

Forwarded by J. W. McKim

COPY OF PETITION

PROPOSED TO BE ADDRESSED TO

THE PROVINCIAL LEGISLATURE.

THE PETITION OF THE TORONTO BOARD OF TRADE,

Humbly sheweth,

That your Petitioners, having taken into consideration the draft of a Bill, now before your Honourable House, purporting to be "An Act for granting Duties of Customs," are of opinion that the interests of the mercantile community would be seriously affected by some of the provisions in the said Bill, should it become a law of this Province. Your Petitioners most respectfully solicit the attention of your Honourable House to those items in the schedule annexed to the said Bill, in which differential rates of duty are proposed to be levied on articles, in consideration of the course of transport by which they may be brought into this Province, whereby your Petitioners conceive that a most important advantage will be conferred on the commercial interests of one section of the province, at the expense of those of the other. Your petitioners submit to your Honourable House, that the importation of goods from the markets of the United States into Western Canada is very considerable, and that from the similarity of the manners and customs of the inhabitants to those of the contiguous Americans, there is every reason to anticipate a gradual increase in this trade. It is well known that the great bulk of the whole imports of the Province from the United States, is made direct to Western Canada, and that a considerable portion of the same class of imports into Eastern Canada, ultimately finds consumption in Western Canada. The imports of the port of Toronto alone, from the United States, in the year 1844, your Petitioners understand amounted in declared value to about £115,000. These goods were conveyed from New York and other markets by inland navigation, via the River Hudson, the Erie and Oswego Canals and Lake Ontario; the time required for the transit being on the average about ten days, and the rate of freight throughout about 2s. 9d. Halifax currency per 100lbs. Should the importers of Western Canada be forced by the operation of a differential tariff of duties to forward their goods by sea through the circuitous and perilous coasting navigation via the Gulf, and River St. Lawrence, the time of transit must be at least trebled, the expense of carriage more than doubled, and the dangers of the navigation incomparably greater. At the present time the great majority of buyers from Western Canada make their purchases in the New York market, either very early in the spring, or very late in the fall, and the goods are forwarded at two periods of the year in which the navigation of the Gulf and River St. Lawrence is either impracticable or highly dangerous. The delivery of the goods purchased in the United States, within the shortest possible lapse of time, is an object of the utmost importance. Many of them are bought at very short credits, and a considerable part are paid for in cash. On the speedy transit of them, the interests of the buyer depend to a greater extent than may, at first view, be apparent. This object would be altogether unattainable were the buyer forced to bring his goods by sea. A shipment from New York would be almost as tedious as one from Liverpool, and much more expensive; the insurance, which by the inland route is an item never incurred, would be equal to one half the present freight from New York. Your Petitioners are aware that the differential rates of duty complained of by them are, in the bill referred to, confined to a few articles of

inconsiderable moment in our present imports; for example, "ale, beer, cider, perry, vinegar, sperm or wax candles, and some articles of leather manufacture." It is this very circumstance which has awakened the fears of your petitioners; for they can apprehend no other reason for the singling out of these trivial items, than the insidious introduction of a principle of commercial legislation which, if first brought amongst the people accompanied by a more extended catalogue, would be sure to excite instant alarm, and loud remonstrance; whilst the results proceeding from its action in the case of the articles above enumerated may, from their unimportance, serve at some future time as a convenient appeal to carry the principle into full operation. Your Petitioners fully concurred in the justice of the remarks made by the Hon. the Inspector General, during the present session of parliament, on the superiority of the plan of levying duties on the tail or quantity, rather than on the value of goods; for, as the honourable gentleman then observed, the opportunities of perpetrating frauds on the custom-house, are by the former course removed; whilst, in the ad valorem method of rating duties, these frauds have occurred frequently. Your petitioners cannot then but express their surprise that the duties to be levied on goods imported by sea, as above referred to, should be placed at an ad valorem rate, whilst on those by inland navigation, they are to be rated by the quantities. If any advantage is presented to the importer by the former mode of reckoning duties, it is evident that it will be enjoyed by the importer by sea; and thus an additional disparity will be established between the trade of Eastern and Western Canada.

Your Petitioners have no hesitation in declaring it to be their conviction, that the operation of a system of differential duties, if it were *possible* to carry it fully into effect, would be to render the trade of Western Canada, in so far as the United States imports are concerned, tributary to the merchants of Montreal and Quebec. Heavy capitalists alone could venture into a trade of such a character. The length of the voyage, the dangers of the navigation, the contracted period of open waters, must all tend to drive men of limited means from competition. In many instances the sales of the goods are completed in the period of two or three weeks; and, when time becomes equivalent to profit, it is evident that the dealer would best consult his own interests, by making his purchases in Montreal; which he could only effect with a heavy establishment, having a full assortment.

But your Petitioners most respectfully submit to your Honourable House that, though the enactment of a law such as the one now under consideration might operate to the prevention of direct and legitimate importation from the United States to Western Canada, it could not operate to the prevention of the supply of our market by that class of traders, whose harvest is always found most abundant wherever restrictive or prohibitory commercial legislation is most general. The smuggler would not fail to remedy the evil, which an unjust and unwise law had created; and the public revenues would be the fund out of which his profits would be derived. Your Honourable House are well aware that, by the prohibition formerly existing against the importation of tea into this Province from the United States, the illicit importation of that article was not prevented; and the amount of revenue now derived from its legitimate import, proves at what a ruinous loss to the public interests this prohibition was so long continued. Even at the present time, your Honourable House have concurred in the suggestion of the mercantile body, to lower the provincial duty on tea to one penny in lieu of three pence per pound, under the hopes of putting a stop to illicit trade, without diminishing the accruing revenue. If a margin of two pence on a pound of tea, has been found sufficient to induce or perpetuate the extensive smuggling of that article, it is vain to suppose that a scale of differential duties, adequate to the forcing of the trade between the United States and Western Canada into the circuitous and expensive navigation proposed, will not be the means of opening up a system of contraband trade of the most extended and deleterious character.

Your Petitioners have no doubt that your Honourable House will clearly perceive, that the injury thus inflicted on Western Canada would be of the most lamentable nature. There is, however, another consideration involved in the subject of a very painful kind to your Petitioners; and it is the fact that any distinction should be made in mercantile or other legislation, tending as in the present case to the placing of the mercantile body of Western Canada on a footing

of inequality and subserviency to their brethren in Eastern Canada. The operation of the proposed differential duties, your Petitioners believe they have demonstrated as tending to this result. Such treatment, your Petitioners feel conscious they have not merited; and to such treatment they most respectfully, but most resolutely declare, they will never silently submit.

Your Petitioners have observed with astonishment, that the chief arguments used by the advocates of the proposed differential duties are to the effect, that the carriage of these imports via the St. Lawrence Canals, will be indispensable to the creation of a sufficient toll-revenue to meet the interest of the outlay and the expenses of management and repairs on these works. Your Petitioners are, then, inevitably led to the conclusion, that the forcing of the whole carrying trade from the United States into these canals is contemplated; for the contributions derived from the trifling moiety now proposed to be placed under differential duties, could never be considered of such importance as to warrant a departure from the clearly prescribed course of colonial commercial legislation.

When these public works were first proposed and subsequently advanced towards completion, the people of Western Canada were told that the advantages which would be conferred upon them by the reduction of freights would amply compensate them for the whole expenditure. Your petitioners respectfully submit, that the proposed system of forcing into this navigation the carrying trade between the United States and Western Canada, at an enormous disadvantage to the people of the latter country, appears to them a very untoward mode of realizing the promises formerly held out. Your petitioners would infinitely prefer to contribute by direct taxation whatever amount might be considered equal to the canal tolls sought for from the transportation of their goods, to the proposed mode of extorting it from them by an unnatural and unjust system of distinctive legislation, which by shackling their trade would place them in a position of inferiority unbecoming the character of British freemen.

Your petitioners cannot but express their regret, that a system of irksome and impolitic class legislation, which has become almost antiquated in the mother country, should be sought to be introduced into this young and flourishing colony. The wisest statesmen, and the most enlightened political economists of the present day concur in the expediency of releasing commerce from all artificial restrictions, and your petitioners have derived the most heartfelt gratification from the sentiments so frequently expressed on this subject by the present ministers of her Majesty. The course of colonial commercial legislation prescribed by the Right Honourable Lord Stanley, her Majesty's Secretary of State for the Colonies, in his despatches to the Governor General, dated "Downing Street, 28th June, 1843," and "26th September, 1844," your Petitioners regard at once as the best guarantee of the safety of our commercial interests, and the continuance of that happy and advantageous connexion with the parent State, which every Canadian subject of her Majesty, who rightly appreciates his privileges, must ardently pray to be interminable.

Your Petitioners therefore humbly pray your honourable House, not to pass into a law the Customs Bill referred to, until the differential rates complained of by your Petitioners are expunged, and all imports placed on an equal footing therein, in reference to the course of transit or navigation, by which they may be brought into this province; so that there may be conferred on all classes of her Majesty's Canadian subjects, equal and impartial laws. And your Petitioners, as in duty bound, will ever pray, &c. &c.

The foregoing Petition has been unanimously adopted by the Committee of the Board, and will be presented for the consideration of the Board at the General Meeting, to be held on Wednesday Evening, 19th Instant.

H. ROWSELL, *Secretary.*

1846? Petition,

de-oerid