

As a proof that these discriminating duties impose heavy burdens on us in their operation, it may be added that the amount of duty collected under them last year was no less than £104,555, or about one-fourth of the whole net revenue of the Province derived through the Custom-house, a fact from which your Committee draw the conclusion that the articles required for consumption in this Colony are in many instances cheaper in foreign than in British markets; and that, therefore, our interests are seriously compromised by their operation, in preventing our freely resorting to the cheapest markets for the supplying of our wants. But the amount of duty thus levied affords a very inadequate criterion, taken alone, of the extent to which Canadian interests are sacrificed by the laws in question. Your Committee are of opinion that it is reasonable to assume that the amount lost by the Colony by the operation of the differential duties in question, in enhancing the cost price of imported goods, is fully equivalent to the amount of duty levied under them, viz., £104,555,—a sum utterly wasted as far as this Colony is concerned by our being debarred from the right of going to the cheapest market to supply our wants. To mercantile men this deduction will require no explanation; but for the benefit of others who may not have given the subject adequate consideration, we may add that it arises from its being cheaper in many instances to buy goods in England at a considerable increase over the price of similar articles in foreign markets, provided that such increased price fall short in any degree of the amount of discriminating duty levied on such foreign articles.

Our readers will observe from the foregoing extract that a particular fact is stated, and that from it a particular inference is drawn. The fact stated is this, that the amount of revenue collected under the Differential Duties in 1845 was £104,555; and the inference deduced from it is this, "That [in the words of the Report] it is reasonable to assume that the amount lost by this colony by the operation of the Differential Duties in question, in enhancing the cost price of imported goods, is fully equivalent to the amount of duty levied under them,—a sum utterly wasted as far as this colony is concerned, by our being debarred from the right of going to the cheapest market to supply our wants."

The soundness of that inference, the *Gazette* denies in the language which it delights to indulge in. But we shall allow our readers to judge of it for themselves by the following extract:—

The Board of Trade, we shall soon show from them, have fallen into the error, most discreditable to them as practical men, of considering ostensible the same as real differences, and have, on no occasion, discriminated where the protection is apparent, and where real; but have ignorantly or foolishly assumed that the actual difference is the difference on the whole import. The absurdity of this is evident enough, from the simple fact that in the article of Muscovado sugar, the differential duty being 5s. per cwt., it is taken for granted that the price of the whole import is raised by that amount; the facts being, that, from other causes contemporaneously operating, no sugar the produce of British Colonies could possibly be imported, and the whole duty is merely a tax for revenue, and no more a loss to the Colony for external purposes than any other local customs duty raised for our own local use. To put the case specifically. If a man pays by law on Jamaica sugar 7s. 6d. per cwt., and on Cuba sugar 12s. 6d., and from the operation of the British differential duties there is a bonus of 39s. on taking all the sugar of Jamaica to Britain, there is, in actual practice, no Colonial differential duty at all. It is a mere dead letter, and the apparent difference of 5s. is merely the portion of a tax of 12s. 6d. on all sugar imported, and, if all sugar was admitted at 7s. 6d., the deficiency must be raised by some other local tax; or rather, if the money is not taken out of this or some other pocket, by making a Colonial duty of 5s. in addition, the Colonial revenue must lose the difference.

We shall proceed to show that by not discriminating between operative and inoperative differential duties, in other words, between the true and the false, between the rational and nonsensical, the burden of these duties is more than trebled.

The following statement of the actual operation of these duties will be at once intelligible to any practical man. We are indebted for it, and, indeed, it has been for some time in our hands, to the Collector of Customs of this port, anxious as he always is to furnish to any party entitled to ask for it, all and every information connected with his department.—

Statement of duties received under the Imperial Act 8 & 9, Vic. chap. 93, on the following articles imported and brought into Canada, in the year 1845:—

PORT OF MONTREAL.	
Brandy, .....	£4276 1 9
Gin, .....	2649 19 6
Wine, .....	1741 15 8
Muscovado Sugar, .....	8508 3 6
Tea, .....	227 5 5
Tobacco, .....	127 7 10
Condals, .....	19 13 6
Molasses, .....	771 8 4
Coffee, .....	23 2 0
Oil and Palm Oil, .....	183 11 11
Spices, .....	166 9 9
Fruit, .....	499 12 3
Flour, .....	2442 2 0
Salted Pork, .....	3310 2 4
Cheese, .....	44 10 10
Burr Stones, .....	12 4 8
Total, .....	£25,190 10 3

The total amount of duties collected in Montreal under the Act was £28,922 1s. 0d., which, minus the £25,190 10s. 3d. accounted for above, leaves the total protection in the port £3731 9s. 9d.

It must be premised that we have not taken any notice of the duties on Refined Sugars amounting to about £1,708 in this port, and £2,000 in the others. British Sugars Refined, in bond, for export, pay 10 per cent; Foreign, 20 per cent. In point of fact none but the former quality come, and it is probable none else would come even without any differential duty. As there may, however, be some difference of opinion on this point, we leave it open, and those who think the difference between the two duties a protection must add it to the results. But we apprehend it is simply a tax on a British manufacture for a revenue purpose, and some might think it ought to be deducted from the amount of protection.

The data of the Port of Montreal are believed to be accurate, as they are at hand. In the following tables the last item in each is an approximation. That of Quebec is, probably, a little under, and that of Canada West a little over stated, but it is believed that one error will correct the other, so as not materially to alter the result.

PORT OF QUEBEC.	
Brandy and Gin, .....	£2183 3 10
Isaac and Ham, .....	3 3 3
Coffee, .....	31 13 4
Cheese, .....	1 3 3
Flour, .....	1627 12 0
Meat, Salted, .....	999 15 4
Molasses, .....	£1397 11 11
Raw Sugar, .....	2672 11 2
Rum, .....	2-0 13 0
Tea, .....	72 4 4
Goods paying 4 per cent. ..	376 4 1
Total, .....	£9952 0 6

Duty on Wines omitted, as, from the returns, it could not be ascertained, being blended with other 7 per cent. duties,—would probably add £200 to £300 to the am.

PORTS CANADA WEST.	
Bacon and Ham, .....	£14 13 10
Butter, .....	30 17 2
Cheese, .....	527 12 6
Cocoa, .....	7 10
Coffee, .....	1520 1 3
Fruit, .....	107 12 3
Flour, .....	1892 13 0
Meat, Salted, .....	3541 10 8
Molasses, .....	£688 15 3
Rum and Spirits, .....	43 0 0
Cordials, .....	31 8 2
Raw Sugar, .....	4874 17 9
Teas, .....	7296 19 4
Goods paying 4 per cent. ..	6139 11 7
Total, .....	£37,800 0 7

Part of Montreal, .....	£25,190 10 3
Part of Quebec, .....	9,952 0 6
Ports Canada West, .....	27,800 0 7

Total, .....

Equal to .....

Total amt. of Duties received in Canada under aforesaid Act, in 1845, in Cy. £104,555

INTO MONTREAL.		
	1844.	1845.
British Manufactures from the U. Kingdom, .....	£1,635,111 11 3	£1,815,431 11 11
Other Goods from do, .....	163,115 0 9	146,327 8 7
Goods from other places, .....	231,689 4 9	161,872 19 9
Total, .....	Sterling, £2,034,315 16 0	£2,123,631 18 3

No packages included.

Total amount of Duties levied in 1845, under the Imperial Act 8 & 9  
 Victorie, chap. 93, .....

Amount of Duties levied under the aforesaid Act on Foreign articles, which are not produced or manufactured in the United Kingdom, .....

Total amount levied for the protection of British Manufacturers, .....

Here, therefore, the mighty sacrifice of £104,555 dwindles down under the searching eye of truth and severe fact to £27,975! What can possibly be plainer? The United Kingdom and its dependencies produce neither Brandy, Gin, Tea, Olive and Palm Oil, Fruit nor Burr Stones. They produce for export to this colony neither Wine, Muscovado Sugar, Tobacco, Cordials, Molasses, Coffee, Spices, Flour, Salted Pork or Cheese. On other articles subject to differential duty none has ever been levied. To recur again to Raw Sugar, the greatest item of all. It is notorious that until lately the duty in Britain on Foreign Sugar was 63s. and that on Plantation but 24s. and the price of B. P. Sugar was thus artificially kept up in Britain to a point at which Brazil and Cuba Sugars were occasionally introduced for consumption. Up to the end of the year 1845, not a single ounce of B. P. Sugar could have been, or in point of fact ever was, imported into this Colony. For while there was a bonus of 3 1/2. for carrying the whole produce of the West India colonies to Britain, what availed one of 5s. for bringing in here? It was mere waste paper. The Board of Trade will excuse us saying so, but it can move nothing but contempt to find them basing a grave calculation on such a transparent fallacy which it is impossible that persons engaged in business should not have known to be such. The same remark would apply to several other items.

We will admit that the differential duties so far as they are operative are an entire loss to the colony. We admit that in the year 1845 they cost the province out of an import of over two millions, the enormous sum of twenty-eight thousand pounds.

In the foregoing extracts, truth and error are so intimately blended, that it requires great care to separate the one from the other. In the first place, the *Gazette* tries to impress his readers with the belief that the Board of Trade absolutely fixed the amount lost by this colony by the operation of the Differential Duties at the sum of £104,555; while any intelligent reader will perceive that the Board of Trade merely thought it "reasonable to assume" that the amount so levied was a fair index to the amount actually sacrificed by "being debarred from the right of going to the cheapest market." The false impression which we accuse the *Gazette* of thus attempting to raise, is one of those paltry devices which any sophist of the meanest capacity may successfully practice. But an intelligent reader will have no difficulty in this instance in detecting it. He next betrays either an unscrupulous want of candor (to use a mild term), or, for a public journalist, an pardonable amount of ignorance. Speaking of the differential duty on Sugars, he attempts to lead his readers to suppose that none but foreign sugars were imported, and that hence the people of this colony sacrificed nothing by the differential duty of 5s. per cwt. Is it to be supposed that our contemporary was to such a degree ignorant of the subject he was writing upon? or is it rather to be supposed that, with characteristic want of candor, he suppressed an important fact in order to lend the colour of probability to his false reasoning? We fear to pronounce an opinion, lest we should be considered harsh. We leave our readers to judge for themselves. The fact of the case, however, as proved by a commercial circular which we have before us, and which we are assured was compiled from "official sources," is, that the import by sea into Canada in 1845 was as follows: *Bastard Sugars from England* paying a duty of 7s. 6d. per cwt.,