurred within your experience that persons who have mortgaged ships have been enabled to pay off the mortgages and retake possession, or have they more frequently been sold by the mortgagees to pay off the amount of their advances?—More frequently sold to pay the mortgagee.

8903. Have you known instances where they have not paid off the mortgage?—Yes; I have known three or four instances where the money that a ship has sold for has not paid the mortgagee.

8923. Are the ships now kept in as good and efficient a state of repair as they used to be?—Certainly not; there are many of the second class ships in a very bad state of repair, because the owners cannot afford to give them repair.

8932. Do you consider that the actual employment of vessels is an evidence in itself that they are employed profitably?—I should think, from the value of the vessels and the price they are bringing now, it is every thing but that.

8933. Can you explain why it is that with so much discouragement and such continued losses, the parties do not make up their mind to dispose of the vessels at once rather than allow their property to be continually wasted in that manner?—A vast number, to my knowledge, would dispose of their property in shipping, provided they could find buyers; but they cannot find buyers.

8934. Have you known instances in which persons employing vessels unprofitably have sold them to other parties at a very diminished value?—Yes, several times.

8935. Have you known instances in which the parties so purchasing them at a diminished cost have also employed them unprofitably, and in their turn have sold them at a diminished price?—Several times.

8936. Has not that process been a good deal in operation of late years?—Very much; people have supposed that the prices have fallen so much that they could not fall lower, and they have been actually under the necessity of selling the ships at 25 or 30 per cent. less than they gave upon a speculation.

8937. You think there are still some hopes remaining in the minds of the ship-owners, that a favourable change may take place, and that it is under that hope that many of them still continue to employ their vessels?—I never saw the ship-owner more depressed in his expectation than he is at present.

8938. Do you think if the ship-owners could make up their minds that the present state of things was likely to continue without any improvement, that many of them would, at the present moment, at all risks, get rid of their vessels?—I have no doubt that they would, if they could find purchasers.

8940. Are there not many ship-owners that owe considerable sums of money to the tradesmen that have equipped their ships, and who would be unable to meet those engagements if they were to sell and wind up their concerns?—I have no doubt of it.

8941. And you think that such persons cling to the last moment to employ their ships as the only means of averting immediate ruin, and taking the chance of some favourable change restoring them to a better situation?—I am certain of it, that many men are now in a state of ruin that are forced to pursue the trade to delay their taking the dreadful step of bankruptcy till the last moment.

8942. By that means they are enabled by the accruing freights to pay the most pressing of their creditors, and to continue going on by incurring fresh debts?—Yes, that is the only way that many can pay their debts now.

8944. To what cause, over and above the general depreciation, do you attribute the particular depreciation of the shipping?—From having to compete with foreign ships.

8973. Are you aware of any difficulties to which the ship-owner is exposed in consequence of the want of efficient regulations with respect to sailors?—The sailors are not so good a crew as they used to be; they are more inclined to mutiny.

8974. Has deserting from ships, particularly in the North American trade, increased much?—Yes, the Betsey, belonging to me, has lost four hands out of 12 on this present voyage to Quebec.

8975. Do you think that would not have happened 10 years ago just as much?—I think there is more of it now than there was 10 years ago.

8976. What is the reason of that?—I cannot state the reason, except the lowness of wages. One reason is this: when a man goes from here, he gets a month advanced before the ship leaves; he then leaves a monthly note, that is, to be paid so much a-month during the ship's absence. Now, in my opinion, a man considers this; he has a month's advance, and he has two months paid him when the ship is absent, and if he can get a ship at Quebec to come home immediately, he is a gainer by it.

8977. Does not he, by quitting his ship at Quebec and engaging in another, obtain double wages?—Very frequently; that is the case with the ship I have mentioned.

8978. Are the British ships navigated with fewer or more men than the American ships?—I think the American ships have frequently fewer than the British ships.

8979, Have there been a number of seamen thrown out of employment in consequence of the reduction in the number of the crews?—Yes.

8980. Is there then considerable suffering amongst the seamen from want of employment?—Yes, there is.

8981. Do you believe that any of the causes of complaint which you have stated, with reference to the shipping interest of the port of London, have arisen from the transfer of any part of it to other parts of the kingdom, to Liverpool, for instance?—No, I think it is the want of employment for the shipping altogether.

8982. Are there many persons who have had more experience than yourself in London shipping?—I should think not; 43 years is a long time.

8985. Can you suggest any thing that, in your opinion, would better the condition of the shipping interest?—If they could be protected in the way they were, so that the foreigner should not have so decided an advantage, it would be a great benefit. I have shown that the foreigner can get a very large profit when I cannot get above a few pounds; and when you consider that the Prussian takes this money home to Prussia, where it goes as far again as it would here, it is no wonder that there is great enterprise in foreign shipping.

8986. Is not greater cost incurred in provisioning English ships than foreign?—Yes, the foreigner pays about half the price for provions that we pay, and with this further advantage, that the foreign sailor is limited to a certain quantity of food per day, and our ships never are, with very few exceptions. I consider that the British sailor seldom consumes less than two pounds of beef per day, while the foreigner is limited to one pound, the same as they are in a man-of-war.

Mr. Thomas Forrest, called in; and Examined.

8987. Where do you reside?—In Shadwell and in South Shields.

8988. You are a ship-owner?—I am.

8990. In what trades have your ships been principally engaged?—I have been in the Baltic and British America trades, likewise to the West Indies and to the Mauritius.

8991. What have been the returns upon the capital that you have had engaged in shipping for some few years past?—I have lost a great sum of money, and as I have lost my ships I have withdrawn my capital from that business.

8992. Are the Committee to infer that you have found it an unproductive employment of capital?—I have lost a great deal of money by it.

8993. To what cause do you attribute your incapability to reap a remuneration from capital in shipping?—The foreigners have so broken the freights down, that we cannot compete with them without losing money.

8994. To what trades do you particularly refer?—The freights were first broken down in the trade to the Baltic, and then it spread into all other trades.

8995. Then you think that the effect of foreign competition has been to displace vessels in some trades, and to affect the freights in all trades?—Yes, it has spread to all others.

8996. How has the reduction of freight, produced by the competition of the foreigner in the Baltic trade, reduced the freight in the American trade, of which the British ship-owner has a monopoly?—It is in this way: at the Exchange, whether in Bristol or in London, or in Newcastle or other ports, wherever the freight market is, the ship-owner and the merchant meet, and they offer freights; if the freight to the Baltic is low, the freight to America lowers in the same proportion; or if the freight to Memel or Dantzic, or Bremen or Hamburgh is low, of course the freight at London, Newcastle, &c., lowers in the same proportion. The foreigners fix the freights.

8997. Does not the competition of the American and Baltic timber in the British market compel the American merchant to bring down his price of freight when the importer of Baltic timber is enabled to reduce his?—There can be no question about that; the timber of each country is to meet in the same market, and therefore the merchants are compelled to get as low a rate of freight as they can to meet each other.

8998. Have you any information as to the relative expense of building, equipment, and navigation of ships in the Baltic and in Great Britain?—Yes, I know it tolerably well. I think the British ships have now fallen in price; a middling good ship might be fitted out for about £14 a ton.

9000. What is about the average cost of ships of a similar description in the ports of the Baltic?—I had occasion, a year or two ago, to inquire about that, there was a person that wanted to purchase a ship in Memel, and I sent out to inquire; the account I got was, they could furnish me an oak ship equipped for sea for about £6 10s. or £7.

9001. What is the relative cost of the principal items of expenditure in navigation, wages, and provisions, for instance?—The wages are more than double in an English ship: the wages paid to the Baltic from Hull and Newcastle are about £3; to America, 55s.; West Indies, 45s., 50s., to 52s. 6d. a month; whereas Memel and Dantzic ships will not pay more than 25s. at most, and from that to a guinea.

9002. Do the payments to the captain and the officers vary in about the same proportion?—The captains have not so much wages as the English captains have; but there is a per-centage upon the cargoes; or others get something by carrying a little broken stowage, which makes it more equal.

9003. Do the captain and officers in Prussian ships receive less than the captain and officers in English ships?—A great deal less than half.

9004. Then you consider that the British ship-owner cannot successfully compete with the ship-owner in the Baltic?—Certainly not; I am fully convinced they cannot.

9005. Would it be possible, by any remission of duties upon articles used in the construction and equipment of British ships, and by any facilities extended to the ship-owner, to enable him to maintain a competition with the Northern nations?—I do not see

how it is possible, for the wages and provisions cannot be altered in a great degree.

9006. Has any mode of relief suggested itself to your mind?—I do not see any thing except a bounty given to the British ship-owner, or some charge as a discriminating duty upon cargoes brought in a foreign ship, so as to make it equal to the British ship.

9007. Would any benefit, in your opinion, arise to the British ship-owner from the restriction of the privilege of importing bulky articles to be bonded, to British ships?—I think that is the only thing that could be done at present while the treaties are in force, and that might do a little; but I do not think it would go to a great extent of relief.

9009. In your experience has the rate of freight ever been lower than it is at the present moment?—Sometimes it has been very low, but it is worse now, comparing it with the expenses, than it ever was before.

9016. Is it your opinion that the shipping trade can have no effectual relief without a reduction in the price of provisions and a reduction in the price of wages, that will enable you to compete with foreigners?—Yes. My opinion is that we cannot compete with foreigners without we are put upon an equal footing in some manner by discriminating duties; we cannot get the wages down; perhaps in this country, as provisions are dear, they are not too high. I believe there are sea-ports in this kingdom where there are combinations among the seamen.

9020. Is there any suggestion which you wish to offer to the Committee with a view to improve the existing state of the British shipping interest, or to remove the difficulties you complain of?—I have been considering the question the last ten years; and I must confess that I cannot see how it can be relieved, without the British Government lay some duty on goods imported in foreign bottoms. I am clear that the British ship cannot compete with the others. The Prussian sailors sail at about 25s to 21s per month. The Swedes are lower than that; they go from 20s to 18s, and even 16s. The ships that come out of the Gulph of Bothnia have not more than 14s 6d, and the Norwegians generally have from about 20s to 18s, and the victuals that they have on board of those ships are so inferior, that I do not apprehend it would cost more than 4½d per day.

9021. How much does it cost per day in British ships?—It will not cost less than from 11½d to 13d. The foreign sailors are upon an allowance; but the British ships in the Baltic or American trade never put the sailors upon allowance; they just use as much as they think proper, so that I think it would probably be 13d or 14d, in lieu of 11½d.

9022. Are the British seamen provided with food of all sorts by the ship?—Yes, altogether.

9023. Is that the case with foreign ships?—Yes; they furnish them with provisions, except some of the ships sailing in the Mediterranean.

9024. Are the crews of British ships in Prussian ports allowed to consume their own provisions while lying there?—I believe not. They are generally compelled to use the provisions of that country while they are lying there.

9025. Are the crews of the Prussian ships, while lying in British ports, permitted to consume their own provisions?—Certainly they are.

GEORGE WARDE NORMAN, Esq. called in; and Examined.

3283. How long have you retired from trade?—About two years and a half.

3284. Have you been largely engaged in the importation of timber?—Yes. I was in business in my father's counting-house, and subsequently as his partner, and then in partnership with my brother for 20 years. My trade was almost exclusively with the north of Europe, and chiefly with Norway; and as the principal article imported from Norway is timber, I had more to do with that than any other species of goods.

3285. Was the importation of timber generally profitable during those 20 years?—I should say generally that it was not; my business was chiefly a commission business; I sold on foreign account, and it was not profitable to those who exported the goods, or ultimately to me.

3286. Was it more profitable of late years than 15 or 20 years ago?—After 1815, as far as I was concerned, the trade ceased to be generally profitable; we did occasionally make large commissions, but there were always heavy losses following them.

3287. Have you reason to think that that has been the situation of trade generally since the peace?—No, I think there were peculiar circumstances affecting my branch of trade.

3288. Has there been a great fall of prices in the timber trade since the peace?—Yes.

3289. Has that fall of prices been general upon most commodities since the peace?—There has been a fall, but I cannot say to what extent, in most articles.

3290. Since the fall of prices has been general, is it not probable that some general cause, and not local circumstances, has been in operation?—Of course; by general I do not mean universal; I believe there has been a fall in the prices of the greater number of articles, and one or two causes have been in operation during that time, which will almost explain it.

3291. Have you reason to think that the fall in the price of timber since the peace has been greater than the fall in the price of iron, or copper, or wool?—Without reference to price currents I cannot answer that question.

3292. You consider that the timber trade has not been generally profitable since the peace?—When I mentioned the timber trade, I speak particularly of that branch of it to which I belonged; I was an importer; I can answer very well as to the situation of importers, and I can answer also pretty well as to the situation of persons forming the next gradation in the trade; these persons are

called yard-keepers; they buy by the cargo or half cargo of the importers, and retail to the consumers; I think the yard-keepers, upon the whole, have not flourished since the peace; I know very little about the carpenters and the other consumers; but have no reason to imagine that their trade has been particularly unprofitable latterly.

3293. Have you reason to think that the trade of the yard-keepers has not been generally much better than that of the importers?—I do not believe it has been a good trade lately.

3294. Is it not the fact, that houses that act upon commission agency are not liable to injuries that houses that import upon their own account are?—They are not apparently, and in the first instance, but they are eventually; because I apprehend that most merchants transacting business on foreign account furnish capital to a considerable extent to their correspondents, and are liable to bad debts when the latter lose money.

3295. Have you reason to believe that commission merchants generally give del credere?—I do not allude to what is technically called del credere. In our trade, del credere was always charged on goods sold, as a compensation for the risk of failure on the part of purchasers, which we took on ourselves; I mean that we gave blank credits or advances on bills of lading, and the goods, when sold, frequently did not produce what they were estimated at; we were left creditors, and ultimately lost our money.

3296. Do you think that that kind of injury has been sustained by commission houses in general trade, as well as in the timber trade?—I should think so, to a certain extent. It seems to me, that since the peace one or two great causes have been in operation, which have interfered with the business of that class of commission houses to which I belonged; the warehousing system, for instance, though very beneficial to the public, has been detrimental to the persons who previously interposed their capital between the producer and the consumer; the ease of communication, and greater facility of borrowing money at a low rate of interest, have tended to produce a similar effect.

3297. In some cases, has the state of trade and the depression of prices led to an increase of trade in some commission houses?—I can hardly answer that question.

3298. Should you imagine that such a house as Baring's, as a commission-house, has had a greater proportion of the general business of the country thrown into its hands by the discredit and the want of confidence which the depression of prices and the state of trade have generally spread through the country?—I do not at all agree to the assumption that is implied in the last part of that question, because I do not think that the fall of prices has produced discredit and want of confidence. I should not imagine that such houses as Baring's had a greater proportion of the trade now than at any former periods.

3299. Should you not think that the profits of such a house as Baring's, upon their general business, have been fully equal in the last seven years to any period of their former existence?—I have no means of answering that question.

3300. The depression of prices upon British commodities generally, since the peace, has been to the amount of 40 or 50 per cent. has it not?—I feel hardly competent to give an opinion; there has

been, upon most articles since the peace, a considerable fall of prices.

3301. Has not that fall of prices occasioned great losses among merchants?—It must have done so to a certain extent; when a merchant is holding a commodity, the price of which falls, of course there is a loss.

3302. And it requires a greater quantity of goods to pass through the commission merchant's hands to yield him the same profit that he has been in the habit of making?—That is implied in the fall of prices, supposing the rate of commission to be the same.

3303. Have you any reason to believe that the importation of timber has paid a worse profit upon the average, during the last seven years, than the importation of other commodities generally? Having been out of business myself between two and three years, I can hardly state positively for that period; but, taking a longer period, I should think there are few commodities that have paid so badly upon the whole as timber.

3304. If you had a friend disposed to embark in trade, do you know any branch of industry, from your experience and knowledge, in which you would recommend such a friend to embark his capital, supposing he had knowledge of trade, and industry, and the qualifications necessary for the purpose?—I have mentioned before, that at this particular moment I am hardly in a situation to form an opinion, but speaking generally, I cannot conceive but that there is a fair prospect for any body with sufficient capital, industry and knowledge of business, who should be disposed to enter into trade at present.

3305. Do you know any mercantile houses that you have reason to believe have made profits within the last seven years?—Many friends of mine have told me that they have done very good business within the last seven years.

3306. Have any friends of yours complained of the state of trade lately?—I have heard complaints frequently.

3307. Have the complaints induced you to think that the trade has been, generally speaking, in a disastrous condition in the last seven years?—Certainly not; upon the whole, I do not think that trade has been, generally speaking, in a disastrous condition in the last seven years.

3308. You are aware of the great failures that have taken place in the East India trade; were those East India houses formerly very rich?—I have not particular knowledge enough to answer that question.

3309. Were they reputed very rich?—I can hardly say from my own knowledge; I should assume that houses that had obtained such enormous credit must have been supposed to have been rich at some time or other.

3310. Then those houses must have had considerable losses during the last seven years to account for their embarrassments?—I am unable to answer that question. They must have had great losses at some time or other.

3311. Are you aware that a great fall of prices has taken place in ships?—I believe so; I have freighted a great number of ships, but I never was a ship-owner myself.

3312. To what do you especially attribute the fall in the prices

of timber since the peace?—Chiefly, I conceive, to the fall of what may be considered the costs of production, the expense of procuring timber in foreign countries, and the diminution of freight, and so forth. The timber trade has been subject to great convulsions and frequent changes since the peace.

3313. Has there been a great fall in the cost of producing timber in Norway since the peace?—It is to be bought much cheaper than it was before the peace.

3314. Is that fall of price in Norway principally owing to the fall of prices in England?—In a considerable degree. In the year 1811, a great change was made in the system of the timber duties here. At that time England consumed the far greater portion of all the timber that Norway exported; but in 1811, the duty on all European timber was doubled, and an addition of 25 per cent. was made to it about 1813. That duty, from the mode in which it was laid, fell with particular severity on Norwegian timber, and exposed it to a competition which it was unable to sustain. The consequence was, that a great deal of imprudent and abortive speculation took place, as it was impossible to know, but by experience, what higher price consumers would pay for Norwegian timber than for other timber; and year after year timber was imported, and sold for less than it cost. The peculiar losses which attended the branch of trade to which I belonged are mainly attributable to the timber duties.

3315. Was there any increase of duty, analogous to those two increases, imposed upon any other timber trade?—Yes, on European timber generally. There was practically no duty at all upon Canadian timber up to about 1821; at that time the duty on European timber was somewhat lowered, and there was a small duty imposed uponCanadian timber; but experience has shown that the difference in the duty on European and Colonial wood, which is enormous, was more than sufficient to compensate for the difference in the expense of purchase, transport, and quality, for the comparative consumption of Canadian timber has been increasing ever since. I ought to have mentioned, that the importation of wood takes place either in the block, in the shape of what is technically called timber, or in the shape of deals and planks. The duty on deals is imposed by tale; all lengths from 6 feet to 16 feet, and from 16 feet to 21 feet, without reference to width, above seven inches, pay the same duty. Now, from particular local circumstances, the small size of the trees, the rapidity of the rivers, and so forth, the deals exported from Norway are short and narrow, compared with those from other countries. Every effort has been made to produce them of larger dimensions, but Norway never has been able to compete with her rivals in this respect; and consequently the duty falls much more heavily upon Norwegian wood than upon that from Russia, Prussia, and Sweden.

3316. What is the difference of duty upon the planks and the timber in bulk?—There is a very curious anomaly in the system of duties: the wood pays generally more in the state of a raw material, as timber, than it does in the state of a manufactured article, as deals; in some instances the difference is twofold, or even more.

3317. Do you happen to know what was the policy of such a singular regulation as that?—It was done, I presume, upon the

old commercial system, to favour the colonial trade. When my father remonstrated with the Board of Trade upon the first great addition to the duties, he was told that his business was very pernicious to the country, and ought to be put an end to.

3318. Was it intended to encourage labour in Canada?—It was intended, I presume, to encourage British shipping, and to increase the prosperity of the colonies generally; and I imagine also there was some notion that we might be deprived of supplies of European timber by political events.

3319. Those increases of duty took place in 1811 and 1814?—The last increase, I think, was in 1813. That was, I believe, a general measure of augmentation in the Customs' duties.

3320. Do you apprehend that those increases were occasioned by the circumstance of the war, and that Government considered they were protecting English industry in Canada at the expense of continental industry, then supposed to be under French influence?—I suppose there was some notion of that kind.

3321. Does any policy of that kind hold good for continuing those large duties now?—I think not; there is no doubt that the present system of timber duties imposes a most enormous annual sacrifice upon the country. I made a rough calculation once upon the subject, and believe that, taking price and quality together, and reckoning the encouragement given to deals of large dimensions from Europe, the existing system of timber duties has cost the country 30 millions.

3322. What period are you speaking of?—Speaking generally, since 1811.

3323. Would you recommend an equalisation of the duties upon the Norway timber and the Canadian?—Certainly; an equalisation upon the Colonial and European of all kinds, with reference to views of general policy.

3324. And you would recommend an abolition of that singular anomaly of the difference of duty between bulk timber and manufactured timber?—Beyond all question.

3325. Do you conceive the present mode of levying the duty on timber to be beneficial to the revenue?—No, it is remarkably otherwise. I made some calculations some years ago upon that point also; I have not had the materials for continuing them; but at that time the loss to the revenue, from the favour shown to Canadian timber, amounted to about a million a-year. Besides this, the imposition of the duty upon European deals by the tale, diminishes the revenue very considerably. I should conceive that the loss under the present system, assuming the duty fixed upon all wood to be £2 15s. a-load, would be found £1,200,000 to £1,500,000 a-year. Such a rate, however, would be enormously high, perhaps 200 per cent. upon the prime cost abroad.

3326. In addition to the loss which the revenue sustains by the present arrangement of the duties, what do you consider to be the loss which the nation sustains?—If you take the difference in cost between the European wood and American wood delivered here free of duty upon the importations of three or four years ago, there was a loss in price of about £500,000 a-year; and then there was another very considerable loss in the shape of quality: the far greater portion of that imported from Canada is comparatively bad, and if you estimate the difference in quality by the difference of price in

the market, there would have been a loss of about £500,000 to £600,000 a-year more under that head, and the total loss would have been about a million a-year.

3327. Supposing all the duties on timber were abolished, would not that tend to reduce the prices of British timber?—Certainly it would.

3328. Do you reckon it a desirable thing to reduce the prices of British property generally?—I think it desirable that the consumer should get whatever he wants at the cheapest rate.

3329. Supposing that principle to be general, would it not tend to throw the property of the country mainly into the hands of the persons who have monetary claims upon it?—If you take the case of a person whose estate is mortgaged, and the produce of the estate sells for less than it did before, I presume in that particular instance it must have the effect that the question implies to a certain extent.

3330. Supposing the whole of the productions of industry sell for 20 millions per annum, and supposing 10 millions per annum are required to pay taxes, rents, debts, and monetary claims, that leaves 10 millions per annum to be divided among the productive classes, does it not?—I do not think that question perfectly clear. With regard to the labouring class, in most cases their wages ride over every thing; when production takes place they are paid in the first instance. In the case of an estate under mortgage, the labourers who raise the corn and the cattle, and so forth, must be paid before there is any surplus whatever to go to the persons having monetary claims upon the proprietor.

3331. With reference to your opinion that depression of prices generally is beneficial to the consumer, do you think it is equally beneficial to the producer?—Of course it depends upon whether the raw material, and so forth, which the producer employs, and the articles which he consumes, fall in an equal proportion; but I can hardly answer that question satisfactorily without a case being put.

3332. Supposing the prices of products fall from 20 millions to 10 millions, and supposing that 10 millions charged upon those products by fixed obligations do not fall at all, does it not follow that the payment of the 10 millions of fixed obligations would require the whole, or nearly the whole, of the products of industry to discharge them?—In this case so much depends upon the cause to which the fall of prices is attributed, that we must agree upon that point before a proper answer can be given. Under certain circumstances, I can conceive that, in the case supposed, the fall of prices would leave less to the producer than he would have had before; under other circumstances, I do not think that effect would take place.

3333. Supposing the fall of prices to be occasioned by any general increase in the facility of production?—I do not think then that the producer would suffer at all.

3334. But, generally speaking, you would apprehend that the prices of products falling from 20 millions down to 10, and that 10 millions of charge not falling at all, the productive classes would be seriously injured?—I can hardly answer that question generally.

3335. Should you not think it wise, in the case of a fall of prices, originating in any cause, for the Government, whilst they adopt

the policy of free trade, to adopt also a similar policy with regard to fixed money charges upon property and industry generally?—I think it the duty of government on all occasions to reduce the public burthens to the lowest possible amount consistent with justice; but it seems to me that the system of free trade, carried to the greatest extent, renders a nation more able to bear burthens than it was before. If a certain amount of capital and industry is employed at one period to procure goods in a certain quantity, and subsequently a less amount of capital and industry will procure the same amount of goods, then there is so much disengaged which can be diverted into other channels.

3336. But in this case a great transfer of capital must take place from one class to the other, must it not?—I do not see why it necessarily must be so.

3337. Must not the payment of the fixed charges upon the English timber-grower, when English timber is reduced by foreign competition, require a greater proportion of the property of the timber-grower to discharge them?—Certainly; if you assume a man's property to consist in timber, and that the timber falls in price, and that he has the same amount of fixed charges to pay, he must sell more timber to pay them.

3338. If the Legislature should adopt the policy of free trade for the purpose of reducing the prices of timber, is it not just and prudent that the Legislature should at the same time adopt a similar policy for the purpose of reducing the charges upon English timber?—It seems to me that the duty of the Legislature, generally speaking, is to take as little from the nation as possible; but I do not think that the grower of timber here has any right to expect that any particular favour should be shown him, that any tax should be laid upon other persons for his benefit; I think he must take his chance.

3339. Do not you think that when a grower of timber in England has purchased his property, or his ancestors have purchased it for him, and he has enjoyed it, and acquired a station in society, subject to certain monetary fixed claims, that it is strictly just that those monetary claims should be reduced by the same national policy which reduces the prices of his property?—No, I do not think so, unless some special grounds can be shown. It does not appear to me that the permission to other persons to get timber where they can get it cheapest and best creates any just claim. I should look at the situation of such a person as that of a man who, either by himself or his ancestors, had made an imprudent and unfortunate speculation.

3340. Would not the adoption of a law tending to reduce the prices of British property generally, so as to improve the situation of consumers, tend to aggrandise the creditor interest of the nation at the expense of the debtor interest?—I do not exactly know what is meant by the creditor and debtor interest; but as far as I can affix ideas to those terms, I should say no.

3341. Would it not give into the hands of the creditors generally a greater command over the property of the nation than they had before?—It would make every man's means go further.

3342. And pro tanto would improve the condition of the creditors?—It would improve the condition of all consumers.

3343. And of all creditors having fixed claims?—In so far as they were consumers, of course their situation would be improved.

3344. And in so far as they had the power of demanding a greater quantity of property in the discharge of their claims than they had before?—Certainly, if that property was affected in price.

3345. Would you think it wise and just to act upon the policy of reducing prices generally in England, without at the same time acting upon the policy of reducing the charges upon property in an equal degree?—I think that it is the duty of the Legislature in all cases to act for the good of the nation generally; the good of the nation generally demands that no obstacle should be thrown in the way of its wants being supplied upon the lowest terms, and that the public burdens should be reduced to the lowest possible point.

3346. Have you any acquaintance with the iron trade of Russia?—No particular acquaintance.

3347. Do you know how iron is manufactured in Russia?—No, I do not.

3348. What remedy would you suggest for the present evils in the foreign timber trade?—I have already stated that the evils of the foreign timber trade, as far as the class of traders to which I belonged goes, will be to a great degree corrected by an alteration in the duty, in the mode I have pointed out.

3349. Do you anticipate any serious injury to the Canadian timber trade from such an alteration?—It would have doubtless a very considerable effect upon the Canadian timber trade; some timber would be imported from Canada under any circumstances, because there are purposes to which it is particularly fitted; but I should think the importation from that country would be greatly reduced on the whole.

3350. Are not most of the great branches of our industry exposed to similar anomalies and difficulties with the timber trade?—I think that the timber trade has been exposed to peculiar difficulties.

3351. Would not considerable distress be likely to arise in the Canadian timber trade from the alteration you propose?—I have no doubt there would be a great diminution in the exportation of wood from Canada to this country, but I do not apprehend that there would be great distress in the Canadian timber trade, if by that is meant the colonists, for I do not think the trade is advantageous to them; comparatively speaking, I believe they would be better without it. If by the Canadian timber trade is meant those whose capital and industry are now engaged in bringing timber from Canada to this country, they would be exposed to the inconvenience which usually occurs where capital is shifted from one employment to another.

3352. Would not the diminution of the Canadian timber trade tend to diminish the employment of British shipping and sailors?—I presume it would to a certain extent. I calculated some three or four years ago, that there were about 300 or 400 ships wholly employed in the Canadian timber trade, which I presumed made about two voyages a year each; of course, if the Canadian timber trade were to be lessened, more ships would be employed in bringing timber from different parts of Europe to this country, but not so many on the whole.

3353. What description of ships would those be; would they

not be foreign?—They would be chiefly foreign, from Norway; but I should conceive, taking the European timber trade altogether, a great majority would be British.

3354. Would it not be good policy to confine any improvements in our financial regulations and duties, so as to give encouragement to British shipping?—No, I think that is bad policy.

3355. Do you consider the whole policy of our ancient navigation laws to be erroneous?—Yes, in this particular instance, I think the erroneousness of it can be shown in the clearest way.

3356. Supposing the duties were equalized, what would be the effect upon the European timber trade with England?—There would be a great increase in it, of course.

3357. Is that timber much better than the Canadian?—Generally speaking.

3358. By better you mean that it is better suited for durable purposes?—It is generally better.

3359. Do you apply that to the red pine of Canada?—I have heard that the red pine is very good timber.

3360. Do you conceive yourself qualified to give an opinion as to the respective qualities of red pine timber, and other pine?—No, I do not.

3361. Are you aware of the relative qualities of red pine and other pine, which are now imported from Canada, and which were imported at former periods?—No, I am not.

3362. You would recommend a general equalisation of the timber duties towards all countries sending it to England; would you recommend a similar policy in the importation of all articles subject to duty in England?—I object altogether to any attempt to interfere with the taste and wants of the consumers; I think that duties should never be imposed except for financial purposes, and and that they should be so imposed as to leave the capital and industry of the country to flow into those channels which they would occupy if no duty existed.

3363. Have not the timber duties a tendency to raise prices generally in England?—They raise the prices of timber, and of those things into which timber enters.

3364. Have they not a tendency to raise prices generally?—I do not see that.

3365. Do you think the measure of value prevents it?—I do not exactly know what is meant by the question; but I cannot perceive that they have any tendency to raise general prices.

3366. Supposing other trades in many cases to be subject to similar anomalous duties, must not the aggregate rise of prices upon all those commodities be considerable in England?—Of course there would be a rise in the price of other articles similarly situated.

3367. Would you consider it just and prudent to abolish all those kinds of duties with a view of improving the situation of the consumers generally?—I think so.

3368. And you think no Parliamentary regulation ought to be adopted with a view of protecting the interest of the parties who have been long accustomed to flourish under the protection of those duties?—I think, in the abolition of duties of that sort, it is always right to save as much as possible existing interests.

3369. Do not you think it just and prudent that the private and public charges upon property, fixed by law, should be reduced by law correspondently with any reduction which the alterations of law may make in the prices of property?—That question is so very general that I hardly know how to answer it; if a case is put, I think I shall understand it better.

3370. Supposing a grower of English timber holds an estate of the value of £3,000 a year, subject to £1,000 a year mortgage or family settlement; and supposing the abolition of the foreign duties should reduce the price of his timber, so as to reduce his income to £1,500 a year, would it not be just and prudent to reduce the mortgage or family settlement one-half at the same time?—No, I think decidedly not.

3371. You think that the one ought to be sacrificed for the general benefit?—I should say, in that case the owner of the estate, if he had purchased it, had made a bad speculation; but I do not think it is a case for legislative interference.

3372. Then in adopting the principle of free trade, you would not apply them to taxes, rents, or debts?—Certainly not, if I understand the question.

3373. Do you think the principle of free trade might be applied to the corn laws?—Most decidedly.

3374. And in that case that no compensation should be made to the landed interest?—No; I do not see that they have any claim for it.

3375. Was any increased rate of taxation imposed upon the growers of timber at the time when the duties upon foreign timber were tripled?—Not that I am aware of.

3376. Was any rate of taxation imposed upon the growers of corn at the time when the duties on corn were raised?—I am not aware that there was.

3377. As the land-owner had the benefit of all increase of taxation, both upon timber and upon corn when the duties upon the foreign imports were raised, do you not think, that in case the duties should be lowered, the English grower either of corn or timber, should be subject to the contingent loss that may arise from his having embarked in the speculation of either growing timber or corn?—I think generally, in a case of that sort, there is no fair claim for compensation.

3378. Are you aware that in 1811, at the time when the duties upon foreign timber were greatly increased, there were many English merchants who had large mortgages upon Norwegian property?—There were many English merchants who had large sums owing to them in Norway; whether they were secured by mortgage I do not know.

3379. Had the house to which you belonged mortgages upon Norwegian property?—We had large claims upon Norway; I think at that time we had not many mortgages.

3380. At that time when the duties on Baltic timber were so increased, and nearly tripled, are you aware that the amount of the claims of the merchants upon the Norwegian property, and the difficulties which they would have in realising their advances, were ever particularly taken into consideration by the State?—No, I have no idea that they were.

3381. Are you aware, that in consequence of that increase of

duties there were houses carrying on a very large trade with Norway to their ruin?—Yes, I think several houses were either ruined or obliged to discontinue the trade, after suffering heavy losses from that cause.

3382. Do you remember the house of Messrs. Wolffs & Dorville, the Norwegian consuls?—Yes, I knew the house well.

3383. Were not they ruined in consequence of the tripling of the duties?—They failed in 1812; but I rather think that their failure arose from other circumstances; they had very large sums of foreign money in their hands; it was during the period of the licensed trade, and the money was suddenly drawn from them to pay for goods exported.

3384. You have said that the land-owner, having had the benefit of the high prices, ought now to suffer the evil of the low prices; do not you consider that the holder of a family settlement who has already had the benefit of those high prices, having received a large settlement instead of a small one, should bear his proportion of the loss?—I think all such cases belong to a class with which the State has nothing to do; they should be left completely to adjust themselves.

3385. Can you not conceive circumstances in which a state altering its laws and fiscal regulations on the one side, without making corresponding reductions in the burthens on property and industry upon the other side, may, by such a line of policy, destroy a great proportion of the holders of property in the kingdom?—No, I cannot.

3386. Not by the pressure of family settlements under the abolition of the corn laws?—No, I cannot.

3387. Do you think that under a general system of free trade, including free trade in corn, the landed interest could discharge their family settlements and mortgages and general burthens, without a literal transfer of four-fifths of the land of England into the hands of creditors?—To answer this question implies a degree of knowledge as to the situation of the landed interest which I do not possess, and which I should think hardly any person does possess. As far as I can answer it roughly, I should say, that it does not imply any thing of the kind; I have no idea that such would be the result.

3388. Do you apprehend that in case of the duty upon Canada timber and European timber being equalised, and the consequent increase of the import of timber from Europe, the export price of timber in the foreign market would materially increase?—I have no doubt it would increase in the first instance, but I should conceive that eventually there would be no considerable increase. There would be a great advantage to the foreign producer in being enabled to convert his trees much better than at present.

3389. Do you think that the export price of deals in the foreign market has materially increased in consequence of the existing scale of duties upon deals in England; that it limits the supply of deals to those of a certain length, and in consequence very much limits the size of the trees from which deals can advantageously be cut?—There cannot be a doubt but that it increases the prices on the other side of the water very materially; the sacrifices that we impose upon the foreign producer must eventually be paid by the English consumer.

3390. Do you believe that a considerable per-centage of increase takes place in the export price in the foreign market in consequence of that limitation of scale?—I cannot doubt it, but to what extent it is impossible to say.

3391. Does it narrow the foreign grower in the choice of his trees which he has to cut?—Certainly.

3392. So that a good many trees are inapplicable on account of the way in which the duties are levied here?—That is constantly the case. A tree is cut into lengths to produce deals; now, it frequently happens that a tree will produce four or five lengths of 12 feet deals, when it will not produce above two lengths of 21 feet deals, in which case much of the tree is sacrificed.

3393. Is not the duty the same according to the English tariff upon all deals under 3 inches, as it is upon deals not exceeding 3¼ inches thick?—I believe it is.

3394. Can you state what is done by the foreign manufacturer of deals with the thin deals which he cuts from the exterior of the tree less than three inches thick; is not he forced to export them to other foreign markets?—Yes, or they are used at home.

3395. Do you happen to know whether they sell in Norway at a very much lower rate of price than deals fit for the British market three inches thick?—I should think generally much lower.

3396. And the operation of the British tariff being to exclude those deals less than three inches thick, the effect is to raise the price of deals on the average to the British consumer?—Certainly, I conceive that must be the effect.

3397. Can you see any good reason why deals under three inches thick should not be admitted at a duty proportionate to their thickness?—None whatever; the case falls under the general rule of leaving the consumer to supply himself as he thinks fit.

3398. Can you state whether any material inconvenience arises from forcing the importation of deals of three inches thick in this way, that it leads to the conversion of the tree in a disadvantageous way, the centre of the tree being usually left in the deal instead of being cut out?—Yes, I think it produces an inconvenience in that respect.

3399. Can you state whether the leaving the centre of the tree in the deal does not deteriorate the deal, inasmuch as it renders it liable to split?—When I have had such deals to sell, complaints have been made to me on that account.

3400. Are the Norwegian deals exported to France or Holland exempted from that defect?—The exportations to Holland and to France are very different: to Holland timber or balks are usually sent; to France, chiefly deals, both thin deals and inferior three-inch deals. The wood trade between Norway and France is increasing yearly; it is extremely important at present.

3401. What is the rate of duty upon 100 deals in France?—The duty in France is very low; but I am ignorant of its amount.

3402. Is it proportionate to the length and thickness?—I think not; but I can hardly answer as to that.

3403. Does not the duty in England constitute two-thirds of the selling-price?—I should suppose from one-half to two-thirds.

3404. Do you not consider that the equalisation of the timber duties would tend so to raise the prices of timber in Norway as to transfer great part of the benefit to the foreign land-owner or tim-

ber-grower?—Norway is not capable of furnishing half the supply of England, and there is a great quantity of wood required of a description which Norway cannot produce. I should conceive, that the increased demand in the first instance would raise prices; but the supply of European wood, taken altogether, is so very ample, and it comes from so many different countries, that I should think eventually there is no reason to imagine that prices would be higher than they are now; in some respects, perhaps, lower, because the trees would be converted more advantageously.

3405. Has not one of the consequences of the English tariff been to reduce the export price of wood in the Norwegian market below the price at which it was previously to the breaking out of the French war?—I should think that prices are lower now than they were in 1793.

3406. Would consumers of wood in this country, upon a large scale, find any difficulty in being provided with either timber or deals from the Baltic, as well as timber and deals from Canada?—There would be no difficulty.

3407. It is simply a question of price?—Yes.

3408. Do you recollect a prohibition of the Emperor of Russia against any deals coming from Russia, unless accompanied by a certain quantity of iron?—No; I have some vague idea that a law of that kind did exist in Russia, but believe that it was not observed.

3409. Are you aware that, in 1811, there was war with the Baltic, so that we could get no timber or deals from thence?—There was war with the Baltic powers, but plenty of timber and deals came.

3410. Are you aware what the price then was of three-inch Dantzic deals?—No; the price, I presume, was high.

3411. Did not they come by licence?—They came under British licences to an unlimited extent; there was no limit to the issue of licences.

3412. Did not prices rise enormously?—Prices rose greatly previously to the issue of licences; I think the licences were issued generally about 1809, at which time the prices were most enormous, but by 1811 they had fallen very much.

3413. You are aware of the great importance of naval supplies to this country; can the dock-yards of England be supplied from the Baltic with masts to any extent that the demand may require?—I have no knowledge in the article of masts.

3414. Are you aware that the French Government take all their masts from Canada, in consequence of their not being able to get them from the Baltic?—I am not aware of that.

3415. Have any of the replies which you have made to questions respecting the wood trade had reference to any other trade than the Norway trade?—Yes.

3416. In the trade between Norway and this country, how is the timber brought?—Chiefly in Norwegian ships, but some in British ships.

3417. Are you aware of the terms on which those ships are navigated, so far as regards the sums paid to their crews per month?—No, I am not.

3418. Are not you aware that the expense is much higher in British ships than in Norwegian ships?—I doubt very much as to

the general expense, from this circumstance: I was agent for a great number of Norwegian ship-owners, and almost without exception they have been ruined. The number of ships in Norway since the peace has diminished in a very great proportion: I should think, speaking roughly, that there was now hardly more than half the Norwegian tonnage that existed at the close of the war, and the building of ships has almost ceased; many have been sold to be broken up here, because the loss upon them was so thoroughly ruinous.

3419. What was the duty payable on those ships?—I do not know; I was always sold them duty free, and the breaker paid the duty.

3420. Is not the reason of their being imported more in Norwegian ships than in British on account of their being imported at a cheaper rate of freight?—Yes, I presume so, with reference to things as they stand at present. I know ships that now bring timber that are near 100 years old; they can be used for nothing else; and the same persons that ship the timber are frequently owners, and the masters are their relatives: so long as they can obtain a freight by which they can merely sail the vessel, without reference to what it cost, even where the captain can gain a little advantage by bringing over his privilege, so long those ships will be navigated, but the freight they may get has no reference to the expense of building ships in Norway.

3421. But all those circumstances combined together enable them to come at a cheaper rate than the English?—Under similar circumstances I think that British ships could sail as cheap. When I was in the trade we used often to freight British ships, but undoubtedly those old vessels which exist are employed in preference. The wood that comes from Norway to London is almost always on foreign account.

3422. Is it not generally understood that the Norwegian ships bring it cheaper than British?—I believe it is.

3423. Is not the timber all sawn by water in Norway?—Almost all.

3424. From what you have stated, it appears that a great part, if not all, of the Norwegian ships were built before the reduction of the trade, which was occasioned by the alteration of the duties in 1807?—During the war, up to 1807, Denmark was a neutral country, and that circumstance threw a vast deal of the carrying trade into the hands of Danish subjects, and a vast number of ships were built in Norway. In 1807, a great many of those ships were captured, but still Norway had a considerable commercial navy, which was subsequently employed during the licensed trade when English ships could not go to Norway; the peace therefore found Norway with a very great number of ships, which have been successively diminished from 1814 to the present time. I hardly recollect the circumstance of a vessel of any considerable size being built in Norway recently.

3425. Therefore the present state of the commercial marine of Norway arises from there being a very great excess in consequence of its being calculated for a much greater extent of trade than Norway has carried on since the peace?—It is not yet reduced to the extent to which I think it will be reduced: when ships are wanted, and are consequently built, it is my opinion that the Norwegians

will not be able to build and navigate on more favourable terms than the English.

3426. But you think there is still too great an amount of commercial marine for the employment which the Norwegians are able to give it?—Yes, I think it would be impossible to sell a ship in Norway adapted for the timber trade, except under some very peculiar circumstances, for any thing like what it could be built for; I I know little about vessels destined for other trades, that in fish, for instance.

3427. You have stated that if circumstances could give rise to greater demand for the employment of Norwegian ships, you think they could not be built and navigated at a cheaper rate than British ships; how do you reconcile that with the answer you have given, that you had no information as to the expense of navigating Norwegian and British ships?—I referred in that answer to my means of knowledge from the ruin which has fallen on almost all Norwegian ship-owners, from the great reduction in the number of Norwegian ships, and from the circumstance of few ships being built, and not to any particular knowledge as to the expense of navigation.

3428. Do you mean to state, from your own personal knowledge, that there are not a great many ships building at this moment in Norway?—I have stated that I have been out of business for the last two years and a half; I have been in Norway myself a great deal previously. I had a most intimate knowledge of the trade when I was in business, and I can say, that when I was in Norway, and when I was in business, there were few ships built adapted to the wood trade.

3429. How long is it since you were in Norway?—I was in Norway in 1828.

3430. Have you any knowledge of the number of ships building in the year 1832 in Norway?—No particular knowledge, but from what I have heard from other persons, I am confident that no considerable number of ships can be building there now.

3431. Is not your brother still in the business?—He is.

3432. You have stated that a great part of the tonnage employed in the Norwegian trade to England was built previous to the great advance of duties which took place on timber in 1811; what do you suppose to be the average age of the shipping now running between Norway and England?—I once saw a calculation upon that head, but I have it not with me, nor does my recollection serve so as to enable me to answer the question exactly, but I know that the age of the ships is quite remarkable; I believe the average is as much as 30 or 40 years.

3433. What does that extraordinary durability arise from?—I conceive that it arises from the nature of the cargo they carry, in a considerable degree; there are not many A 1 ships that bring timber from Norway to England; old ships that can just keep together and swim will do.

3434. Are not those ships utterly unfit for any other employment?—I conceive that a great number of them are utterly unfit for any thing else.

3435. Is it not a fact that the ships engaged in the Canada trade, also in carrying timber, are in a great many cases not fit for any

other employment?—I have heard so, but I have no particular knowledge on that point.

3436. Do you know whether the timber trade to the north of Europe now is profitable or not to the parties engaged in it?—I should think not.

3437. Do you know if the timber trade to Canada and British America is profitable to the parties engaged in it?—I have no knowledge upon that subject.

3438. You have stated some calculations of losses which the nation sustained by the existing system of duties; have you ever made any calculation of the probable indirect advantages which the country derived from carrying on trade with its own colonies in its own vessels, and exporting British manufactures and other produce in return?—I have considered that occasionally to a certain extent.

3439. Have you ever made any calculations in figures tending to show that?—I have, in some cases; but I do not know that the calculations have been very accurate or worthy the attention of the Committee. I recollect making a calculation as to what the probable advantage of the timber trade to Canada was. Some years ago it seemed to me that Canada could not possibly gain above £50,000 or £60,000 a-year by the timber trade, because I could not make out that the export value of the timber shipped at that time was above half a million, and I reckoned 10 per cent. profit upon it; both I suppose are larger now.

3440. You have stated that a great part of the timber trade with Norway is carried on in Norwegian vessels; you have also stated that there is a great excess of shipping at present belonging to Norway, which can only find employment in the timber trade?—I cannot say what the excess is at the present moment; there is an excess certainly.

3441. You have also stated that that excess is diminishing in consequence of the difficulties of the shipping interest?—Ships are lost and broken up, and few are built.

3442. Would not the necessary consequence of an equalisation of the duties be to give more employment to the Norwegian ships in carrying timber?—Yes; I suppose if more timber was to come from Norway, there would be more employment for Norwegian ships.

3443. Can you imagine any advantage or object there would be in the reduction of the duties, except with a view to increase the import of timber from the north of Europe?—The object would be to benefit the consumer, and more timber would be imported from the north of Europe.

3444. Would not the increase, whatever it might be, of the import of timber from the north of Europe lead to a similar diminution of the quantity imported from our own colonies?—I cannot say exactly similar, but something approaching to it.

3445. Would not that necessarily throw out of employment many vessels now occupied in bringing timber from British North America?—Yes, to a certain extent. I once made an estimate as to the effect that might be produced in this way; I calculated at that time that there were about 300 or 400 ships, navigated by 4,000 or 5,000 seamen, constantly employed in bringing timber from the colonies; that they made about two voyages a year each, and that something

less than a million was paid in freight for them. If then the present system of duties adopted for the purpose of giving profit to the owners of British ships, the country sacrificed about £1,000,000 a year to give them £100,000, or the probable profit on the amount of freight adopted; if it was for the sake of employing an additional number of seamen, the country then paid £1,000,000 a year to employ at most 2,000 or 3,000 additional seamen; because, of course, if the importation of wood from Canada be diminished, the importation from Europe would be increased, and an additional number of ships would be wanted for that purpose.

3446. Are not the vessels employed in the carrying timber from the North American colonies either built in this country or in those colonies?—I presume so.

3447. Assuming those vessels to be built either in the colonies or in the mother-country, does it not lead to the employment of a very large amount of capital and a great number of labourers in the building and equipment of those ships?—I presume so.

3448. Would it not necessarily be an element of calculation in looking at the advantages or disadvantages to the country of the present system of duties, to take into calculation the loss of employment in the dock-yards, and those persons who are now occupied in building and equipping vessels?—I would say generally, my opinion is, that in making fiscal regulations you should look chiefly to the interests of the consumers; of course, when any change is made, existing interests should be spared, so far as may be practicable, consistently with the end in view.

3449. Then it would be an element in the calculation?—Yes.

3450. Does not the building and equipment of shipping in this country afford indirectly a large amount of employment to the population in the manufacture of the materials of which they are composed?—It must employ a good many people, but I have no idea exactly what amount of the population.

3451. Are not those vessels chiefly navigated by British seamen?—I presume so.

3452. Can you form any opinion as to the extent of injury to the country that might be sustained by the diminution to any extent of this amount of employment both of persons and capital?—I think it would be advantageous to the country; I cannot say what number of persons or what amount of capital would be affected by such a change.

3453. Are you aware in what other manner those persons so thrown out of employment, could occupy themselves?—Not particularly; but I think that when steps are taken, which are likely, upon the whole, to make the country richer, they can hardly fail to produce increased means of employment upon the whole, although in one particular branch it may be diminished.

3454. Will you state what steps you contemplate?—These questions, I apprehend, refer to what I have suggested as to the advisability of equalising the duty on wood. I conceive that was a measure which would tend to increase the national wealth, and I cannot help thinking that it would, upon the whole, give greater employment of labour than the present system.

3455. Might not the national wealth be increased by the saving which you state would be made by this change of duty, and at the same time a great diminution of labour take place?—I will not say

positively that such a thing is not possible, but I think it is unlikely.

3456. Is it not a necessary and unavoidable consequence of a transfer of any portion of this trade from our own possessions, where it is carried on by our own people, to other countries, that there would be a diminution of labour in this country and in the colonies?—I do not see why that need be so; I apprehend there could be no difficulty in finding other employment in the colonies for those now employed the timber trade; and in England I think the saving of a million a year to the national capital would occasion a greater demand for labour than what existed previously.

3457. Will you explain why the making of money by the capitalist necessarily leads to increased employment?—I refer to the consumer. The consumers would pay a million a year for timber, taking quality into the account, less than they now pay; they consesequently would have so much more to spend in other things, and that expenditure would call for a supply of other things, which would occasion a greater employment of labour to furnish them.

3458. What class of persons are the consumers of timber in this country?—The occupiers of houses, I suppose, chiefly, and also those who use any article into which wood enters.

3459. Every body who occupies a house, or is engaged in any thing into which building necessarily enters, is a consumer of timber, and would be pro tanto benefitted?—Doubtless.

3460. Then your opinion seems to be, that whatever loss of employment might arise by the diminution in the carrying trade, or in the ship-building trade, would be made up by the saving which the builders and the occupiers of houses would make by the change of duties?—I think the benefit to the latter classes, namely, all the persons who use timber in any way whatever, would far outweigh any loss that might happen to the first two classes.

3461. Is not the building of houses chiefly carried on by persons of capital, and who are large speculators?—I can hardly answer that question generally; about London building is a trade, and I believe houses are chiefly built upon speculation.

3462. Do you consider it quite a matter of course that persons who would save money in building, by being enabled to purchase the timber at a cheaper rate, would increase in the same proportion the amount of labour in the country?—I have stated before, that I think the great saving to the nation at large could not fail to occasion upon the whole the employment of a greater quantity of labour.

3463. Do you know whether there is now a large amount of capital in the country unemployed for want of any profitable means of employing it?—I should think there is very little capital really unemployed; there is a great deal lent at a low interest.

3464. When you were in the timber trade, what did those vessels that brought over timber from Norway carry back?—The greater part of them went back in ballast; some took goods.

3465. Can you state whether the captains of the ships did not export a considerable quantity of British manufactures or produce, and articles of which an entry is never regularly made at the Custom-house, in order to avoid the expense of the duty?—Yes, they used to do so.

3466. Was not the quantity which they were permitted to export

limited by law?—There is, I think, some limit beyond which they are not allowed to go, without entering out at the Custom-house, but I cannot state what it is.

3467. You have stated as your opinion that it is the duty of the Government, in making fiscal regulations, to consult mainly the interests of the consumers; are you aware that there are very few persons in this country that come under the denomination of mere consumers, who are not themselves producers in some way or other? I do not know the proportion; we are all consumers, and we are not all producers.

3468. Are you aware that the mere consumers bear a small proportion to the number of producers?—I never looked at the question precisely.

3469. What description of persons would you call consumers, and what description of persons would you call producers?—I call us all consumers, and I call chiefly the labourers and the capitalists producers.

3470. Do not you consider all the labourers, operatives, mechanics, and tradesmen, as well as capitalists, producers?—Certainly.

3471. Do not those several classes constitute the great bulk of the community?—I should think they do.

3472. Then in saying that you think the interests of the consumers ought to be consulted, you of course include all this large class of persons who are producers also?—Certainly.

3473. If you think that the interests of the consumers ought to be consulted by the policy of the Legislature, would you not conceive that that applies in the strongest possible manner with respect to the corn laws?—Yes, I think it does.

3474. Are you not of opinion, that equalising the duties upon articles of foreign growth, production or manufacture, without an equalisation of the duty on corn, must operate prejudicially to the labouring classes of this country?—I do not imagine that it would; I think that the equalising other duties is a great good to the labouring classes, and that the doing away with the corn laws would be a greater good to them.

3475. When you draw the distinction between producers and consumers, must not reference be always had to some particular article?—Of course.

3476. Therefore in speaking of the general body of consumers of timber, you would include all the English producers of every other article who consume timber in any way?—Of course; every body that consumes timber.

3477. The consumers of timber therefore include the great bulk of the English nation, minus the producers and importers of timber?—I can hardly say how numerous the consumers of timber are, but they are a very numerous body.

3478. Assuming that the consumers of timber were able to obtain that timber cheaper, each person that consumes timber would have a greater amount of disposable income, which he might employ in some other way, and the consequence of that would be, that he would consume a greater quantity of some other description of commodity, and therefore the aggregate of the consumption of commodities in the community must be increased; do you think it is possible that the aggregate consumption of commodities in the community could be increased without an additional employment

of labour in the community?—I think it is hardly conceivable. I have stated already that I conceive that greater employment of labour would take place.

3479. You have stated that you imagine that from the equalisation of the duties on timber a saving of a million a-year of national capital would take place, and that you think the nation has lost thirty millions by the present rate of duties on foreign timber; if the nation has lost that amount, who has gained it?—I imagine it has been almost all thrown away.

3480. In what way has it gone?—In increased charges, and expenses of freight, and so on.

3481. Who has gained it?—Nobody has gained it.

3482. If it went in increased charges of freight, did not the ship-owner receive whatever the merchant paid?—He received a proportion of it. I cannot pretend to be accurate upon this subject; but in order to explain my opinion, I will assume that out of those thirty millions ten millions were paid in freight; those ten millions would go to the ship-owners, but probably not more than one million would be profit, the other would be absolute national loss. Even of this one million, the ship-owners would have gained the whole, or at least a large portion, without the timber trade.

3483. If a part of it went to pay for the expense of building a ship, might not there be a profit to the ship-builder who produced that ship?—Yes, in the same proportion.

3484. And so in every proportion of the expenditure that consisted of the employment of either capital or labour?—I do not know what is meant by profit on labour; but I presume that the various capitalists who obtain employment from this extra expenditure obtain some profit. Had the timber trade not existed, the capital and labour employed in building ships would have been otherwise employed, and probably with equal advantage.

3485. You consider that all expenditure which gives employment to labour is a national loss, if unproductive of profit?—Yes I do.

3486. In every undertaking are there not two things to be considered, the advances and the returns?—Certainly.

3487. Does it follow because in the Canada timber trade the advances are large, estimated by the number of seamen paid, and the quantity of shipping employed, that that is an advantageous trade, seing that the returns to the nation, estimated in the quantity of timber obtained for that expenditure of capital, are very small, compared with the return of timber which would be obtained if the same capital were employed in the European timber trade?—I do not see that it follows that because a great number of ships are employed, therefore the trade is advantageous, but the reverse.

3488. Might not a very large quantity of shipping and men be employed, and be obtaining no return at all?—Certainly.

3489. Would it be a just mode of estimating the advantage of a trade to the nation to say that there was a large quantity of tonnage employed and a large number of seamen?—It might be so much national capital and industry thrown away.

3490. Did you ever see the Parliamentary return, showing what would be the amount of duty paid upon the timber imported from Canada, if that timber were subject to the same duty as the Baltic

timber, and showing that there would be a difference of about £1,300,000?—I have seen such a return.

3491. Are you aware that there are very heavy protective duties payable on the importation into this country of articles of wearing apparel; for instance, hats, boots, and gloves?—No, I do not know any thing about it.

3492. Supposing that such duties exist, would it be a fair mode of reasoning to estimate the difference between the amount paid by the British consumer upon the British production and that for which he could procure the foreign production, if there were no duty, as a loss to the nation?—Yes; I always reckon as a national loss the difference between the price that the nation is compelled to pay for any commodity, and the price for which it might obtain the commodity; I see no difference between that and an ordinary tax.

3493. Have you ever estimated the national loss upon the great bulk of national productions upon such a standard as that which you have applied to timber?—I have sometimes considered it, and I am sure that it is enormously great: but I have never made any particular calculations with reference to it.

3494. Would not the correctness of the application of that test in any particular instance depend upon whether the duty upon the foreign material was really operative or not; that is to say, whether but for that duty the foreign goods would come in?—Of course.

3495. If it were not for the discriminating duty between Canadian and European timber, is not timber one of those articles that would be imported from Europe in preference to being obtained from Canada, and would it not therefore come under this rule?—I conceive so.

3496. Do you conceive that foreign hats would be imported into this country if there were not a protective duty?—I have no knowledge about them.

3497. Would it not be ridiculous to impose a duty upon the importation of hats if none would be imported without such a duty?—Yes.

3498. If by improved methods of manufacture, a man finds out the way of producing, by means of fifty labourers, a commodity which was before produced by 100, so as to reduce the price of the commodity considerably, would not you regard that as a national benefit, although it would occasion the dismissal of a considerable number of labourers from that mode of employment?—Certainly.

3499. And conversely, if a man before employed fifty labourers in producing any commodity, and the Legislature forced him to employ 100, you would consider that a national loss, although it occasioned fifty more labourers to be employed?—Yes? decidedly so.

3500. Did you ever attend to the bills which are drawn by the exporters of timber in Norway upon this country, and hear through what channels those bills from Norway were afterwards negociated?—I of course frequently looked at the indorsement upon bills drawn on myself; they usually are negociated at Hamburgh; many are remitted directly.

3501. Do you apprehend, by tracing from the indorsements through what channels they were negociated, that the bills drawn upon England in payment for the timber exported from Norway were remitted to this country in payment for the export of English goods?—I presume that in the greater part of the cases it must have been so; but they usually came into England through the means of the great dealers in bills.

3502. From the usual channels from which they were exported, namely, from the Hamburgh market, have you reason to believe that they were issued here in payment for manufactured goods to be exported?—I cannot doubt that such was the case, but I do not know that I have any direct evidence in general, except as to the bills remitted directly.

3503. From your knowledge as a Director of the Bank of England, should you say that the proportion of bad bills now afloat is greater or less than it has been at former periods?—The discount business of the Bank of England has been very small for some time, but as far as we have any evidence, I think the bills have been rather better.

3504. As a Bank Director what is your opinion of the general state of trade?—As far as any knowledge goes which I have been able to obtain at the Bank, my opinion certainly upon the whole is, that trade in general is in a sound and healthy state.

3505. Have you had any opportunity of knowing whether bad debts have been greater or less than usual?—I have not any particular knowledge, but I should think rather smaller than usual.

3506. With respect to profit on capital, what is your opinion of the present state of things?—That is a very difficult point, and I do not know how it can be answered accurately? I should think that general profits are not high.

3507. Do you think that general profits do exist in general trade? I cannot doubt it.

3508. When you speak of the benefit of low prices, do you mean low prices occasioned by improvements in productive power, and not low prices occasioned by the contraction of the circulating medium?—Certainly, I refer to low prices produced by the former of those causes; I hardly can imagine, under present circumstances, low prices arising from the contraction of the circulation.

3509. You have stated that you think the nation has lost 30 millions by the state of the timber duties; do you think the community would have expended those 30 millions in any better way than they have been expended?—As it is, I consider that the 30 millions are absolutely gone and lost.

3510. Would they not have been equally lost, if they had been expended in the consumption of manufactured goods in England, instead of being expended in the manufacture of ships and the maintenance of sailors?—They would have either gone to unproductive consumption, in which case they would have afforded so much immediate pleasure, or they would have gone to productive consumption, in which case they would have added permanently to the national wealth.

3511. Are not producers, in your opinion, entitled equally to the protection of Government with consumers?—I think not; producers can take care of themselves.

3512. Are not the producers the most important body?—No; I think the consumers are the most important body; it must be recollected that all producers are consumers also, and that men only produce with a view to consume; no fixed line can be drawn between the two classes.

3513. Do not the productive classes produce and sell all commodities?—I presume so.

3514. Inasmuch as they produce more than they consume, is not the advantage which they have in high prices greater than the advantage they have in low prices?—I do not think the producers are interested at all in having high general prices; it is steady prices, and prices which they can calculate upon, which are beneficial to them. If commodities are obtained with a diminished sacrifice, the community on the whole must gain.

3515. Is it not probable, that under an equalisation of the timber duties the profits made by the Norwegian land-owner and ship-owner would leave to the English consumer no greater profit than the loss that would be sustained by the Canada grower and ship-owner, and the English shipping and manufacturing interests?—I think the profit of the English consumer would be far greater; the competition in Norway would reduce profits to the ordinary rate in that country.

3516. Have you any reason to think that the loss upon the employment of British shipping generally has been different from the loss upon the employment of Norwegian ships?—I think that the Norwegian have suffered more than the English shipowners.

3517. Has there been a greater fall in the selling price of Norwegian built ships, than in the selling price of British-built ships?—I have not much practical acquaintance with English ships, but I should conceive that the fall in Norwegian ships fitted for the wood trade has been greater.

3518. Has the employment of Norwegian ships for some years past been unremunerative?—My opinion is, that the Norwegian ships have been taking freights which just enabled them to sail. In fact, I can say from my own knowledge, up to a few years ago, that they were hardly giving any profit to the owners.

3519. How do you account for that?—The ships existed, and they could afford to sail, and therefore they were employed, but they paid hardly any return.

3520. Was the timber trade, which you abandoned about three years ago, in an unsatisfactory state as regarded profits at that time?—My branch of trade had been in an unsatisfactory state for some years previously.

3521. Are the profits upon that branch of business still unsatisfactory?—I believe it to be a falling trade.

3522. You have mentioned as one cause, the general fall in prices; what other circumstance besides the fall in prices has caused the trade to be unprofitable?—The fall of prices has been probably the immediate cause of the unprofitableness of the trade.

3523. Has the number of persons engaged in the commission business in the timber trade increased or decreased?—I can hardly say; I should think they are diminished, so far as European wood is concerned.

3524. Can you give the Committee any opinion whether t

number of middlemen engaged in that trade have increased or decreased?—I cannot; on the whole, there are fewerlarge houses engaged in that branch of business in London than formerly.

3525. Has the free trade system, of which you have been speaking, made the timber trade more or less profitable?—Unfortunately we have had no free trade in timber.

3526. Has any approximation to free trade which has been made in this country been beneficial to it?—I should think that every approximation to it has been beneficial to the country.

3527. Has not the system pursued with respect to the timber trade been just the reverse of a free trade?—Completely so.

3528. The scale of duties being so well poised now as between the Baltic and Canada, would any alteration in favour of either the one side or the other cause a considerable alteration in the trade?—The system at present abounds in all sorts of anomalies; it is the very reverse of being well poised, if I understand the expression.

3529. Would not any alteration in the scale of duties be likely to cause a considerable increase of timber from the Baltic, and a considerable diminution from Canada?—Such an alteration of the duties as I think advisable would occasion a very great change in the trade altogether.

3530. Do not you think that the state of trade is now as prosperous as it was during the war?—I think more so.

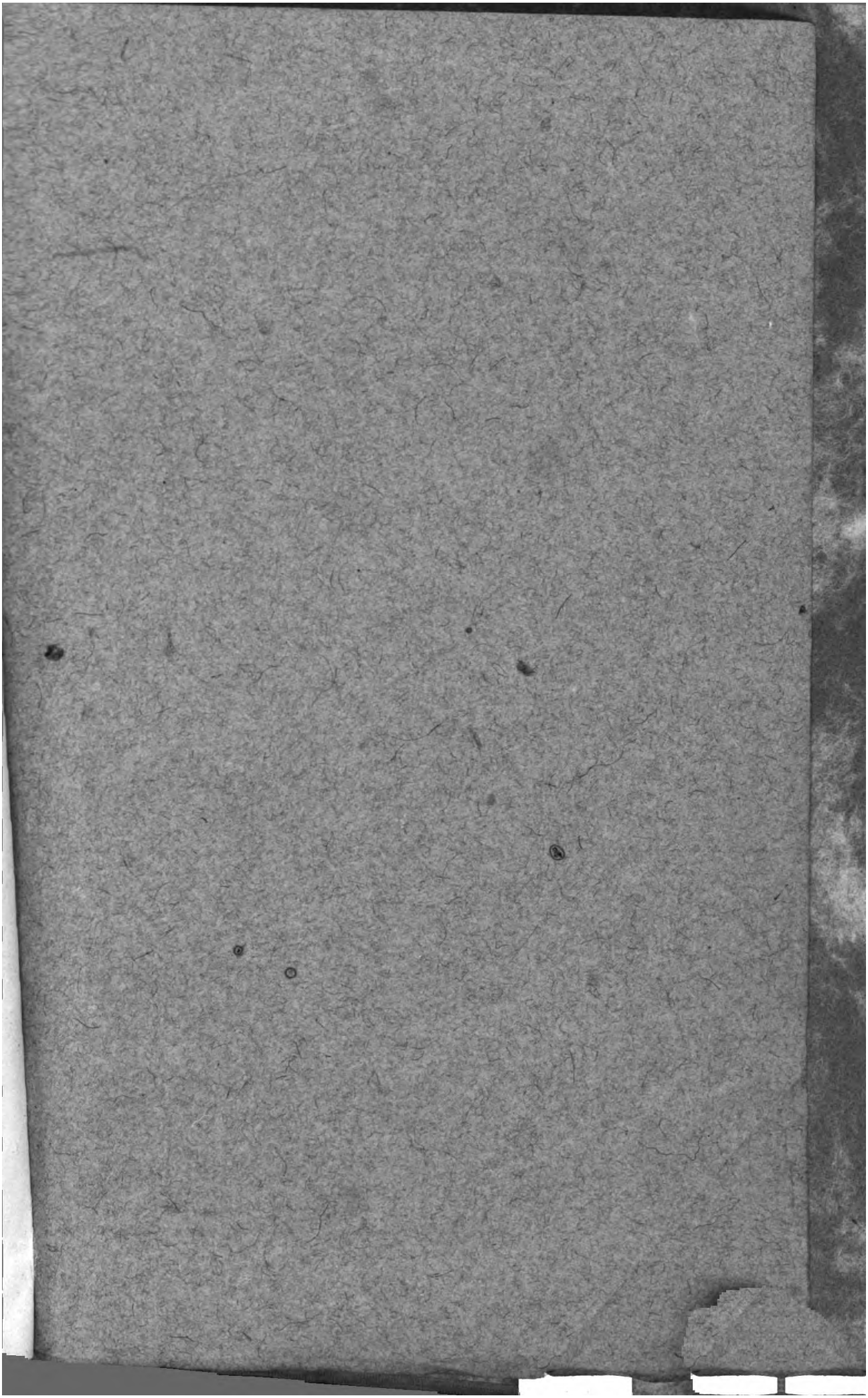
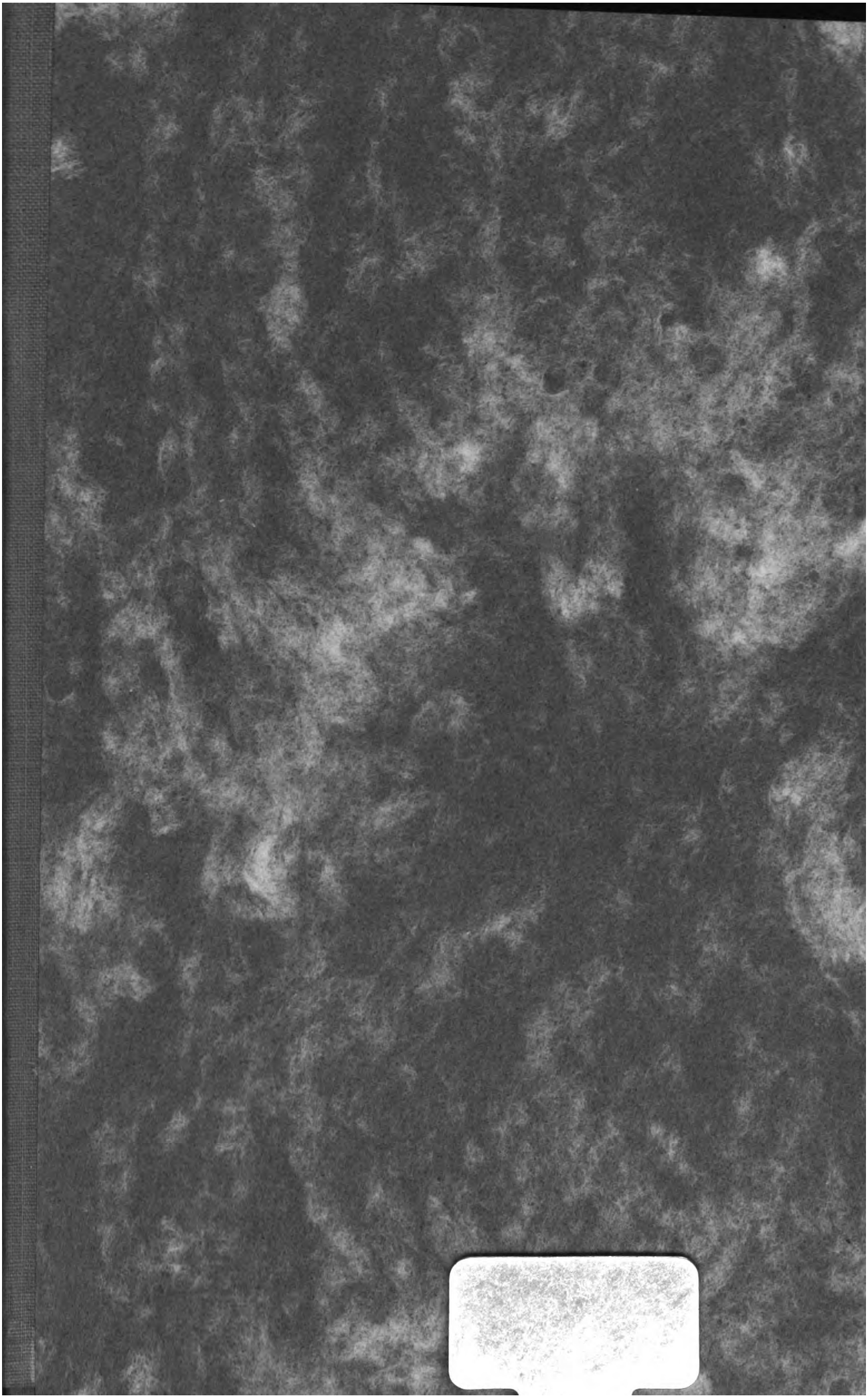
3531. By what do you estimate prosperity?—By the comfortable situation of the various classes of producers and consumers; their power of obtaining the necessaries and conveniences of life.

3532. Would you estimate it by high profits, confined to a small number of persons, or by a small rate of profit, divided amongst a large number?—Considering it in that point of view, I should estimate it by a reference to the larger absolute amount of profit, in whoseever hands it might be.

3533. You state, that speaking generally, you consider the state of trade throughout the country to be as prosperous now as it was during the war; then to what do you attribute it that the country cannot now bear above one-half of the taxation which it bore during the war?—I consider that the country could bear quite as much, or even more taxation now than then.

3534. To what do you attribute the greater impatience of taxation which now exists than what existed during the war?—Many causes concur to produce that result; but I think it has little to do with the means of the country to bear taxation.

3535. Do you think that we could, if necessary, put on thirty millions of taxes again?—I should think if the people of England would be willing to make the same personal sacrifices that they were willing to make during the war, that they are better able to pay that additional amount of taxes now than they were then.

3536 You think that the people of England are now able to bear with less suffering the whole amount of taxes that existed during the war than they were at that time?—Yes, I think so.

Printed by Harris Brothers, Chapel-street, Liverpool.