CANADA.

modifies her fiscal system, so as to allow our articles of merchandize to pass through her territory free of duty, both from and to the Atlantic Ocean. How are we to meet and counteract this interested but enlightened policy?—Simply by adopting a similar course of action. We must, in like manner, remove every obstacle in the way, and hold out every possible inducement to the inhabitants of the United States to pass their merchandize through our country. Instead of hermetically sealing to their ships the outlet of the St. Lawrence, we must offer to them the free navigation of its waters, subject only to such a moderate imposition in the shape of tolls as will suffice for the annual expense of keeping the canals in repair, the payment of the interest of the money expended in their construction, and the appropriation for the sinking fund for the redemption of the debt incurred. The amount required to be raised annually for these purposes would amount to 100,000l.; a moderate impost, and easily collected with an enlarged commerce along this route, as must be admitted, since the revenue derived from tolls on the Erie Canal is about 600,000l. per annum.

That by this means the St. Lawrence can advantageously, as regards economy, compete with any other route, can scarcely be doubted. In the first place (no trifling saving, especially in grain, flour, and other bulky articles), goods may be consigned without transhipment from their original port of embarkation to that of their destination; whereas, by the other routes, there must be two transhipments before the goods can be landed in a shipping port. Secondly, the large size of the vessels which can be employed on the St. Lawrence route, in comparison with those on the other, will enable the former to convey goods at a very much cheaper rate of freight than by the latter. Thirdly, the small amount of canal navigation by the St. Lawrence, in comparison with that by the Erie route, is a decided advantage to the former, as the following statement, extracted from the Journals of the New York Legislature, will evince:—

"Even at the present reduced rate of toll on the Erie Canal, river transportation has the advantage by more than 300 per cent. The charge upon the transportation of wheat per bushel from Troy to New York is three cents, while the same transportation for a like distance upon the canal cannot be effected for less than 10 cents."

The comparative claims to public support of the two routes are clearly exemplified in the following table:—

Distance.	_	Size of Cana	Canal.	Lake and River.	Lock- age.	Tran- shipment.	
Miles. Buffalo to New York 508  Port Colbourne to 363  Montreal 363	Size of Canal	Canal. 70 by 7	Lock.  120 by 24  Welland - Cornwall - Beauharnois	Miles. 363	Miles. 145 295	Feet. 698 533	2

Under this aspect, need we despair of succeeding in directing through the St. Lawrence a large proportion of the exports and imports of the Western States, and of the upper portion of the province? But it can only be done by making this the cheapest route; to that object every other must yield. Competition in every form must be encouraged; the employment of capital, British or foreign, must be invited, and if the foreigner can transport our produce, or that of our neighbours, to or from the shipping ports the cheapest, he must not be thwarted or impeded under the plea of protection to native industry, or under any of the other pretexts which are used to perpetuate monopoly and its concomitant evils.

The Association trusts that a representation of the injury to this province, arising from the restrictive character of the British Navigation Laws, is all that is requisite to induce the British ministry to cause their modification so far as respects this colony. Their baneful influence has, more especially during the present year, been felt both in our export and import trade. Such has been and is the scarcity of British vessels adapted to the conveyance of wheat and flour in the ports of Quebec and Montreal, that freight has advanced fully 50 per centum, beyond the remunerating or average rate. Now, had those laws permitted, foreign vessels could have been procured in the ports of the United States at moderate rates (as is manifest from the low freights between New York and Britain), to convey the produce to its destined market. Is it not obvious that we are thus placed in a much less advantageous position than foreigners, in being taxed to support British shipping, and that that tax offers great encouragement to the western producer to send his goods viâ the United States rather than by the route of the St. Lawrence? Thus this colony is labouring at the same time under the twofold inconvenience of removal of protection and prohibition of free trade.