

EXTRACTS

FROM THE MONTREAL GAZETTE OF THE 17th JANUARY,

RELATIVE TO

THE LETTER OF DISSENT

OF

TWELVE MEMBERS OF THE BOARD OF TRADE,

FROM THE

PETITION OF THE BOARD TO THE QUEEN,

For a Duty of Five Shillings per Quarter

ON

CANADA WHEAT.

MONTREAL :

Printed at the "Montreal Gazette" Office.

1849.

EXTRACTS, ETC.

The recent protest of twelve Members of the Montreal Board of Trade against the Petition to the Queen, lately drawn up by the Council of that body, in favor of a fixed protective duty in England in favor of Canada Wheat, commences thus:—

It is with extreme regret that we find ourselves, as Members of the Board of Trade, under the necessity of taking exception to a Petition to Our Gracious Sovereign the Queen, adopted on the 11th instant, by the Council *in the name of the Board*. Against that Act of the Council (a body consisting of eleven members, six of whom only were present on the occasion) we beg respectfully to protest, being of opinion that the Petition should have been called what it really is, that of the Council and not the Board, inasmuch as it was not submitted to the latter, and consequently cannot, in strict propriety, be called its Petition. Had it been deliberately adopted by the Board after full discussion, we should have cheerfully submitted to it as the opinion of the majority, but, under existing circumstances, we beg respectfully to state, that we dissent from it as containing principles which we cannot acquiesce in,—details which are at variance with our knowledge of facts,—and sentiments which are consistent with our convictions.

We believe it is not usual for the Council of the Board to call general meetings of the whole body, to discuss such questions as the framing of a petition. In fact, little business could be transacted by any public body, if its executive department were compelled to assemble their constituents to debate upon the letters, memorials, or other papers necessary to be drawn up by them, in the management of affairs for the general interest. All that can be expected by the members of any association, is that its Council, or Executive Committee, shall represent generally the opinion of the majority of the body. To expect more would be ungenerous, and would prevent men of talent

and independence from giving either time or trouble to such bodies. It is, therefore, somewhat unreasonable in the protesting gentlemen, by the above extract to seem to be willing to yield to the majority of the Board, while they look for a direct expression of the opinion of that majority, before they admit the propriety of the Council taking it upon them to represent it.

From the mode of expression—which might have been supposed accidental, were it not for the italics—adopted in the protest, a common reader would be induced to infer, that a large proportion of the Council, and a still larger of the general members of the Board of Trade, were opposed to the views of the Council, and particularly so to the Petition itself. So strong is the presumption of such an inference that one newspaper—the Journal and Express, of Hamilton—calls the letter of the dissentient gentlemen, “*the address of the Montreal Board of Trade to their President*.” This is a reading of the letter of dissent, which the gentlemen who signed it ought so to have guarded against, as to have left nothing to the supposition of readers generally, to whom the real state of the matter is unknown.

While, therefore, we set this matter in a proper light, we also consider it necessary, from the importance of the subject, to show that they stand almost alone, as members of the Board of Trade, in the views they entertain respecting the Petition.

This will be seen from the following document, which has been addressed by other members of the Board to the President, expressing their entire concurrence in the prayer of the Petition.

*To the Honorable Peter McGill, President of
the Montreal Board of Trade.*

We, the undersigned members of the Corporation of the Montreal Board of Trade, having perused a document signed by thirteen members of the said Corporation (one of whom has since withdrawn his name,) and published in the newspapers of the city, dissenting from the petition recently adopted by the Council of the Board of Trade, praying that the Imperial Government may be pleased to continue protection to Canadian Grain, and for other objects, deem it due to the Executive of the Corporation, as well as to ourselves, publicly to state that we fully join in the prayers contained in the Petition, firmly believing that their being acted upon, would restore prosperity to the country, and cement it indissolubly to the Parent State. We regret that any members of the Board of Trade should have felt it incumbent upon them to pursue a course, in the premises, calculated to weaken the representation of the Council, although the views and opinions enunciated by the Council, are those entertained by a large majority of the Corporation.

Jas Gilmour	Hew Ramsay
David Torrance	Jas Hervey
C S Ross	Jas L Mathieson
Wm Murray	Henry Venner
Hugh Allan	C W White
J Glennon	J Bethune, Jr
G Moffatt	G D Watson
Alex Bryson	C J Dunlop
Jas Logan	Wm Carter
R D Collis	D Davidson
H E Montgomerie	Jas Scott
John Molson, junr	John Frothingham
J H Birss	J G Mackenzie
John Speirs	Thos Ure
Wm Dow	T B Hall
J B Smith	Wm Rodden
E S Renaud	R Corse
H H Whitney	Wm Watson
Ed Way	Jas E Major
T M Taylor	S P Tilton
And. H Armour	D Murray
Jas Breckanridge	Robert Esdaile
And. McGill	John Kay
John Birss	Jas Porteous
Jas Cuthbertson	Wm Bradbury
John Armour	R Latham
H Fowler	David Twiname
Chas Geddes	Thomas Wilson
Augustus Heward	

Montreal, 16th Jan., 1849.

We have also taken some pains to ascertain the opinions of the whole of the members of the Board, upon this question, it being a matter of no small moment to the Colony, that the British public should not be under any misapprehension, nor under any idea that the commercial community of Montreal do not entirely unite with the

Council of the Board of Trade, in the object they wish to attain.

Total number of Members of Board of Trade.....	103
Members of Council.....	11
Signers of the above Letter.....	57
Absent from City.....	13
Refused to sign without definite reason.....	3
Refused on the ground of consistency as local protectionists.....	5
Refused, desiring annexation to U. States.....	1
Remaining on Protest.....	12
Withdrawn.....	1
	— 13
	— 103

Of the gentlemen absent we have every reason to say, from their known sentiments, that ten would approve of the Petition, and three are doubtful, while the five who declined on the ground of consistency as local protectionists, unanimously approve of it also. Allowing the whole of the others to favor the protesters, the real numbers, if officially recorded, would stand thus:—

For the Petition	87
Against it	16
	—
Majority	71

A majority which conclusively condemns the proceedings of the protesters, even on the principle ennuunciated by them in their protest.

[The following letter, over the signature "Montreal," from a merchant of this City (who for many years has been largely interested in the trade of the country) while passing through New York on his way to England, was published in the *Gazette* of the 17th instant, and its statements are supported by the mercantile community.—
ED. MONT. GAZ.]

TO THE EDITOR OF THE MONTREAL GAZETTE.

NEW YORK, 9th January, 1849.

Sir,—Having been absent from Montreal for some weeks, it was only the other day that I happened to see the Herald of the 30th ult. The petition of the Board of Trade to the Imperial Government, asking for the exaction of a duty of 5s. per quarter on Foreign Wheat imported into Great Britain, and the free admission of Canadian Wheat

has not perhaps provoked more discussion than might have been expected, considering the important interests involved; but that there were more than three people in Montreal who could have opposed the petition I did not believe. It seems however that there are thirteen,—the Editor of the Montreal Herald, and the trifling minority of twelve of the Board of Trade. The former has favored his readers with two columns of fair editorial matter on the subject, and the latter have favored the public with a long protest full of bold assertions, and notoriously incorrect statistics. No particular exception can be taken to the remarks of the Herald, they merely convey the opinions of the Editor, who informs us that there is no reaction in public opinion in England on the subject of Sir Robert Peel's Policy, and that there is no chance of the petition of the Board being favorably responded to. People may, perhaps, so far fairly differ on the subject. I, however, with many others, dissent from the Herald's opinion; and believe that there is a most important reaction in the public mind throughout the United Kingdom, and that the chances in favor of the prayer of the petition being granted sooner or later, are daily increasing.

I would here most particularly beg to call attention to the fact, that neither the Herald nor the protesting parties pretend to deny that the attainment of the object petitioned for, would promote to an incalculable degree the prosperity of the Province at large. Considering that the petition in no way interferes with any other measure at all likely to advance the interests of Canada, while the attainment of its prayer would most effectually do so, and undeniably secure its prosperity, it is difficult to avoid the conclusion that the protesting parties have ulterior views—views very different from the prosperity of Montreal and of the Province of Canada. It is probably difficult to say what these views are; but I believe those who were mainly instrumental in promoting the protest, to be actuated by views of a political character.

Having stated that the protest is full of bold assertions and notoriously erroneous statistics, I shall endeavour to prove this to be the case.

The protesting parties take exception to the petition, being considered that of the Board of Trade, and say, that it should have been called the petition of the Council; they also say that they would have cheerfully submitted to it as the opinion of the Board, had it been adopted after a full discussion. As it may not be generally known, I may state that the Council is annually chosen by the

majority of the Board, whose views it is but fair to suppose it represents, and in styling the petition that of the Board of Trade, the Council acted in the customary, and in the only correct manner. It will be observed that the protesting parties do not openly deny that the petition represents the opinion of the majority of the Board; that they could not do; and had they not been borne down by the conviction that it does harmonize with the views of the majority—aye, and of an overwhelming majority, it is clear as noon-day, that they would have availed themselves of the right which every twelve members of the Board possess—the right of directing the President to call a general meeting, by means of which the petition, if inconsistent and at variance with the opinions of the majority, would have been disavowed and condemned. It must be manifest that this mode of procedure would have most effectually established, or destroyed, the first position of the protesting parties, and would have spared them the necessity of making many unfounded assertions and fallacious assumptions. The course which they have chosen must be regarded as conclusive with respect to what they felt assured would be the certain result of a general meeting, they knew that it would be to reject their views, and thereby to deprive them of any pretext whatever of appearing before the public, a consummation they were no doubt anxious to avoid, because it would neither have suited their purpose, nor led to the gratification of their vanity. The following I extract from the petition of the Board of Trade:—

“That the most prominent of the changes referred to, is a growing commercial intercourse with the United States, giving rise to an opinion, which is daily gaining ground on both sides of the boundary line, that the interests of the two countries under the changed policy of the Imperial Government are german to each other, and under that system, must sooner or later be politically interwoven.”

The protesting parties remark on this as follows:—

“Now, whilst we admit the growing interests of the two countries to be ‘german’ to each other, we dissent entirely from the conclusion which the Council seems to draw therefrom, and to imply that the country participates in viz—That it must precipitate a political connexion between this Colony and the United States.”

Now, this is merely a round about way of stating that mankind are not influenced by their interest, in rejecting or adopting the Government under which they live; which is nonsense, and any farther remarks on the subject may be viewed as superfluous. Notwithstanding this, let me ask—

if mankind are not urged by their interests to adopt or reject particular forms of Government; what is the cause of the revolutions by which Europe is now convulsed, and why did the old colonies of any of the European States shake off their allegiance, and seek at enormous temporary sacrifices a change of Government? I quote the following from the Protest:—"We trust the loyalty of the Province depends on something loftier than a mercenary motive." This is, no doubt, remarkably fine, and an admirable sneer at the loyalty of the majority of the Board of Trade. It seems to me, however, that such sneers ill become some of the members of the protesting party; I think I see amongst them those whose loyalty is, perhaps, little more to be depended upon than their statistics. I should like to see the desire of the protesting party to perpetuate the unity of the Empire, based on something more solid than an idea. Loyalty, while nourished by interest, its indispensable accompaniment, will, no doubt, flourish like a vigorous evergreen, unless the soil in which it is planted is abominably bad; but withdraw the accompaniment, and you may tremble for the fate of loyalty. What man of common sense can view the relative position of Canada and the United Kingdom, and suppose for a moment they can remain any length of time connected by a tie so unreal as loyalty, weakened by the opposition of actual interests.

The following quotation from the petition of the Board, embodies the points which occupy most fully the attention of the protesting parties:—

Firstly.—The result of a total cessation of the differential duty on grain in England, will be to make New York the port of shipment for the great bulk of the produce of Canada, in consequence of the greater cheapness in forwarding it to the markets of England by way of the United States, than by the former route of the St. Lawrence. This is a statement which in the opinion of your Petitioners cannot be refuted, whether with reference to our past experience, or to any future probable changes in the cost of forwarding by either route.

Secondly.—The port which is found to be the most eligible for the exports, will also be found to be the best suited for the imports of a country, for one reason, among many others in this case, that inward freight cheapens outward freight, and *vice versa*; accordingly New York must inevitably become the Port of Import for Canada to the serious injury of the Trade of the St. Lawrence.

Thirdly.—The Bonding system introduced by the American Government, by means of which British and Foreign manufactures may be purchased in New York on much the same terms as in Montreal, must have the effect of attracting the merchants of Canada to New York for the purchase of their supplies, if that city shall become the Port of Import and Export for Canada, and thus the ruin of the Trade of the St. Lawrence, of so much importance to Great Britain, and this Colony in a national point of view, cannot fail to be consummated.

The protesting parties deny that the route via New York, is the cheapest by which the products of the West can be sent to Europe; they assert that the route by the St. Lawrence is cheaper, and sum up what they assert and assume in support of their opinions, in the following statistics, which I copy from the protest:—

Downward Freights by way of the Erie Canal.	
	cents.
From Cleveland to Buffalo,.....	16
From Buffalo to Albany,.....	77
From Albany to New York,.....	8
	—
	101

Downward Freights by way of the St. Lawrence.
cents.
Average of 1848 from Cleveland to Quebec, 60
Leaving a balance in favour of the St. Lawrence route of 41 cents per Barrel.

No. 2.—Upward Freight by way of the Erie Canal for 100 lbs of Merchandize:..

	cents.
From New York to Albany,.....	4
From Albany to Buffalo,.....	45
From Buffalo to Cleveland,.....	15
	—
	64

Ditto by way of the St. Lawrence:—

	cents.
From Quebec to Cleveland,.....	30
Leaving a balance in favour of the St. Lawrence route of 34 cents per 100 lbs of Merchandize.	

Now, these statistics are totally illusory and incorrect, they have no relation whatever to the present state of things, and have, in fact, no better foundation than the imagination of those who submit them. Two or perhaps three of these parties should know this to be the case; the other nine or ten, from the nature of their vocations can have little, if any, practical knowledge of the matter, and cannot be expected to know whether they are right or wrong.

The statistics which I now submit, have just been obtained from some of the most respectable Forwarding Houses in this city, and will no doubt be regarded as entirely conclusive, with respect to the average rate of freight from Cleveland to New York via the Erie Canal, during the past year. The following statement which exhibits the average rate of freight from Buffalo to New York, during each month of the past season, was taken from the records of the actual transactions of one of the Houses referred to.

	Freight.	Canal Toll.	Total.
May, the average was	38½	31½	70
June, do	24½	31½	56
July, do	24½	31½	56
August, do	24½	31½	56
September, do	28½	31½	60
October, do	43½	31½	75
November, do	50½	31½	82
			—
			455
			—

Making the average rate of freight 65c, instead of 85, as quoted by the protesters from Buffalo to New York. The average rate of freight from Cleveland to Buffalo, was about 10c., but to avoid all disputes, let it be assumed at 12½c., which will show the actual average rate of freight from Cleveland to New York, during 1848, to have been 77½c. per barrel. It is of course impossible to say, what the average of 1849 will be; but at present contracts could be made at 87½c. per barrel, from Cleveland to New York, for the entire of that season, from which it may be inferred, that the actual average is not expected to exceed that of 1848. With reference to freight from New York to Cleveland via the Erie Canal, I take the following from the Tariff for 1848, which was printed and circulated by the different Forwarding Houses in this city, and which of course exhibited the highest rate paid for such goods.

	Freight per 2000 lbs.	Canal Toll.	Total.
Pig Iron.....	\$3,50	\$2,80	\$6,30
	Freight per 100 lbs.	Canal Toll.	Total.
Sugar, Molasses,			
Coffee, Bar Iron,			
Steel, Nails and			
Crockery.....	\$0,24	\$0,18	\$0,52

As a rule, property can be carried from Cleveland to New York, and *vice versa*, by way of Oswego somewhat cheaper than by way of Buffalo. The names of the parties from whom the foregoing facts have been obtained can be furnished if necessary.—

The next subject which offers itself for consideration is, that of the rate of freight, which the protesting parties assume, from Quebec to Cleveland, viz., 30 cents per 100 lbs. If this is intended to be the rate of freight for Pig Iron, it is, perhaps, not over 5 cents under the mark; but if it is intended to convey the idea that 30 cents per 100 lbs. is the rate of freight for general merchandize, it is a very wild and illusory supposition. In the first place, no traffic in general merchandize has been carried on between Quebec, or Montreal, and Cleveland, and any rate stated must be supposititious; we have, however, had a considerable trade between Montreal and Port Stanley, to which place goods can, without doubt, be sent at as low a rate of freight from New York or Montreal as to Cleveland, the one port being nearly opposite to the other on Lake Erie. The average rate of freight from Montreal to Port Stanley prior to 1848 was not less than 60 cents per 100 lbs. On the contrary, I think those who choose to investigate the matter will find it to have been considerably more. In consequence of the opening of the St. Lawrence Canals, and the very limited amount of business done, the average rate from Montreal to Port Stanley during 1848 was reduced to what Forwarders call the ruinously low figure of 40 cents per 100 lbs. The rate from Quebec would, of course, be at the very least 5 cents more, making the actual rate from Quebec to Cleveland during 1848 45 cts. per 100 lbs. in place of 30 cents, unreasonably and fallaciously assumed by the protesting parties.

I will now recapitulate the foregoing facts by which the gross incorrectness of the statistics, submitted by the protesting parties, will be made more glaringly manifest.

Actual average rate of freight of Flour per barrel from Cleveland to New York during 1848, 77½ cents. I will give the protesting parties the benefit of the rate which they assume to be the average during the same period from Cleveland to Quebec, and which we may safely suppose they did not think too much—say 60 cents. This shows that a barrel of Flour can be carried on the average from Cleveland to Quebec for 17½ cents less than from Cleveland to New York, leaving a difference of only 17½ cents in place of 41 cents in favor of the St. Lawrence. But even this presents much too favorable a view of the St. Lawrence route. It must be borne in mind that while the State of New York is deriving an annual gross revenue of about \$2,813,839,19 for the year 1848 from the Erie and Oswego Canals, that Canada, for the purpose of allowing goods to be carried at the low rate stated, scarcely exacts tolls sufficient, if sufficient, to keep her Canals in repair,

and to pay the expense of superintendence, and that the country is heavily taxed to pay the annual interest on the money by means of which the Canals were constructed. Whatever sum is exacted from the country for this purpose is nothing more or less than so much additional freight on property passing up and down the St. Lawrence. If it is not paid by the owners of the property, it is paid by the people of Canada, and in that consists the only difference between it and ordinary freight. To show the actual cost of freight by the two routes, the revenue, or profit, which the State of New York derives from Flour passing through her Canals should be deducted from the amount of freight from Cleveland to New York; while the loss sustained by the Province of Canada, in consequence of the insufficiency of the tolls levied on her Canals, should be added to the average rate of freight from Cleveland to Quebec. The revenue derived by the State of New York from Flour passing through her Canals is, perhaps, equal to 15 cents per barrel, while, on the other hand, the Province of Canada loses, perhaps, 10 cents on every barrel of Flour which passes down the St. Lawrence. Let us assume this to be so, and carry the statement to its ultimate consequence, not that the object in view requires it to be done, but for the purpose of inducing consideration on the part of those who have not given the matter thought.—The merits of the two routes will under this view stand thus:—

Average rate of Freight from Cleveland to New York, during 1848, per barrel.....	75 cents
Less profit on this sum, received by the State of New York as revenue.....	15 cents
Actual cost of forwarding a barrel of Flour from Cleveland to New York during 1848.....	60 cents
Average Freight of a barrel of Flour from Cleveland to Quebec, as assumed by the protesting parties.....	60 cents
Add Freight paid by the Province of Canada, in the shape of interest, &c., not included in this sum.....	10 cents
	70 cents

So that when we approximate towards the actual cost of business, the difference appears to be 10 cents per barrel against the St. Lawrence, in place of 41 cents in its favor! The delusive statements of the protesting parties do not stop with the exhibition of 41 cents in favor of the St. Lawrence; they carry them out most consistently as they proceed to extend

their comparison of rates from New York and Quebec to Liverpool respectively—which they do as follows:—

Freight of a barrel of Flour from Cleveland to New York, <i>via</i> the Erie Canal.....	101 cents
Freight from New York to Liverpool....	48 cents
Total.....	149 cents
Freight from Cleveland to Quebec.....	60 cents
Freight from Quebec to Liverpool.....	72 cents
Extra Insurance from Quebec to Liverpool.....	7½ cents
	159½ cents
	9½ cents

After all their ridiculous assumptions and allowances, they only succeed in making out a difference of 9½ cents, or about 4½d. Sterling per barrel in favor of the St. Lawrence, which amounts to a condemnation of their position. Adopting their rates of Ocean Freight and difference of Insurance, which I shall by and by show to be erroneous, the actual facts, as they affect owners of property, would stand thus:—

Actual average Freight of a barrel of Flour from Cleveland to New York during 1848.....	77½ cents
Ocean Freight assumed by the protesting parties.....	48 cents
Total freight from Cleveland to Liverpool via New York.....	125½ cents
Rate of Freight from Cleveland to Quebec, assumed by the protesting parties.....	60 cents
Ocean Freight assumed by ditto.....	72 cents
Difference of Insurance in favor of New York.....	7½ cents
	139½ cents

Showing 14½ cents in favor of New York.

But the rate of Ocean freight and difference of Insurance assumed by the protesting parties is at variance with all existing facts. They say that the Council of the Board of Trade, of 1846, published a statement showing the average rate of freight from New York to Liverpool to be 2s. 1d. Sterling per barrel; they take good care, however, not to say that the same statement also shows that the average rate of freight from Quebec to Liverpool, during the same period, was 4s. 1d. or 4s. 6d. Sterling per barrel, I forget which; but, to keep within the mark, say 4s. 1d., thereby showing an average difference of 2s. Sterling, or 50 cents per barrel, against the St. Lawrence. After suppressing most

disingenuously this important fact, they proceed to say—we will allow 3s. Sterling to be the corresponding rate from Quebec. We will allow!! but why “we will allow” when there are admitted facts gathered from experience. Why, because facts at once condemn, and effectually destroy the merits of the wildly supposititious case on which they rest their conclusion. But, when allowing, why not say 2s. in place of 3s. One erroneous rate can be little more exceptionable than another, and looking to the figure carried forward, 2s. would have shown a handsome amount in favour of the St. Lawrence, in place of the trifling one of 9½ cents, or about 4½d. Sterling per barrel, which is the miserable result of all their fallacious assumptions.

Facts derived from experience prove, as already shown, that the average rate of freight from New York to Liverpool is 2s. Sterling or 50 cents per barrel less than from the St. Lawrence. However, to give the St. Lawrence every chance, let us, to cover all contingencies, and to prevent captious exceptions, suppose that the established average can be reduced by 15 cents, which is, I believe, more than ever will be realized—this will reduce the average against the St. Lawrence to 35 cents per barrel.

The following will show the average rate of Insurance from New York and Quebec to Liverpool, respectively :—

	From New York.	From Montreal.
May.....	1½	1½
June.....	1½	1½
July.....	1½	1½
August.....	1½	1½
September.....	1½	1½
October.....	1½	5
November.....	1½	7½
	—	—
	8½	21½
	—	—
	1½	3

It, therefore, appears that 1½ per cent. is the average in favour of New York and against the St. Lawrence. This, however, represents the case of the St. Lawrence in too favorable a light, the average being reduced by the low rates of August and September, when in reality no shipments of consequence are made, while the whole Fall Trade is subject to the very high rates of October and November. From New York, the rate being uniform throughout the season, the same objection does not apply.

The following, which sums up the foregoing facts, exhibits, as nearly as possible, the relative cost of

forwarding from Cleveland to Liverpool by the respective routes of the Erie Canal and the St. Lawrence :—

Actual average Freight of a barrel bulk from Cleveland to New York during 1848. 77½ cents
Average Freight from New York to Liverpool 2s. 1d. Sterling, or.... 50 cents

Total..... 127½ cents

Rate of Freight from Cleveland to Quebec, as assumed by the protesting parties..... 60 cents

The average difference of freight to Liverpool in favor of New York has been shown to be 50 cents per barrel, but to cover all anticipations and contingencies we assume that the difference can be reduced to 35 cents, which sum being added to the rate of freight from New York to Liverpool will show the rate from the St. Lawrence to Liverpool to be..... 85 cents

Extra insurance from Quebec to Liverpool 1½ per cent, which, on 25s., is..... 8½ cents
————— 153½ cents

Showing against the St. Lawrence.... 25½ cents

The relative merits of the New York and Quebec or Montreal markets form a subject about which something, perhaps not particularly favorable to the latter, might be said; time, however, will not permit me to refer further to it at present.

I would beg attention to the following extract from the Protest :—

“ We have already stated that we do not think the country generally participate with the Council of the Board of Trade in such sentiments, and we are at a loss to know on what evidence they found their assertion. Moreover, we consider it but little calculation, to raise the Board of Trade or the people of Canada in the opinion of our Most Gracious Sovereign the Queen and the people of the Mother Country, to allow the sentiments to go forth uncontradicted, that our loyalty to the Queen, and our attachment to British Institutions and connexion depend on the Mother Country taking what we would consider a retrograde step in the development of her new commercial policy. We trust the loyalty of the Province depends on something loftier than a mercenary motive.”

On the last sentence of this paragraph I have already remarked. The Members of the Council of the Board of Trade, from the ramification of the business in which they are respectively engaged, and

The extended correspondence and frequent intercourse with parties in all sections of the Province, which necessarily arises therefrom, undoubtedly possess superior opportunities of gaining information regarding the views generally entertained with respect to the consequence to Canada likely to flow from the newly adopted and anti-Colonial policy of the Imperial Government. I do not believe that any man, who is at all well informed on the subject, will differ from the opinion expressed in the Petition of the Board of Trade. The protesting parties are, perhaps, indifferently informed, if not ignorant, on the subject. I think this likely, and I do not think that the somewhat qualified contradiction which they venture to give to the opinion expressed by the majority of the Board can receive, or is entitled to, any consideration. Ignorance of a fact cannot be regarded as a proof of its non-existence. The Board of Trade, believing, as it does, that the anti-Colonial and destructive policy of Sir R. Peel will, unless changed, be fatal to the unity of the British Empire, would have acted the part of traitors to their country had they not stated as they have done to Her Most Gracious Majesty the alarm which they entertained.

Those who believe that the unity of the Empire is not endangered by the policy in question, are, of course, entitled to their opinions, which, being sincere, deserve respect, whatever may be thought of their judgment. There may, perhaps, be those who believe that the unity of the Empire is endangered by the policy in question, while they express a contrary opinion. If there are such, they are traitors to their country, and deserve to have the finger of scorn pointed at them by all honest men.

The following from the Petition of the Board, next and lastly, engages the attention of the protesting parties :—

“ Firstly.—It would be no violation of the new fiscal principles of the English Government, inasmuch as such a duty as that prayed for would simply be a tax for Revenue, and Your Petitioners see no reason why Grain should not be moderately taxed as well as any other commodity.

“ Secondly.—Your Petitioners are of opinion, from practical observation, that such a duty would not come out of the pocket of the consumer, but out of that of the producer, that it would not in the general course of things add to the price of Bread-Stuffs in the markets of Foreign countries.

“ Thirdly.—Such a moderate fixed duty on Foreign Grain would increase the Revenue of the country, on the average, by about a million Sterling, which, as it would not come out of the pocket of the consumer, would be a great national gain, combining a most seasonable relief to the country in its present financial position, with other advantages of, perhaps, even paramount consideration.

“ Fourthly.—A duty of this kind in favor of Canada would preserve the trade of the St. Lawrence, add to the Revenue derivable from the Provincial Canals, diffuse universal satisfaction throughout the Colony, and, what, in the opinion of your Petitioners, is all important, would continue to attach Canada to the Mother Country, thus perpetuating the present connection, and preserving inviolate the British Dominions.”

The only part of the remarks on the above which require any notice is the following :—

“ We are at variance with the Council respecting the doctrine, ‘ that such a duty would not come out of the pocket of the consumer, but out of that of the producer; that it would not, in the general course of things, add to the price of Bread-Stuffs in England, but would reduce the price of Bread-Stuffs in the markets of Foreign countries.’ Such reasoning we hold to be utterly fallacious and unfounded. We hold that no principle is better founded than that, ‘ in the general course of things,’ (admitting of, we may allow, occasional temporary exceptions,) such duty would add to the price of Bread-Stuffs in England, instead of reducing it in the markets of Foreign countries.”

It will be noticed that the protesting parties do not deny that the principles which they hold has exceptions. These exceptions are manifest with respect to all articles of which a country produces nearly sufficient to satisfy its wants, and more especially so when the duty imposed is such as will not absorb the profit of the foreign producer. Now this is particularly the case with respect to Wheat. England produces the great bulk of what she requires of that article, and the abundance or scarcity of the crop in that country is the great element in establishing the price of the article in every foreign export market.

The imposition of a duty by England of 5s. per quarter on Foreign Wheat would not diminish the production of the article in Foreign countries, because we find that under a much higher duty they produced largely for export. These arguments are strongly supported by facts gathered from experience. During past years the duty on Foreign Wheat imported into England has undergone occasional and important reductions; according to the opinion of the protesting parties, the price in England should have diminished by the full extent of the duty taken off, while the price in those Foreign markets from whence England draws supplies should have in no degree advanced. That this is not the fact is notorious; on the contrary, the effect has been to enhance the price of wheat in Foreign markets to a much greater extent than it has reduced it in England. What was the effect produced on prices in Britain after the 1st of March last, by the duty which came into effect on that day, and which for some time

previously had been suspended. Were prices in England advanced by the extent of that duty? certainly not. They did not advance a farthing, while the prices in Foreign countries—or in other words the prices of Foreign Wheat in bond—at once went down to the full extent of the duty, thereby showing most distinctly, and beyond all equivocation, that the duty then imposed was paid by the Foreign grower. That we shall have a farther demonstration of the fact on the first of February next, when the present duty expires, I feel confident. The fact that the Foreign Wheat now arriving in England is being held in bond until it can be entered for consumption at a nominal duty, manifestly shows that the holders of it expect to gain in price what the British revenue will lose by the abolition of the duty. All who carefully consider these facts will, I have no doubt, be satisfied that the opinion asserted by the protesting parties is utterly fallacious and unfounded. The protesting parties say, that to impose a duty of 5s. per quarter on Foreign Grain

would be to violate the new fiscal principles of the British Government; this assertion is, I think, incorrect. These principles do not preclude taxation for purposes of revenue, and there is no reason why Foreign labour in the shape of Grain should not be taxed for that purpose, as well as Foreign labour in any other shape. If that policy, however, is to lead to the dismemberment of the Empire, and requires the sacrifice of British for the benefit of Foreign industry, which I believe; the sooner it is violated the better. The assertion that Canadians have no right to ask for the imposition of the duty in question, is puerile and unworthy of the transcendentalists who make it. Canadians will do themselves great injustice if they do not look after their own interests; and so long as they are British subjects they have a perfect right to offer any suggestions which to them may appear essential to the promotion of the general interests of the Empire.

MONTREAL.