

R E P O R T
OF
A S P E C I A L C O M M I T T E E
OF THE
L E G I S L A T I V E A S S E M B L Y
OF
C A N A D A,
ON THE SUBJECT OF
A F R E E T R A D E W I T H G R E A T B R I T A I N,
IN THE
A G R I C U L T U R A L P R O D U C T I O N S
OF
B R I T I S H N O R T H A M E R I C A .
AND OF A
P R O T E C T I O N T O T H O S E P R O D U C T I O N S
From the Competition of Foreigners in the Colonial and Home Markets.

Ordered by the Legislative Assembly to be Printed, 10th October, 1842.

KINGSTON :
PRINTED BY DESBARATS & CARY.

R E P O R T .

THE SPECIAL COMMITTEE to which was referred the *Petition of the Right Honorable the Earl of Mount Cashell, and others, Members of the North American Committee of the Colonial Society in London ; the Petition of the Municipal Council of the District of Niagara, and the Return to the Address of the House of the 22nd September last, with the several Despatches on the subject of the importation of Wheat and Wheaten Flour, with power to report from time to time, have the honor to REPORT :—*

THAT they have examined the several documents referred to, and feel gratified to witness the interest manifested by their fellow subjects in Britain in the prosperity of Canada. (See Appendix No. 1.)

Originating any measure relating to the alteration of Duties, as recommended by the Despatch of Lord Sydenham, (see Appendix No. 2,) in the Provincial Assembly, by Bill, subject to the approval of the Imperial Parliament, as pointed out under the provisions of the forty second clause of the Union Act, would remove the practical inconvenience and uncertainty which attend the practice heretofore adopted by Addresses.

The Despatch from Lord Stanley, No. 83, dated 2nd March, 1842, has also engaged their attentive consideration. (See Appendix No. 3.)

From

(4)

From our peculiar Geographical position,—from the relative and nearly balanced advantages possessed by the two rival communications with the Atlantic—the St. Lawrence and the Hudson Rivers,—from the magnitude of the object and the various interests involved, Your Committee have availed themselves of such statistical information as would enable them to comprehend the practical operation of the proposed Duty.

First, with regard to the protection of the English grower :—

From the Statement in Appendix No. 4, it appears that the cost of conveying a barrel of Flour from the Welland Canal to any Port in the United Kingdom by way of the St. Lawrence is 14s. 6d. It also appears that Wheat must command from 4s. to 5s. currency, or 4s. 6d. sterling, per bushel, to remunerate the Canadian grower. (See Appendix No. 6.)

After the completion of our communications a reduction will be made in the transit of 2s. 6d. per barrel. Flour must still command in Britain 33s. sterling, per barrel, to ensure our growers a remunerating price, which will afford ample protection to the English grower, and as it is entirely the result of natural causes it can only be effected by Imperial Legislation.

As it respects the admission into Canada of American products from the Western States, it appears that the freight of a barrel of Flour from Cleveland, Ohio, to Lake Ontario, is 1s. 6d. which added to the above, with the proposed Duty, will sufficiently protect the Home producer

producer against all American competition from this quarter through the channel of the St. Lawrence.

With regard to the Carrying Trade :—

All the Grain grown in Canada will not supply the consumption of British North America, and, if it were all shipped to England, and the population of our Commercial Towns were supplied from the United States, the quantity of our own so exported would be very limited for many years to come.

By reference to Appendix No. 5, it will be seen that the cost of transit on a barrel of Flour to Liverpool, through the Erie Canal, is 3s. 1½d. less than by the way of the St. Lawrence ; when this is added to the proposed duty, it will give 5s. 1½d. in favor of New-York. By reference to the table of Duties it will be found that this difference only accrues when Wheat averages between 61s. and 62s. per quarter. (See Appendix No. 7.) And whenever prices in Britain exceed that average the products of the Western States will be conveyed by the Erie Canal. After the enlargement of the Erie Canal shall have been completed, which is our most formidable rival, notwithstanding the reduction heretofore mentioned by the St. Lawrence, the cost of transportation through the two channels will be so nearly equal, that to the transit through the latter a decided encouragement should be given by the Home Government for at least a few years. If Grain cannot be exported to England at a profit to our grower unless Flour reaches 33s. per barrel, and Wheat from 60s. to 61s. per

per quarter, the transit of Western Flour will be diverted through the Erie Canal, and it follows that unless prices in England steadily range from 55s. to 61s. per quarter, our growers cannot benefit by the Home Market, and our carrying trade will become so uncertain, that few, if any, will embark in it, and the vessels and craft now engaged must be continued at a hazard of employment.

By reference to the Despatch, it will be seen that the loss of this trade has never been contemplated by the Home Government: its preservation and encouragement must then become a subject of both Imperial and Colonial Legislation.

It is most desirable to place this branch of Commerce on a certain and permanent footing, which, in the opinion of your Committee, can be effectually accomplished, as far as this Legislature is concerned, by allowing a drawback at Quebec or Montreal, whenever the price of Flour exceeds 30s., sterling, per barrel, at the Ports of Quebec and Montreal, which, by adding the price of transportation, will bring the average in Britain, at 77s. 11d., per quarter.* By this arrangement both the English and Canadian grower will be effectually protected without hazard, loss or injury to any other interest.

* NOTE.—The Imperial Quarter is equal to 9 bushels and 20lbs.
 Wheat, at 60lbs. to the bushel.
 The barrel of Flour of 5 bushels in Montreal or
 Quebec..... £1 10 0
 Freight thence to England..... 0 7 11

 Would bring the barrel to..... £1 17 11
 or £3 10 9 Sterling, per quarter of Wheat.

With

With regard to the Agricultural interest of Canada :—

One of the most striking advantages which this measure confers upon the Canadian grower is, that although he cannot, for reasons already assigned, successfully compete with the grower in England, still he will realize the full benefit of the Home Market, as well as that of British North America, from which he has hitherto, under the existing system, been too successfully excluded by his more fortunate rival—the American grower.

It appears from the minutes of evidence, as well as from the numerous Addresses of the Legislature to the Home Government, that the Agricultural interest, as well as the trade of the Country, is in a very depressed state.

The protection which will be afforded by the proposed Duty will ensure to the Canadian grower a higher price for his products, and induce the investment of Capital for Agricultural purposes in this Province in preference to the United States. It will transfer the Duties on the articles when imported from the Mother Country to articles which compete with what he produces. It will also preserve our carrying trade, by securing the transportation through Canada when prices are high in England, when otherwise it would be directed through the Erie Canal ; it will have a direct tendency to create an extensive Home Market, by the increasing employment in navigating our waters, and it will materially lessen the price of transportation by diminishing the price
of

of tolls and conveyance through our Canals by the increased trade thus created.

The value and importance of the trade with the Western States:—

From the Despatch alluded to, it is evident that the value of this trade, together with the advantages to Canada of every manufacturing process which it might undergo in the transit, has been under consideration.

The proposed Duty of 3s., Sterling, per Imperial quarter, on Wheat, is equal to $4\frac{4}{10}$ d. per bushel of 60lbs. The Duty of 2s. per barrel, on Flour, imposed by the British Possessions Act, is equal to $5\frac{1}{4}$ d. per bushel; this difference is insufficient to secure this advantage we now possess, but may be provided for in the scale of Duties hereafter to be proposed. If the raw material, say Wheat, shipped in Cleveland, is worth 3s. 9d., per bushel, or 18s. 9d., per barrel of Flour, the remainder of the cost to the consumer in Britain is secured by this trade to British Subjects, in the shape of duties, labour, milling, transit, shipping and profit.

If the Colonies of the British Empire are maintained at a great expense for the sake of their trade, the securing and controlling that of the Western States, and making them in effect Colonies for the like purposes, is an object of no ordinary moment, particularly when it can be obtained without expense or even negotiation. The removal of all existing Duties between the Ports of the Mother Country and Canada, so soon as sufficient revenue can be raised from Duties on foreign articles, tolls on
our

our Canals, and other sources, will not only secure this trade, but supply the Great Western States with the manufactures of Great Britain, and by reducing the price of outward freight, it would enable us successfully to compete with any other channel of trade to Great Britain from the Continent of America.

To accomplish this great object, and to secure Her Majesty's Subjects in Canada the full benefit of the declaration of the enlightened Statesman who presides over the Councils of the United Kingdom, Your Committee recommend the following Resolutions for the consideration of Your Honorable House, with a view, if approved, to form an Address to Her Majesty thereon :

Resolved.—That this House feels every confidence that the public declaration made by the enlightened Statesman who presides over the Councils of the Mother Country will be carried into effect, and that Canada will hereafter be treated as though she were an integral part of the Empire.

Resolved.—That this desirable object can only be attained by removing all Duties on the products of Canada, particularly all descriptions of Grain and Meal, when admitted into the Ports of the Mother Country ; and in strict conformity to that principle the Legislative Assembly will take the earliest opportunity, so soon as the Finances of the Province for the support of the Government and its engagements for the security of the Public Debt will admit, to recommend the removal of all Duties on the manufactures

manufactures of the Mother Country when admitted into the Ports of Canada from Sea.

Resolved.—That they have every confidence that the Revenue arising from Foreign Commerce, and the tolls on our Canals, will enable the Provincial Government to make this reduction in a few years after our great leading communications to the Ocean are opened.

Resolved.—That with a view of securing the transit of the Western States of America through those waters, it is indispensable to allow a drawback on all Grain and Flour shipped to Britain from the Ports on the St. Lawrence, whenever the price of Flour exceeds 30s. Sterling, per barrel, at the Ports of Montreal and Quebec.

Resolved.—That and humble Address to Her Majesty be founded on the above Resolutions.

All which is respectfully submitted.

WM. HAMILTON MERRITT,
Chairman.

8th October, 1842.

MINUTES OF EVIDENCE.

WILLIAM HAMILTON MERRITT, Esquire,
in the Chair,

Friday, 30th September, 1842.

The following Questions were submitted to several Gentlemen engaged in the Forwarding Trade, and their joint replies thereto are annexed :—

1.—

1.—What is the present price of Wheat on the shores of Lake Ontario and Lake Erie ?

2.—What is the expense of transportation of a bushel of Wheat to Montreal ?

3.—What are the charges from thence to Britain, including all charges ?

4.—Notwithstanding American Grain has been admitted free from Duty, and exported as Colonial, has the Capital invested in milling and purchase of Grain yielded a profit ?

5.—What should be the price of Wheat on Lake Erie to remunerate the grower ?

6.—Do you think the Statement of cost of transportation on a barrel of Flour (Appendix Nos. 4 & 5,) correct ?

7.—After the completion of the St. Lawrence Canal, what reduction will take place in freight ?

8.—At the present rate of Duties on Flour in Britain, what must be the average price of Wheat to ensure the transit from the Western States through the St. Lawrence ?

9.—What is the price of a bushel of Wheat from Cleveland to Liverpool *via* New York ?

10.—Is there a sufficient quantity of bread stuffs grown in Canada to supply the consumption of British North America ?

Answers to the preceding Questions :—

1. 3

1.—The present price of Wheat on the shores of Lake Erie, 2s. 9d., Ontario, 3s. 1½d. Freight from Chicago, Michigan, to St. Catharines, Welland Canal, 9d. : from Cleveland, Ohio, to St. Catharines, Welland Canal, 6 cents, thence to Kingston, 2 cents.

2.—Freight from Kingston to Montreal, 7½d., per bushel.

3.—Freight from Montreal to England of a bushel of Wheat, 2s., to cover all charges.

4.—Milling and Wheat speculations with very few exceptions within our knowledge, for the last 20 years, have been unprofitable.

5.—The price of Wheat on Lake Erie to remunerate the grower, ought not to be less than 4s.

6.—The Statement of transport as shewn in Nos. 4 & 5, we consider correct.

7.—The completion of the St. Lawrence Canal must reduce the rate of freight to Montreal 33⅓ per cent.

8.—The averages in England must be 60s., per quarter, to ensure the trade by the St. Lawrence ; when over that, the Americans can send their own Wheat more advantageously to England *via* New York.

9.—The freight of a bushel of Wheat from Cleveland to Liverpool *via* New York, is about 1s. 8d., per bushel.

10.—

10.—No.

MACPHERSON & CRANE,
HOOKER, HENDERSON & CO.
SANDERSON & MURRAY,
McGIBBON, FERGUSON & CO
H. C. S. JONES.

Mr. *W. S. McDonald*, of Gananoque, being interrogated, answered :—When the average of Wheat in England is 57s. Sterling, per quarter, our Duty advances to 2s. Sterling, per quarter.

At 57s. per quarter, 60lbs. of			
Wheat is worth,.....	£0	6	1
Add exchange and difference of			
Currency,.....	0	1	2
	<hr/>		
Value in Currency....	£0	7	3
One bushel Wheat free on			
board in Montreal, at £0	5	0	
Freight and other char-			
ges to Britain,.....	0	2	0
	<hr/>		
		0	7 0
	<hr/>		
Only a margin of,	£0	0	3

Now at 5s. per bushel, free on board in Montreal, the farmer on the shores of Lakes Erie and Ontario cannot obtain more than 3s. to 3s. 6d. Currency, per bushel, for his Wheat, a price at which it cannot be grown and pay the producer.

The above statement is made to show that the present Duty in Britain is not of serious consequence, as we cannot export Wheat when the price in England is so low as to bring a Duty on Colonial.

STATEMENT

STATEMENT shewing the effect upon the Canadian Miller as compared with the American when the Duty both on Flour and Wheat are levied.

American.

5 bushels Wheat at Circleville, Ohio,		
at 50 cents,.....	\$2	50
Freight of 1 barrel Flour		
to Cleveland, 62½ cents.		
do. do. Kingston, 37½		
do. do. Montreal, 40		
		1 40
Duty proposed,.....	0	50
	<hr/>	
	\$4	40

Equal to 22s. per barrel, delivered in Montreal.

Canadian.

5 bushels Wheat at Circleville, at 50		
cents,.....	\$2	50
Freight of 1 bushel Wheat to Cleve-		
land, at 20 cents,.....	1	00
do. do. Kingston, at 8 cents,	0	40
Freight of 1 barrel Flour to Montreal,	0	40
Duty, per bushel, at 5d.	0	41
	<hr/>	
	\$4	71

Equal to 23s. 7d. per barrel, delivered in Montreal.

Difference in favor of the American Miller
1s. 7d. Currency.

When

When the average in England of Wheat is 66s. Sterling, per quarter, which is about the price at which the trade can be carried on profitably to all parties in Canada, the following shews the comparative cost of a Barrel of Flour taken at Cleveland and sent to England *via* New York, and of 5 bushels of Wheat taken at same place sent to Gananoque ground, and the Flour shipped *via* Montreal.

American Route.

One barrel Flour, freight to Oswego,

37½ cents

do. to New York 50

	87½ cents,	£0	4	4½
New York to England,.....		0	1	1½
Duty 3s. 7d. Sterling,.....		0	4	4
		£0	9	10

Canadian Route.

Freight 5 bushels Wheat to

Gananoque, 40 cents

1 barrel Flour to Montreal, 40

	80	£0	4	0
Montreal to Britain,.....		0	4	6
Duty 7d. Sterling,.....		0	0	9
		£0	9	3

Difference in favor of the Canadian Route only 7d. per bushel ; this may be increased to 1s. 9d. to 2s. when our improvements are finished

finished, but completely destroyed by the imposition of the proposed Duty.

LIST OF APPENDIX.

- No. 1.—Petition of The Right Honorable the Earl of Mount Cashell, and others.
- No. 2.—Extract from a Return to an Address of the Legislative Assembly of the 22nd September, 1842.
- No. 3.—Extract from the same, being copy of a Despatch from Lord Stanley to Sir Charles Bagot, G. C. B., dated 2nd March, 1842.
- No. 4.—Freight and charges on one barrel of Flour from Cleveland to Liverpool *via* Montreal.
- No. 5.—Statement of charges on a barrel of Flour from Cleveland to Liverpool.
- No. 6.—Question submitted to the Members of the Legislative Assembly, as to the price Wheat should command in their respective Districts to yield an interest on the Capital invested in land, or to remunerate the grower.
- No. 7.—Extract of the scale of Duties under the late *Corn Law* passed in the last Session of the Imperial Parliament.

Appendix No. 1.

Petition of the Right Honorable the Earl of Mount Cashell, and others.

To the Honorable the Commons House of
Assembly

Assembly of Canada, in Provincial Parliament assembled.

WE, the undersigned Members of the North American Committee of the Colonial Society, having recently addressed a Memorial, of which the annexed is a copy, to the Right Honorable Lord Stanley, Her Majesty's Principal Secretary of State for the Colonies, setting forth the importance of a free Trade with Great Britain in the Agricultural productions of British North America, and of a protection to those productions from the competition of foreigners in the Colonial and Home Markets humbly entreat the consideration of Your Honorable House to the importance of such protection, so that objections may no longer be urged to the admission of those productions free from any Duty, in the Home Market ; and that there may be but one Imperial interest between the British American Provinces and the Mother Country.

The Memorial hereto annexed, contains the opinions of the Petitioners on this very important subject ; and in submitting it to the consideration of Your Honorable House, the object of the undersigned is to pray for the adoption of such Legislative measures in the Provincial Parliament, as may be deemed best adapted to promote the most intimate union of interests between Great Britain and British North America, which the undersigned consider particularly deserving of attention at this time when a very extensive emigration is taking place to Canada. It appears to the undersigned that the only certain means of enabling this large population to establish themselves in Canada, with advantage to themselves and the Province,
and

and of insuring a full stream of emigration to the Colony hereafter, is to give every possible encouragement to the cultivation of the soil, by the measures recommended in the annexed Memorial.

Mount Cashell, Chairman.
Dunmore,
Macdonald,
Augustus D'Este,
Pringle Taylor, Lt. Colonel,
Charles Franks,
R. F. Maitland,
William Ifill,
C. Shirreff,
A. J. Robertson,
W. G. Ouseley,
Neill Malcolm,
David Urquhart,
D. McDougall.
Rt. Montgy. Martin,
Robt. Gillespie, Jun.
D. M. Chisholm,
C. F. Head, Lt. Colonel.

[*Copy of the Memorial referred to in the preceding
Petition.*]

To the Right Honorable Lord Stanley, Principal Secretary of State for the Colonies.

My Lord,

The North American Committee of the Colonial Society considering the extensive emigration now proceeding from this Kingdom, which has existed for many years past, and which may be expected still to increase in consequence of the superabundant population beyond

beyond the means of employment, and considering the infinite importance to the Empire that this surplus of its population should be so directed, as to increase its general wealth and prosperity, have ascertained the amount of emigration in the last two years, and the different Countries to which it has proceeded, by referring to the Parliamentary Returns for the years 1840 and 1841 ; from which it appears that a very large proportion, amounting to 156,116 out of 209,335 persons who emigrated in 1840 and 1841, proceeded to North America, of which 85,659 went to the United States, and 70,457 to the British Provinces. The fact of the great number going to North America, amounting altogether to three-fourths of all those who emigrated, and that without public assistance, serves to show that North America is considered to offer greater advantages to British Emigrants than any other part of the world, which may be ascribed to its vicinity, the cheap and easy communication with this country, its soil and climate, so well adapted to the health and enjoyment of the inhabitants of this Kingdom, and the identity of its language. It appears also, that the proportion of persons who proceed to the United States is much larger than of those who establish themselves in the British American Provinces ; and as this proportion consists in great degree of the class of persons having capital, the Committee have been anxious to ascertain the causes which lead to a result so injurious to the best interests of the Empire. There appears to be no reason for supposing that the Government, laws, or manners of the United States offer any temptation to Britons ; or that the climate or soil have any advantages over those

those of the British Provinces. They have taken every pains to ascertain whether any real causes exist in Her Majesty's North American Colonies to prevent the introduction and settlement therein of Emigrants, particularly those having capital.

In pursuing this inquiry they find that great dissatisfaction has long existed in Canada on a subject which appears not to be correctly understood by the British Public. In the Address to Her Majesty from the Legislative Assembly of Upper Canada, dated 4th January, 1840, reasons are assigned for the depression of Agriculture, which, if well founded, as we believe they are, deserve the most serious attention. It appears that not only the principle of protection extended to the growers in Great Britain is withheld from the Agriculturists in Canada, but that whilst the market in Canada is open to the whole world, including the neighbouring States of America, for the importation of Agricultural productions, free from any duty, the productions of Canada are subject to a heavy duty on importation into the United States and into the Mother Country, being the only markets upon which they can depend, as they are deprived of the advantage of the intercolonial markets, particularly that of the West Indies, which was formerly of great importance to Canada, by the alteration of the Colonial duties of late years. The natural advantages of situation possessed by the United States, for supplying the British West Indies, were always greatly in favor of the United States which, added to the alteration of duties, will destroy the Trade of British North America with those Colonies.

In

In 1833, the Commons House of Assembly of Canada addressed the Home Government, praying for relief; and among other reasons assigned for the free admission of their products in the markets of Britain, were the great distance of the Wheat growing Districts in Canada from the Sea, and the high price of transportation, always affording a natural and certain protection to the British grower, which is fully borne out by the annexed statement marked A, showing the expense to the Canadian grower, of the transportation of Wheat to this Country, to be 26s. 2d. Currency, or 23s. 7d. Sterling, per quarter. A further expense attends the transmission of Wheat from the Western parts of the United States, and this natural protection the inhabitants of Canada are desirous of increasing, by imposing a duty on American Grain and other produce, on their frontier, so as to protect their own Home growth in their own as well as the British market. Strong expressions of this opinion have been made recently in Canada, for which reference may be made to the Petition from the Merchants of Montreal, and to that from a very large body of Agriculturists in Western Canada, recently forwarded through the Canada Company; the sentiments contained in which, have been brought under Your Lordship's notice very recently, and similar Addresses and representations have been repeatedly sent home of late years, all tending to show the importance attached by the inhabitants of Canada to an open trade with Great Britain, and to protection in their own market from the competition of the rest of the world, and of the United States in particular, who themselves protect their Home growth by duties.

The

The Committee believe that the great objection entertained in this country to the admission of the Agricultural productions of Canada into the Home market free of duty, is the fear that it would not be limited to the articles grown in the Colonies, but that the grain and other productions of the United States would be introduced through the Colony, as if they were Canadian. To obviate this, and to protect their own Agriculture, the Colonists are willing to impose a sufficient duty on their frontier forthwith ; but doubts have been expressed whether this Trade would not be conducted by smuggling across the frontier, notwithstanding any regulation in the Canadian Ports. The Committee have made inquiry into this question, and they believe that no such smuggling would take place, for the following reasons. :—

First. The Inhabitants of Canada, whose prosperity depends entirely on Agriculture, are very anxious for a protection which a duty levied on their frontier would afford them ; and they would unanimously support the execution of a law for that purpose.

Secondly. The growth of Wheat in the United States, the chief article respecting the introduction of which through Canada, any anxiety exists, is confined to that part of the Country bordering on Canada to the West, where the boundary line between the two Countries is formed by the Lakes ; and the produce must necessarily therefore be shipped, and landed on the Canadian Ports or Shores : if in the former, which are few in number, the duty would always be levied ; and if attempted on
the

the latter, which would be difficult, the expense of transportation, the landing in boats and taking up the Country, would be attended with such expense, as to render it worth while to the parties to pay the duty at the Ports in preference.

Canada has now become an exporting Country, and will be capable gradually of supplying Great Britain with any quantity of Corn that may be required, if the British Market is open to her productions.

The Committee are desirous of drawing Your Lordship's attention to the importance of encouraging the importation of Corn from a Country which will assuredly receive payment for it in British manufactures, and to the great advantage to this Country, of such an exchange ; particularly considering that the cultivators in Canada are persons settled there, who were unable to maintain themselves at home, but have now become growers of food enough for their own support, and a surplus to exchange for the labour of their fellow countrymen at home ; and every part of this trade, from the cultivation of the farm, to the navigation of the Atlantic with the produce home, directly supports the British manufacturer and mariner.

The Committee would, therefore, strongly recommend, that the Agricultural productions of the North American Colonies should be admitted to the Home Market free of duty ; that the Colonists should be encouraged to impose such duties on foreign productions as they think desirable for the protection of their own growth,
and

and the British Agriculturists ; and that the intercolonial duties should be so regulated as to give an advantage to the Colonists in the intercolonial Trade, over the inhabitants of the United States and other foreigners. Canada and the British North American Colonies would then really become an integral part of the British Empire, and rise rapidly in wealth and importance, and the most beneficial effects be produced ; perfect confidence would be reposed in the future prosperity, peace and welfare of those valuable Colonies, and every British subject seeking a new settlement in North America, would at once decide upon establishing himself in the British Territories.

The present system of Duties never gave satisfaction to Her Majesty's subjects, either in the Colony or the Mother Country ; their continuance must inevitably direct the attention and energies of the Colonists to encourage manufactures for the purpose of creating a Home market for the produce of their soil : this can only be effected by imposing increased duties on our manufactures, and must lead to the establishment of the same adverse interest which exists in the Eastern States of America.

If taxes were imposed by the Colonists on foreign productions imported, particularly Wheat and Flour from the United States, for the purpose of raising Revenue to defray the expenses of the local Government ; the taxation on manufactured or other articles imported from Home might be reduced in a proportionate degree, and the Coasting Trade of Britain might be more easily extended to the utmost limits of Canada, without other restrictions

tions than those which exist between London and Dublin or Edinburgh.

Not only would the Colonists receive their supplies of manufactured goods from the Mother Country, but the inhabitants of the Great Western Country of the United States would find it for their interest to obtain their supplies of goods by the Canadian frontier ; and for all purposes of commerce, this Country would derive the same advantages as if that Great Western land continued to be a Colony of the Empire.

Instead of the continued doubt and uncertainty which prevails in British North America, every inhabitant would be made to see and feel from the increased value of his products, and the diminished cost of the articles he consumes, as well as from the rapid extension of their internal Trade, the full value of his connexion with the Mother Country, and a far more certain and permanent reliance might be placed on the connexion of those valuable Colonies by such measures, than by the expenditure of millions in the erection of fortifications and the maintenance of troops, as every man's hand and heart would be engaged in supporting the interests of the Empire ; and the Colonists would set at defiance all the efforts of foreign opposition or ambition.

Your Memorialists considering the whole subject of the greatest possible importance to the welfare of the Empire, and entertaining the most sanguine expectation that the measures they have recommended would promote the mutual interests of the Mother Country and the North American Colonies, have transmitted

mitted a similar representation to the Legislature of Canada, urging them to adopt the measures herein recommended ; and your Memorialists humbly pray that Your Lordship will be pleased to take their opinions into consideration, hoping that you will think it right to recommend their adoption to the Cabinet, so soon as, in Your Lordship's opinion, a favorable opportunity arises for the purpose.

Statement A. referred to in the preceding Memorial.

From the printed Returns laid before Parliament, we find the following charges for conveying one bushel of Wheat from Hamilton, the upper part of Lake Ontario, to Montreal, the nearest Sea Port. :—

	£	s.	d.
Storage and shipping at Hamilton, .	0	0	2½
Burlington Bay Canal Toll,	0	0	0¼
Freight through Lake Ontario,	0	0	3
Freight from Kingston to Montreal, River St. Lawrence,	0	0	7½
Insurance 1d, Storage in Montreal 2d, .	0	0	3
Commission and Guarantee,	0	0	3½

Making in all for one bushel of
Wheat, 1 7¾

Eight bushels of Wheat to the quarter,
gives, 0 13 2
The charges from Montreal to London are estimated from 13s. to
16s. per quarter ; by taking the
least, 0 13 0

It leaves a protection to the English
grower of £1 6 2
without

without adding the additional price of labour on the original cost of the article.

Appendix No. 2.

EXTRACT from a Return to an Address of the Legislative Assembly of the 22nd September, 1842.

EXTRACT from a Despatch from the Right Honorable C. P. THOMSON, late Governor General of Canada, to Lord John Russell, dated Government House, Montreal, 26th May, 1840, in as far as the same relates to the transmission of an Address from the Legislature of the late Province of Upper Canada, praying for the introduction of Canadian Corn into Great Britain, free from duty, and to empower the Legislature of this Province to originate measures relating to the Colonial Trade generally.

“ THE House of Assembly have transmitted
“ another Address, praying for the introduction
“ of Canada Corn into Great Britain, free of
“ duty, and they further pray that the local Legislature may be empowered hereafter to
“ alter the Trade regulations of the Colony, in
“ those cases in which they may be affected by
“ the Imperial Laws relating to Colonial
“ Trade generally, subject however to the
“ restriction that such Laws shall not receive
“ the assent of the Crown until they have been
“ laid before both Houses of Parliament, and
“ shall

“ shall have been suffered to pass without
“ address from either.

“ Upon the first of these objects, it is need-
“ less for me to offer any remark. The ques-
“ tion can only properly be considered with
“ reference to the whole subject of the Corn
“ Laws, and I certainly do not think that, look-
“ ing to the average price of Corn in ordinary
“ years in Great Britain, the Colonies have any
“ right to complain of the footing on which they
“ now stand.

“The second point is an extremely impor-
“ tant one. I am undoubtedly of opinion that the
“ regulation of the principles on which Colonial
“ Trade is to be conducted, ought to be re-
“ served entirely to the Imperial Parliament.
“ The power of regulating it, is one of the prin-
“ cipal advantages resulting from Colonial
“ possessions, and if justly exercised, affords
“ one of the main compensations for the expen-
“ diture which the Mother Country is com-
“ pelled to incur for the defence and protec-
“ tion of the Colony. But whilst I admit this,
“ to its fullest extent, I have at the same time
“ been obliged to observe the great inconve-
“ nience, and even loss, which results to the
“ Colony from the necessity which now exists
“ for all changes in this respect originating in
“ England. There are a vast number of small
“ points seriously affecting the interests of Co-
“ lonial Trade, and not at all disturbing the ge-
“ neral principal or objects sought to be estab-
“ lished by Imperial Legislation, in which a
“ change is frequently found to be desirable.
“ Great difficulty exists in the first place, in ex-
“ plaining these points at Home, and next in
“ proving

“ proving that they are of sufficient importance
“ to demand Legislation there ; but even if this
“ be done, I know myself from experience in
“ that Department, too much difficulty and de-
“ lay unavoidably arise in carrying such mea-
“ sures through Parliament. I am therefore
“ very much disposed in favor of the middle
“ course, now suggested by the Assembly.—
“ If the Local Legislature be permitted to origi-
“ nate measures of this description, I entertain
“ no doubt that they would be able to introduce
“ many improvements very beneficial to the
“ trade of the Colony, and not at all injurious
“ to Imperial interests. These, when sent
“ Home, could receive the assent of the
“ Crown and Parliament, whilst, if they med-
“ dled improperly with matters affecting the
“ general interests of trade, their work would
“ be without effect, and be open to immediate
“ rejection. If Your Lordship shall concur in
“ this view of the case, and shall be inclined to
“ grant this extension of power to the Colony,
“ subject to the restriction I have stated, it
“ would be better perhaps to pass an Act spe-
“ cially for the purpose, than to incorporate it
“ in the Union Bill.”

EXTRACT from a Despatch from the Rt. Hon-
orable Lord JOHN RUSSELL, of the 1st July,
1840, No. 171, to the late Governor Gene-
ral of Canada, in as far as the same relates to
the transmission of an Address from the Le-
gislation of the late Province of Upper Ca-
nada, praying for the introduction of Cana-
dian Corn into Great Britain, free from duty.

“ WITH regard to the Address on the sub-
“ ject of the introduction of Canada Corn into
“ Great

“ Great Britain, and regarding the proposal to
“ invest the Provincial Legislature with the
“ power of regulating, under certain restrictions,
“ the Trade of the Empire at large, so far as it
“ affects Canada, I have, in obedience to Her
“ Majesty’s commands, communicated that Ad-
“ dress, with your remarks upon it, to the
“ Lords of the Committee of Privy Council for
“ Trade, for Their Lordship’s consideration.”

(Copy.)

No. 267.

DOWNING STREET,

1st December, 1840.

MY LORD,

I enclose the copy of a letter which I have received in which a suggestion is offered with respect to the admission into this Country, free of Duty, of Canada Wheat, Flour, and other Agricultural produce ; and I request that you will give this subject your consideration.

I have, &c.

(Signed,) J. RUSSELL.

The Right Honble. Lord SYDENHAM.

(Copy.)

No. 320.

DOWNING STREET,

3d March, 1841.

MY LORD,

Adverting to Your Lordship’s Despatch
No.

No. 115, of the 26th May, 1840, in which was enclosed an Address to the Queen from the House of Assembly of Upper Canada, respecting the Trade Regulations of the Province, and the repeal of the Duties levied upon agricultural produce imported from Canada into the United Kingdom, to my answers thereto of the 1st July, No. 171, and to Your Lordship's recent proposition for altering the clause of the Royal Instructions, which prohibits the Provincial Legislature from legislating on subjects connected with the Trade of the British Empire, I have to inform Your Lordship that the Lords of the Committee of Privy Council for Trade have considered the recommendations contained in your Despatch, and the Address, and I shall communicate to Your Lordship by the first opportunity the decision of Her Majesty's Government thereupon.

The President of the Board of Trade will bring before the House of Commons on Friday, the 12th instant, several propositions connected with this subject, and I regret that they are not sufficiently matured to enable me to transmit them to you by the present Mail.

It will be the object of the Queen's Government to free the Trade of Canada from restrictions which are unnecessary, and at the same time to do justice to the industry and manufactures of the United Kingdom.

I have, &c.

(Signed,) J. RUSSELL

The Right Honorable
Lord SYDENHAM.
&c. &c. &c.

Appendix

Appendix No. 3.

EXTRACT from a Return to an Address of the
Legislative Assembly of the 22d September,
1842, being Copy of a Despatch from Lord
STANLEY to Sir CHARLES BAGOT, dated
2d March, 1842.

(Copy.)

No. 83.

DOWNING STREET,

2d March, 1842.

SIR,

In the anxious consideration which it has been the duty of Her Majesty's Government to give to the important and complicated question of the importation of Corn into this Country, they have of course, not overlooked the interest which is felt in this question by the Province of Canada, and which has been expressed in Memorials from the Legislative Body, and from other parties, addressed to Her Majesty and to the Legislature of this Country. And although in present circumstances, Her Majesty's Government have not felt themselves justified in recommending to Parliament a compliance with the general request of the various memorialists, that Canadian Corn and Flour should be imported, at a nominal duty, into the United Kingdom, I trust that the steps which we have taken, and the grounds upon which we have declined to advance further in the same direction, will convince the people of Canada, that the course which we have pursued has been dictated by no unfriendly feeling towards the interests of Canada, and especially of Canadian Agriculture.

The

The steps which have been taken, so far as they go, have been decidedly in favour of those interests. By the Law as it has hitherto stood, Canadian Wheat and Wheat Flour have been admissible into Great Britain at a rate of duty estimated at 5s. per quarter, until the price in the English Market reached 67s. at which amount the duty fell to 6d. By the Bill which is now before Parliament, the duty of 5s. is leviable only while the price is below 55s.; and at 58s. falls to 1s. only. But in addition to this reduction in the amount of price at which the lower duty becomes payable, it is proposed to take off the restriction, which has hitherto been imposed upon the importation of Canadian Flour into Ireland, and thus to open a new Market to that which may justly be considered as one of the Manufactures of Canada.

In the measures which they have adopted, not without the most anxious attention to the various interests involved, Her Majesty's Government have been desirous, while they gave a general facility of admission to the British Market, of disturbing, as little as possible, the relative advantages possessed by the Colonial and Foreign supplies of that Market. In this sense, while they have continued to the Channel Islands the facilities, which they have heretofore enjoyed of a free importation of their own produce, (limited as it necessarily is in extent) into Great Britain, together with the means which they at present enjoy of having their own supplies furnished from the neighbouring and cheaper Market, they have not felt themselves called upon to remove from the Isle of Man the restrictions which have been recently imposed on that Island as to its Foreign imports, while
it

it possesses the advantages of an unrestricted Commerce with Great Britain. The same principle has guided Her Majesty's Government in the course, which they have felt it their duty to pursue with regard to Canada.

It is impossible to be more fully convinced, than are the Members of Her Majesty's Government, of the importance to the interests, both of the Colony and of the Mother Country, of maintaining between the two, the most unrestricted freedom of Commercial intercourse. Even a cursory examination of facts and figures must demonstrate the value to be attached in a Commercial, and much more in a moral and political point of view, to the continuance and improvement of that rapidly increasing intercourse; and Her Majesty's Government would have had much less difficulty in approaching the question of an unrestricted admission of Canadian Wheat and Flour into the British Markets, if it had been in their power to look at that question as one of intercourse between Great Britain and her most important Colony, and independent of all considerations of Foreign Trade.

But it was impossible for Her Majesty's Government to regard it. It was impossible that they should not advert to the Geographical position of Canada, in reference to the great Corn-growing States of the West America. It was impossible not to see, that however desirable it might be even to encourage the transit through Canada of the produce of those States, with the advantage to Canada of any manufacturing process which it might undergo in the transit, a relaxation of duty, to the extent of
free

free or nearly free admission, would have been a relaxation not limited, as in this case, it ought to be, to the produce of a British Colony.

It is true that the Imperial Parliament, at the time that they admitted Canadian produce at a nominal duty, might constitutionally have imposed a corresponding duty upon the import of American Wheat into Canada, and might thus have placed a check upon the undue influx of Foreign, under the name of Canadian Produce; but whatever might be the view taken by Her Majesty's Government, under a different state of circumstances in which a tax imposed by Colonial authority, and of course receivable into the Colonial Treasury, upon Wheat imported from the United States, might secure the Agriculturists of England against the competition of Foreign growers, they have been unwilling to impose such a Tax, by the authority of Parliament, upon a raw article which might be required for Home consumption in Canada, and, in the absence of such a tax, have felt it impossible to propose to Parliament a further reduction than that which they have submitted, in favour of Wheat and Wheat Flour shipped from the Ports of Canada.

I have, &c.

(Signed,)

STANLEY.

The Right Honorable

SIR CHARLES BAGOT, G. C. B.

&c. &c. &c.

Appendix

Appendix No. 4.

Freight and charges on one barrel of Flour
from Cleveland to Liverpool *via* Montreal.

	s.	d.
Cost of barrel and coopering,.....	1	10½
Freight from Cleveland to Kingston,	1	10½
Freight from Kingston to Montreal,	2	0
Insurance from do. to do.	0	2
Shipping at Montreal,.....	0	6
Coopering at do.	0	2
	6	7
Charges to and in Liverpool as per accompanying Account Sales.	7	11
	14	6

(Copy.)

Pro forma Account Sales of 1000 barrels
Canadian Flour in Liverpool, by Gibb, Bright
& Co.

Sold within 3 Months after the arrival, payment 3

Months, 1000 barrels at 28s..... £1400 0 0

CHARGES.

Insurance on £1150 at 40s. per cent, policy 6s.....	£26 12 0
Town and Dock dues,.....	11 9 2
Duty on 1000 barrels at 7d. 7-32.	30 1 6
*Freight 3s. per barrel, primage 5 per cent,.....	157 10 0
Cartage, Portage and Cooperage 7½d.	30 4 2
Storage 3 Months, 1-6th of a penny per barrel, per week,.....	9 0 6
Insurance from fire 7 per cent,.....	4 18 0
Interest on duties £41 10 8—6 months,	1 1 0
Interest on freight £157 10 0—3 months,	1 19 6
Bank Commission on £41 10 8—¼ per cent,.....	0 2 1
Commission and <i>Delevedere</i> on £1400 at 4 per cent,.....	56 0 0
	328 17 11
Net proceeds,	£1071 2 1

* This is charged at 4s. and the price of 7s. 11d. per barrel, is
taken from the above.

Appendix

Appendix No. 5.

Statement of charges on a barrel of Flour,
196 lbs. from Cleveland to Liverpool.

Via Montreal.

	<i>s.</i>	<i>d.</i>
Freight to St. Catherines,.....	1	3
ditto to Liverpool, No. 5. . .	14	6
	<hr/>	<hr/>
	15	9

Via New York.

	<i>s.</i>	<i>d.</i>
Barrel lining, nailing &c.....	1	10½
Freight to Buffalo,.....	0	7½
Storage and Shipping,.....	0	3½
Freight to New York,.....	3	1½
Cooperage 2d. Insurance 2d.....	0	4
	<hr/>	<hr/>
	6	3
	<i>s.</i>	<i>d.</i>
Shipping charges,.....	0	3
Freight to Liverpool,.....	1	6
† Charges in Liverpool per No. 4. less Insurance,..	2	9
Insurance 1 per cent on 30s.	0	4
Interest on disbursements,	0	3
4 months Interest on 20s. original cost,.....	0	3½
	<hr/>	<hr/>
	5	4½
	<hr/>	<hr/>
	11	7½
Gain in favor of New York.....	3	1½
	<hr/>	<hr/>

† NOTE.—The charges in Liverpool are equal—the difference between Montreal and New York and Liverpool, arises in Freight and Insurance, the former being 4s. and 6d. 3-8; the latter 1s. 6d. and 4d.

Appendix

Appendix No. 6.

Question submitted to the Members of the Legislative Assembly, as to the price Wheat should command in their respective Districts, to yield an interest on the Capital invested in Land, or to remunerate the Grower.

What price should Wheat command, per bushel, in your District, to yield an interest on the Capital invested in Land, or to remunerate the Grower ?

NAMES.	DISTRICT.	Price, per Bushel.	REMARKS.
		s. d.	
Boulton, Henry John	Niagara,	4 0	{ But I think it should command 5s.
Boswell, G. M.	Northumberland, (South Riding.)	5 0	
Boutillier, Thomas ..	St. Hyacinthe, ...	5 0	{ Ours' is not a Wheat Country.
Cameron, Malcolm ..	Lanark,	5 0	
Chesley, S. Y.	Cornwall,	6 3	
Child, Marcus	Stanstead,	5 0	
Christie, Robert	Gaspé,	10 0	
Cook, John	Dundas,	5 0	{ There is not enough grown for home consump- tion on account of the fly.
Delisle, A. M.	Montreal,	5 0	
Derbshire, S.	Bytown,	5 0	
DeWitt, Jacob	Leinster,	5 0	{ When it can be raised free from the fly.
Dunlop, William, ...	Huron,	5 0	
Forbes, C. J.	Two Mountains, ..	5 0	{ Even at that price the remuneration is small, as labour is higher in my District than in any other in the Province.
Foster, S. S.	Shefford,	5 0	
			{ Not growing Wheat on ac- count of the fly.
			{ Ours' is not a Wheat Country.

Appendix

Appendix No. 6.

Question submitted to the Members, &c.—*Continued.*

NAMES.	DISTRICT.	Price, per Bushel.		REMARKS.
		s.	d.	
Gilchrist, John	Northumberland, (North Riding.)	5	0	{ When Wheat is at 5s. at Cobourg, only 4s. 6d. can be obtained with us in consequence of transport.
Hale, Edward.....	Town Sherbrooke,	5		
Hamilton, J. R.....	Bonaventure,	10	0	
Hincks, Hon. F.	Oxford,	5	0	
Hopkins, Caleb.....	Halton, (East Riding.)..	5	0	
Johnston, James ...	Carlton,	5	9	{ to 6s. 3d.; this will merely pay in a good season.
Kimber, René J. ...	Champlain,	5	0	
Macdonald, J. S.	Glangary,	5	0	
McLean, Alexander	Stormont,	5	0	
Morre, John	Sherbrooke,	5	6	
Parent, Etienne	Saguenay,	"	"	{ It depends upon the quantity rai- sed; and that de- pends upon the frost and the fly.
Parke, Thomas	Middlesex,	5	0	
Roblin, J. P.	Prince Edward, ..	5	0	{ But I think it ought to com- mand 5s. 6d.
Smith, Henry	Frontenac,	5	0	
Smith, Hermannus..	Wentworth,	5	0	
Sherwood, George..	Brockville,	5	0	
Steele, Elmes	Simcoe,	4	"	
Taché, E. P.	L'Islet,	5	6	
Taschereau, A. C. ..	Dorchester,	5	0	
Thompson, David..	Lincoln,	5	0	
Turcotte, J. E.	St. Maurice,	5	0	
Williams, J. T.	Durham,	4	6	
Woods, Joseph	Kent,	4	0	
Yule, John	Chambly,	5	6	

Appendix No. 7.

EXTRACT of the Scale of Duties under the late
Corn Law passed in the last Session of the
 Imperial Parliament.

		Wheat, per Imperial Quarter.		Flour, Per Barrel.				Difference between Foreign & Colonial Duty on Flour.	
		Duty on Foreign.	Duty on Colonial.	Duty on Foreign.		Duty on Foreign.			
		s.	d.	s.	d.	s.	d.	s.	d.
Under 51s.		20	0	5	0 12	0	3-4	3	0
51s. & do.	52s.	19	0	5	0 11	5	1-8	3	0
52s.	do. 55s.	18	0	5	0 10	10		3	0
55s.	do. 56s.	17	4	0	10	2	3-4	2	4 7-8
56s.	do. 57s.	16	0	3	0	9	7½	1	9 5-8
57s.	do. 58s.	15	0	2	0	9	0¼	1	2½
58s.	do. 59s.	14	0	1	0	8	5	0	7 7-32
59s.	do. 60s.	13	0	1	0	7	9 7-8	0	7 7-32
60s.	do. 61s.	12	0	1	0	7	2 5-8	0	7 7-32
61s.	do. 62s.	11	0	1	0	6	7 3-8	0	7 7-32
62s.	do. 63s.	10	0	1	0	6	0 1-8	0	7 7-32
63s.	do. 64s.	9	0	1	0	5	5	0	7 7-32
64s.	do. 65s.	8	0	1	0	4	9 3-4	0	7 7-32
65s.	do. 66s.	7	0	1	0	4	2 1-3	0	7 7-32
66s.	do. 69s.	6	0	1	0	3	7 1-3	0	7 7-32
69s.	do. 70s.	5	0	1	0	3	0	0	7 7-32
70s.	do. 71s.	4	0	1	0	2	4 7-8	0	7 7-32
72s.	do. 73s.	2	0	1	0	1	2½	0	7 7-32
73s. and upwards.		1	0	1	0	0	7 7-32	0	7 7-32

