

Inspector General, which, having received the sanction of His Excellency the Governor General—he had at once tendered his resignation in the following terms:—

Quebec, 18th Sept., 1852.

Sir,—The memorandum of the Inspector General on the future commercial policy of the country, and the adoption of that policy by the Government, places me in the unavoidable position of considering how far I can, under the circumstances, retain my relation to the Governor General as one of his advisers. I understand that it is the intention of the Government to pursue towards the United States a retaliatory policy which is to be carried out—first, by charging a higher toll on American than on Canadian vessels and their cargoes, in passing through the Welland Canal; Secondly, by levying a higher rate of duties on sugar, molasses, salt, tea, cotton and woollen goods, and on iron, hardware, leather, glass and paper manufactures, than the same articles will be chargeable with, if imported by the Gulf of the St. Lawrence. This policy delays for an indefinite period, the making free the navigation of the St. Lawrence between Quebec and Montreal, to American vessels. It also involves the like delay in the commencement of the Canal to connect the St. Lawrence with Lake Champlain. By charging a higher rate of toll to American vessels and cargoes, the American trade will be forced from Oswego, and Ogdensburgh to Buffalo, and the Canal and Railroad connected with it. Whatever might be the advantages of reciprocity in trade with the United States, far greater advantages would result to Canadian Commerce, by opening the St. Lawrence, abolishing agricultural duties, arranging for a reciprocal trade with the British West Indies, and constructing a Canal to connect the St. Lawrence with Lake Champlain, than could result from any retaliatory policy against the United States. Such a retaliatory policy cannot fail to be understood by the American people, and the establishment of an aggressive commercial policy between the two countries, while it may be productive of other immediate and remote evils, will, in my opinion, be subversive of the vast increase of trade which would follow the policy I have recommended. I entered the Government as an avowed friend of Free Trade. My views have been the result of some years of action and reflection, and were well known to my colleagues on entering the Ministry. To abandon Free Trade in order to carry out a retaliatory policy, which I am satisfied will in the end be most injurious, is a sacrifice of principle I am not prepared to make, and a sacrifice which, had I supposed it would have been required from me, would, without hesitation, have prevented me become a member of the Government. Under these circumstances, I have the honor to request you to tender my resignation to His