

about to be made should be gradual; and among the motives which have led them to this determination, has been the belief that this delay would be acceptable, and would also be advantageous to the people of Canada.

In order to supply you with some further evidence of their desire to consult colonial wishes and interests in discharging their public duties, I have to direct your attention to a Schedule hereto annexed, which exhibits the duties now chargeable upon articles of agricultural produce when imported from the British dominions abroad, and the changes which it is intended to make in favour of the colonial trade, by the immediate abolition or reduction of those duties.

I trust that Canada may largely avail herself of the advantages which are thus (for I venture to anticipate the favourable judgment of Parliament upon these propositions about to be submitted to it on the part of the Crown) about to be placed within her reach. The desire of Her Majesty's Government is, that the trade of Canada may, in all respects, approach as nearly to perfect freedom as the dispositions of its inhabitants and the exigencies of the public revenue there may permit. And in evidence of that desire, I may advert to my Despatch (No. 19) of the 3d February, relating to the provincial duty on the importation of wheat, and may again apprise you, that it is not the intention of Her Majesty's Government to check any disposition which Canada may manifest, should such be the case, for the repeal of that duty by the interposition of the prerogative.

Further, with regard to corn, I have much satisfaction in reflecting, that if Canada will have to enter into competition with the western states of America, and to engage in this rivalry when no longer covered by any protective duty, at least she will not be called to make the effort without some advantages on her side. Among them I reckon her light taxation; the assistance she has received from British credit and funds, in the construction and improvement of her internal communications; her more regular and steady course of trade with this country; her low Tariff, so favourable to importation, and, on that account, powerfully tending to encourage her reciprocal commerce outwards; some advantage in the point of proximity, as compared with the most westerly states of the Union, which are also her most formidable rivals in cheapness of production; and, lastly, the means of carriage without transshipments by the St. Lawrence, which cannot be had by the way of the Erie canal. She will likewise have this in her favour, that her corn trade will have become a settled one of some standing, with all its arrangements made and in full operation, while any regular commerce in that article from the United States must be a new creation, and must go through the processes attending its self-adjustment to circumstances as yet untried.

And if it be true that New York offers some advantages, as compared with Montreal, particularly in regard to the rate of insurance; on the other hand, I consider that the shipping of British North America has many advantages over that of the United States in the competition for freights, as it is constructed at far less expense, and is, I must assume, navigated with equal vigour and equal economy.

It is beyond doubt that Canada has felt a very invigorating influence from the augmented facility of access to the British market, which she has enjoyed since the Act of 1843, and that it has perceptibly stimulated the extension of her agriculture. But the average prices of wheat during the years 1843, 1844, 1845, have been only 50/10, 51/3, and 50/1 respectively. Not presuming to anticipate, within any very close limits, what are likely to be the ruling prices of this grain after a perfect freedom of trade shall have been established, I yet venture to think, that the most competent persons are not generally of opinion that they will exhibit any reduction which shall place them greatly below the rates I have just cited; and as I trust we may look forward to some diminution in the cost of conveyance between the place of growth or grinding and Montreal, I cannot participate in the apprehensions of those who conceive that the measure now under consideration will involve ruin, or anything approaching to it, to the trade in Canadian corn and flour.

I trust, therefore, that the agricultural population of Canada will look forward without fear to a change, of which it is probable that the effects will be far less violent, either for good or for the partial evils which may accompany such good, than many, prompted either by their hopes or their fears, have been forward to anticipate.

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