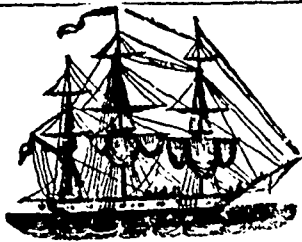


CANADIAN ECONOMIST.



FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

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MONTREAL, SATURDAY, 11TH JULY, 1846.

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CONTENTS.

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|---|--|
| 1.—Mr. Gladstone's Despatch. | 7.—Miscellaneous Extracts. |
| 2.—The Opinions of the Press. | 8.—Intelligence—General and Local |
| 3.—Effect of Free Trade upon Prices.—
Foreign Competition. | 9.—Shipping Intelligence. |
| 4.—Sugar Duties. | 10.—Markets.—English, New York, and
Montreal. |
| 5.—Canada and the Repeal of the Corn
Laws | 11.—Prices Current, &c. |
| 6.—Editorial Paragraphs. | 12.—Advertisements. |

THE CANADIAN ECONOMIST.

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MR. GLADSTONE'S DESPATCH.

The Despatch of the Colonial Secretary, which we insert in another column, settles the question of Free Trade, as far as the Colonies are concerned. Henceforth, it will be useless for us to expect any exclusive privileges in the British market. The last hope of those who cling to protection has been cast down, and the field in which for the future we are to conduct our commercial operations thrown plainly open to our view. The Colonial Secretary speaks out like a man who feels that it is necessary the truth should be spoken. He meets the question boldly and fairly. There is nothing like beating about the bush—no attempt to cajole—no holding out of promises which are never likely to be redeemed. He tells us as plainly as we can well be told that we must no longer expect protection for our wheat and flour; and he does this, not in ignorance of the views and feelings which have been expressed in the colony on the subject of Free Trade, but with a full knowledge of them. At the time that Mr. Gladstone wrote this his last despatch, he was in possession not only of the Address of the Assembly, but also of the official communication from his Excellency Earl Cathcart. He knew well the consequences of a failure in the measures which himself and colleagues have proposed. If he was to believe the representations which had reached him, nothing less than the loss of the colonies was to result from the adoption of the new policy. Annexation and repudiation had been paraded before his eyes. Deprive us of protection, and you deprive yourselves of our allegiance. This had been told him by the highest authority in the province. The debt followed the sliding scale. Adopt Free Trade, "and the general prosperity of the Province would be so materially effected as to reduce its revenue derived from commerce, thus rendering it a possible case that the guarantee given to the public creditor would have to be resorted to by them for their claims."

Well, in the face of all this, the Colonial Secretary persists in his opinions:—The British Government is not to be moved. Her Majesty's advisers not only believe none of these things, but they declare their opinion that the adoption of Free-Trade principles will be absolutely beneficial to the country. They look on the commercial history of Canada, and they can detect nothing to support the assertions of those who prophesy the loss of trade and the colonies in the withdrawal of protection. The facts, they discover, are rather the other way. The reduction of the duties by Sir Robert Peel's tariff of 1842, far from ruining our trade, actually increased it. Yet the same outcry was raised then as now. Ruin was prophesied, but ruin did not come. The more timber and flour there was exported, the more uses were found for it. The demand increased with the supply, and the importers, in spite of their own anticipations, would not be ruined.

As a mere matter of argument, then, Mr. Gladstone shows that the position assumed by the protectionists in this colony cannot be maintained. These parties proceed on the assumption that prices will be so much reduced that the Canadian producer will not be able to resort to British markets: but this is a fear in which the

Colonial Secretary does not participate. He relies on the rapid growth of population to counteract the effects of Free Trade, and points to the advantage of a steady market, and the natural results of competition, as more than compensating any danger to be apprehended.

It cannot be denied, we think, that the Colonial Minister has discharged this part of his duty with great ability, and that he has offered arguments which must have a powerful influence on the community in this province. He has satisfied, we trust, all who had any doubt of the fact, that the Ministry at home have not adopted the new policy without well considering our interests, and that they have not made up their minds (as some good folk would have us suppose) to "get rid of the colonies."

The style of Mr Gladstone's Despatch has been complained of by some parties, who seem to think that a document of this nature leaves no room for other than a dry relation of facts, and are half inclined to scold the Colonial Secretary for having referred to "tradition" and "resemblance in origin, laws, and manners," as a bond of connexion between the two countries. We confess we cannot at all see the force of such an objection. We are of opinion on the contrary, that Mr. Gladstone has done nothing more than justice to the colonist in presuming on the existence of such feelings, and experience a sensation of pride at finding him thus addressing himself to the reason, common sense, and intelligent loyalty of Her Majesty's American subjects, instead of appealing to their cupidity and passions. Those who complain of this know very little of human nature. The world is not governed altogether, as they would have us believe, by the stiff rules of arithmetic, nor is the colonial heart so constituted as to be incapable of appreciating a generous sentiment. Mr. Gladstone might, it is true, have shown by the process of calculation that it was to our interest by just sixpence a barrel to belong to Great Britain, and then, perhaps, those who now abuse him would have extolled him amazingly;—or he might have passed over the Address of the Assembly altogether, as something not worthy his notice. Either of these courses might have been adopted, and either, it is probable, would have been adopted a few years ago; but the feelings of England towards her British North American dependencies have undergone a marked change of late:—They are no longer noisy children, to be stilled with threats or cajoled with promises, but sturdy and intelligent members of her system, on whose good common sense and integrity she can rely. If, therefore, the language of the Colonial Secretary is not the severe, unsympathising language of a schoolmaster, it is because the British Government feels that it can really afford to speak to us in a different strain.

And now that the die is fairly cast, and we know what awaits us, we trust we shall hear no more useless lamentations, or forebodings of evil, which, with the exercise of proper energy, will never arrive. Let us seek, on the contrary, to avail ourselves of the avowed disposition of the mother country to benefit our commerce, by claiming the removal of such restrictions as naturally resulted from a state of protection, but which are altogether incompatible with the new position in which we are about to be placed. The repeal of the navigation laws, and the removal of all discriminating duties, are for us natural results of the Free Trade system. The effect of these Acts is to confine the commerce of the Colony in its most important features to the Mother Country, and to close all foreign markets to our industry. Mr. Gladstone has himself declared in a former despatch the desire of the Imperial Government to render our trade as free as possible. It is impossible, therefore, that with proper representation on our part, these Acts will be maintained. It has been said of the navigation law of Charles II, that it contained a pledge of the ultimate independence of America, and it would not be difficult to trace the most fatal consequences arising out of it. But we fortunately live in better times, and instead of having to maintain a struggle for what we hold to be our just rights, we find the Government going before, and expressing its willingness to concede them. It will be so, we feel assured, with the Acts referred to. All who have spoken and written on the side of Free Commerce at home, viewed this as a matter of course: none but a few protectionists like Lord Ashburton ventured to deny it. Still we must not remain silent, or show ourselves indifferent to our own interests. We must express our views on the subject, and claim from the Home Government our fair instalment of the Free Trade measure.