

effectually drawn away from its present Upper Canadian channel, and centre in Montreal. The old retail dodge of exhibiting the cheap sugars to catch the custom for inferior teas will be simply played out upon a wholesale scale.

To assert that the Toronto Merchant has the same facilities, or indeed that it would be possible for him to import his teas from China, his sugar from Cuba, and his coffee from Jamaica, is as absurd as it is incorrect. As the case at present stands, with a capital of ten or twenty thousand pounds, while he deals with New York, he may carry on a pretty extensive business with profit to himself and with satisfaction to his customers. He can go to New York and purchase his supply from an assorted stock of an hundred cargoes, imported on the most favorable terms, and receive from his New York correspondent from 4 to 6 months credit, at a difference not exceeding the interest over a cash purchase. By this arrangement he is virtually provided with capital for the prosecution of his business. But shut him out from this market and drive him to China or Cuba for the same commodities, and what is the result? What was an ample capital under the one system, becomes to him, under the other, only a source of imbarassment and bewilderment. Follow him for a moment, through the new Channel in the purchase of one supply of tea only, and the fallacy of the whole scheme is at once transparent.

In the first place, he would have to purchase either a draft, or goods (the latter not obtainable in Canada) to send to China on sale. Four months would be consumed in reaching that point; two in selecting return cargo; and four in the back voyage. Allowing a safe margin for casualties, this may be set down at twelve months; add six months, being the difference of credit in New York, and this will give a total equal to eighteen months that he is compelled to lie out of his capital before he can realize a single dollar on his goods. Again, suppose for a moment (and the supposition is a legitimate one) that his one cargo were lost, what would be his position? He would either have to suspend his business untill other arrangements could be effected, or be forced into a market where he would be compelled to pay, the twenty per cent. imposed by the new tariff more than his neighbor who might be the owner of a cargo arriving without any such casualty.