

AGRICULTURAL PROTECTING DUTY.

No. III.

This subject continues to engross a large share of public attention. It was thought by some persons that this topic was merely used for electioneering purposes, but it is certain that there is a general conviction in the minds of our agriculturists, that they ought to be protected from foreign competition in the provincial markets, as well as have their produce admitted into the English market free of duty. We have already explained that this desired protection in the provincial market would prove to a great extent nugatory, inasmuch as all the protection in the world would not give high prices in plentiful seasons, and we referred for proof to the nature of the case, and to the prices when a protecting duty was in force in Upper Canada. To the last it has been replied, that the argument from those prices is fallacious, because there was no protecting duty in Lower Canada at the same time, and American produce was imported there as heretofore, and kept prices down to its own level. This remark would be correct if the prices of Lower Canada alone had been referred to. If the proof had been drawn solely from Lower Canada, then the fact that there was no protecting duty there at the time would of course overturn the argument. But the proof was taken from the prices in Upper Canada with a protecting duty, and therefore the reply does not touch the argument at all. There were no importations into Upper Canada from any quarter, and yet the prices were so low that flour was sold in Kingston market for 12s. 6d. per barrel, and at that price for account, not for cash, demonstrating beyond contradiction, that a protecting duty is of no avail in plentiful seasons. Its true operation and real value is in seasons of scarcity, when it enables the farmer to obtain better prices, and thereby compensates him for the deficient quantity of his produce. Suppose that in ordinary years he grows 400 bushels of wheat, and sells it at 5s. per bushel, it brings him £100. Then, suppose in a failing harvest he can obtain only 300 bushels; if he could sell this at 6s. 3d. per bushel, it would bring him £93 15s., so that he

would receive within £6 5s. of his ordinary income. But suppose that foreign importations now came into play, and kept the price of wheat down to 5s. per bushel, the farmer would then lose about £20 by the conjoint operation of a failing crop and foreign importations. The former without the latter would not have injured him much, because prices would have risen in proportion; but when the price of a short crop is kept down to the price of a full crop by importations from abroad, the farmer complains that he is ruined by the system, which has no compensating power to make up for deficient quantity by better prices.

On the other hand it is vain for the farmer to expect by any system to obtain high prices in plentiful seasons, nor should he expect them, because the deficiency in price is more than made up by the surplus quantity. Suppose that the quantity of land which ordinarily produces 400 bushels, should some seasons produce 600, and prices were down to 3s. 9d. per bushel; the farmer would call this a bad price, and complain of hard times; yet 600 bushels at 3s. 9d. would produce £112 10s. which is more than his ordinary income by fifty dollars. It is probable that the extra labor of harvesting, thrashing, and bringing to market this extra quantity, would equal this difference, yet he would obtain at all events his usual income.— It is vain for the farmer to expect uniformity of price, because he cannot command uniformity of seasons. If the produce of one year doubles that of another, the demand continuing the same, prices will naturally fall nearly one half. The only way to prevent this is by storing the produce of plentiful years, against years of scarcity, and this but few farmers in Canada are able to do. A protecting duty would benefit the farmer in seasons of scarcity, and to impose one would be a popular measure, but in other respects it would not answer the expectations of its supporters.

A doubt has been expressed that Canada has, on the aggregate, any surplus produce for exportation, but this was sufficiently proved by