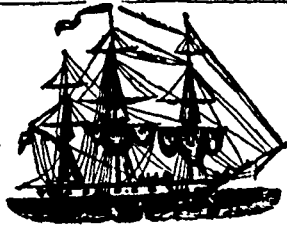


CANADIAN ECONOMIST.



FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

Vol. I.]

MONTREAL, SATURDAY, 12TH SEPTEMBER, 1846.

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THE CANADIAN ECONOMIST.

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FREE TRADE AND THE MONTREAL PRESS.

Since the arrival of the steamer *Britannia*, our contemporaries of the press are becoming more alive to the importance of the question of Free Trade. Even our flippant friend of the *Times* has found out that the difficulties which we anticipated are not altogether the creations of our imagination. He has discovered that "we have work, much work before us;" nay, he has "come to the conclusion that the Canadian mercantile community" must "attack the citadel of protection." We suppose he will still continue stoutly to deny that he has become a convert to our opinions; perhaps he will again assume the credit of having been the pioneer in the march of sound doctrine! Be it so: we shall not attempt to pluck one leaf from the laurel wreath with which he has chosen to adorn his own magnificent brow.

Even the editor of the *Montreal Gazette* has been roused from the mysterious silence in which he has for some time been enshrouded, and has at length favored his readers with his grave and matured opinions on the subject of the differential duties and the navigation laws. We rejoice that he has, even at the eleventh hour, condescended to enlighten us as to his sentiments on these all important questions, since we are thereby enabled to estimate the extent and nature both of the opposition and support on which we may fairly calculate from him in our efforts for the establishment in this Colony of the true principles of commerce.

We have not space this week fully to examine the arguments he adduces in support of his views, but he may rest assured we shall not pass him over. In our next number we intend to examine both his arguments and the questions to which they are directed. At present we content ourselves with pointing out the fallacy which pervades his reasoning on the subject of the differential duties. He evidently considers them as an equivalent for the protection which the Colony still enjoys for certain of her products in the home market. Now in the debates in the Imperial Parliament, there was not the slightest hint that such was the impression there. On the contrary, the principle laid down and acted on by the British Government, is, that colonial productions shall be treated in the British markets, precisely as home productions; and thus unconditionally, and without reference to any advantage which the Colonial Legislature may think fit to assign to British products in the Colonial markets. Indeed, the main reason assigned for the British Possessions Bill not being general in its character, is, the impossibility of immediate communication with the Colonies, and the apprehension that the removal of the Imperial duties by the British Parliament, without such a communication, would seriously interfere with the financial arrangements of the Colonies.

The plea set up by the editor of the *Gazette*, for the continuance of certain differential duties, is very much like a bugbear set up to frighten our legislators from the agitation of the question. We can well imagine, that our do-nothing administrators are not anxious to have this added to their other difficulties, but, we question, whether the country will be satisfied with such inaction. We observe, that the editor of the *Gazette*, disclaims being "a ministerial organ in commercial matters, at least;"

but, it is just possible, the ministry may have put forth a feeler through their "organ in other matters," to ascertain the pulse of public opinion. Be that as it may, we are glad to see the worthy editor come out in his true colours; and, we anticipate that, notwithstanding his rather ostentatious declaration, that he is a "Free Trader in principle," and, "that having long been a good way ahead of the timid," he is "content to be a little behind the rash," his readers, generally, will put him down as a Protectionist in practice.

In like manner, Mr. Baring, when he stood a candidate for the representation of the City of London, declared himself a Free Trader in the abstract, but the citizens very wisely preferred to elect a Free Trader in the concrete.

OUR FUTURE TRADE.

Some six months ago, when the Council of the Free Trade Association issued their "Address to the Inhabitants of Canada," drawing attention to the trade of the Province, and showing how it was likely to be affected by the contemplated changes in the policy of Great Britain,—it required more than ordinary courage to express the opinion that those changes might be made to result in the increase of our trade, and in the advancement generally of the country. Since the change referred to has taken place, the public mind has acquired a very different tone, and it is no longer doubted by the intelligent majority that a perfect release from the effects of differential duties, and the operation of navigation laws, will be fully an equivalent for all the protection we ever enjoyed. With the exception of Quebec (of all others most deeply interested in the question,) every Board of Trade in the Province has, by report and petition, come out in favor of perfect Free Trade, taking the very natural view, that we are fairly entitled to the free scope of our industry and energies, and to the full advantage our position on the St. Lawrence affords us. With the natural spirit of the race from which they spring, the people of Canada will not sit down hopelessly to mourn over the past, but finding that the stilt of protection, on which they have so long hobbled, are fairly withdrawn, will prepare themselves to battle manfully for the future.

If Free Trade did nothing more than teach us this self-reliance, it would be worth all the sickly and enervating results Protection created; and we regard it as a natural consequence of the new state of things, that it should beget confidence and enterprise in mind; that, under the past policy, would have remained inactive. Stimulated by necessity, and made aware by reflection of the vast advantages they enjoy, the merchants and men of capital will cease the monotonous and senseless cry, "Our trade is ruined!" and turn their attention to the fact that the produce of Western Canada, and of the northern parts of Ohio, Illinois, Indiana, and Michigan must find an outlet either by the way of the Erie Canal, or by the St. Lawrence, to the ocean. By the former route they will perceive that a transshipment must be made by vessels coming from the Upper Lakes, either at Buffalo or Oswego, and from thence the produce must be taken by canal 362 miles, in boats not capable of containing more than 700 barrels, and this only to Albany, where another transshipment takes place into lighters to New York. By the St. Lawrence, on the contrary, the vessel that loads at Chicago can, without breaking bulk, come to this Port or Quebec, down a natural channel, with only 48 miles of canal, and with a cargo of 3,500 barrels. We would put it to any reflecting man whether, under such circumstances, it is possible that the one can compete with the other?

We know it will be urged by those opposed to us, that the return freight to the West by the route of the Erie Canal is the source of revenue, and that the rate at present charged on produce can be much reduced; but we care not for this: we have the facts before us, and we say that the vessel which carries 3,500 barrels without the necessity of transshipment, can take return freight back to Western Canada, or to the Western States of the Union, at a less rate than the 700-barrel vessel under the disadvantages of three