

it must obviously be across the frontier—we suppose he will admit that,—and the duty at present levied on teas imported by the frontier being 2d p.lb.,—how can we be accused of 'raising' it to a smuggling point?"

It is obvious, that the foregoing accusation required an answer—obvious to every one, even to our subtle contemporary himself,—yet not a word of explanation has appeared. The reason for this striking omission our readers will have no difficulty in supplying.

### FREE NAVIGATION OF THE ST. LAWRENCE.

The following important Despatch appeared in the papers about the time it was received, in 1843.

It refers to a question of great and growing importance in the economical arrangements of this Colony, viz.:—*the free navigation of the St. Lawrence by the ships of all nations.*

We deem it advisable to republish it at this crisis, that the public may be reminded or informed, from authentic data, of the grounds on which Her Majesty's Imperial advisers have hitherto seen fit to maintain the restrictions referred to, and which we, in common with Free Traders throughout the Province, as well as the Montreal Board of Trade, have solemnly, repeatedly, and earnestly protested against:—

(copy.)

DOWNING STREET, 29th September, 1843.

SIR,—I have to acknowledge the receipt of your Despatch of the 7th April, No. 7, with a Petition from the Board of Trade of Montreal, praying that that city may be constituted a Free Port.

I have to request you will acquaint the Petitioners in answer, that this application has engaged the serious attention of Her Majesty's Government, and that it is with much regret they find themselves unable to comply with it.

Observing that the Board of Trade of Montreal has, on a previous occasion, preferred a similar request to Her Majesty's Government for an extension of their commercial privileges, it appears to me advisable that a full explanation should be communicated to the Board of the grounds on which Her Majesty's Government are compelled to rest their refusal of the present application.

The question which has been proposed to Her Majesty's Government involves considerations of great political importance.

It has always been the policy of this country to establish Free Ports in British North America in those situations on rivers, which are nearest to the sea, and not to permit foreign ships to proceed beyond those ports for the purpose of trading.

In the case of Canada, Quebec is the port, which complies with this condition; and to constitute Montreal a Free Port, in the same extended sense, would be at once practically to give to foreign nations the free navigation of the St. Lawrence for 150 miles through the interior of the Province, and to violate a principle which has been constantly maintained for the benefit of the British and Colonial shipowner.

It is important, however, to observe that the sole restriction under which Montreal labors is, that which is imposed on all inland towns throughout the Colonies, and this restriction motives of policy compel Her Majesty's Government still to observe. With this single exception of direct access to foreign sea-going vessels, Montreal already enjoys every privilege of a Free Port, and these privileges are of great advantage to her in consequence of her geographical position.

By the 31st section of the Act 3 and 4 William IV, cap. 59, it is lawful to bring or import into Montreal by land, or by inland navigation, goods from the United States which may be lawfully introduced into Canada by sea, from that country; and by the 36 section of the same Act, Montreal, as well as Kingston, is declared a Warehousing Port for goods brought by land, or by inland navigation, or imported in British ships. Under the operation, therefore, of these enactments, there exists no legal impediment to British vessels, or to those of the United States which ply on the inland waters, proceeding direct to Montreal, either for the purpose of delivering their cargo for consumption on payment of the proper duties, or being warehoused. The only restriction is, that the direct traffic with countries beyond the sea must be carried on in British bottoms.

I have noticed a statement in your Despatch, and also in the Memorial of the Board of Trade, that Kingston, Toronto, and Hamilton have been recently erected into Free Ports; a statement which would convey the erroneous impression that these ports enjoy certain privileges which are denied to Montreal. As regards foreign sea-going ships, the position of these towns precludes the possibility of any question arising; the advantages which these possess in the privilege of warehousing goods brought by land, or inland navigation, are also possessed already, to the fullest extent, by Montreal.

I have to observe in conclusion, that it is competent for the merchants of Montreal to import from sea in British ships into that port any description of goods from any port in the world, and in like manner to export goods in British ships, though foreign ships are restricted from going up the River St. Lawrence, beyond Quebec; and that there is no objection to vessels and craft belonging to the United States of America proceeding from the ports situated on the United States side of the Lakes Erie and Ontario, to Montreal for the purpose of delivering their cargoes at that port, for consumption, or for exportation in British ships, or to be warehoused.

But to constitute Montreal a Free Port, in the most unrestricted sense, for all the purposes mentioned in the Act 3 and 4 William IV, cap. 59, and thus throw open, not only to the vessels of the United States

which are at present employed in navigating the lakes, and internal waters of Canada, but also to the shipping belonging to the sea ports of that country, and of all other countries entitled to trade with British Possessions, the unlimited right of navigating the St. Lawrence from the Port of Quebec to the junction of that river with Lake Ontario, a distance of 370 miles, and passing in its course for 250 miles entirely through British territories, would be a proceeding so irreconcilable with the policy of this country, that Her Majesty's Government are under the necessity of declining to accede to the wishes of the Board of Trade of Montreal, on this subject.

I have the honor to be, &c., &c.,

(Signed,) STANLEY.

### THE PRICE OF FOOD AND WAGES.

One of the favorite theories of the English Protectionist was, and still is to some extent, that the price of food governs the price of wages, and accordingly that high food makes high wages. There could not possibly be a more convenient argument for the landlords than this, since it goes to show that the poorer classes have little or no interest in having cheap food, and that it is just the same to them whether it is high or low. "If it is high," say these gentlemen to the labourer, "you get high wages: if it is low you get low wages. What difference then does it make to you?" These persons, however, forget, or keep out of sight, the fact that there is another element which influences the price of wages, and that is supply and demand. In England, unfortunately, the competition for labour is so great that the question of the price of food has little or no effect on the price of wages; and this is conclusively shewn by the fact that although wheat has lately risen from £11 or £12 a load to £16, £17, and £18, scarcely an instance can be cited of wages being raised in proportion. The increased value of the principal article of consumption has been occasioned by its scarcity; but labour is not scarce, and it is its proportion to the market of demand which governs its price, just as much as the quantity of wheat proportionately to the wants of the people.

This fact in political economy, which it has been so often attempted to conceal, has just been admirably explained in a letter of the Earl of Radnor to his steward, which we give below. The steward, it will be seen, had been keeping up wages on the grounds, as he stated, that provisions were dear, a position which the Earl very clearly shows him is untenable, and totally inconsistent with the independent position which the industrious labourer ought to enjoy. The letter of the Earl has been carried at by the London Times on political grounds, but every one who considers the question fairly will acknowledge that His Lordship takes a fair, rational, and as far as the labourer is concerned, most proper view of the question.

The following is the letter:—

Grosvenor Street, 27th October.

"MR. MOORE.—I have just seen in the last Reading Mercury, a letter signed "Inquirer," in which I read—"Mr. Moore, steward to the Earl of Radnor, at Coleshill, informed his laborers, that, under the circumstances,—that is, I suppose, considering the dearness of provisions,—although it was usual to lower wages at this time of the year, he should continue to pay 10s. a-week."

"I trust that the words in italics are not true. I hope so, not because I object to your continuing the wages therein stated, if you find it right to do so—that is, if the work done is worth that sum, and the men deserve it—but because, if the words 'under the circumstances,' meant, or were understood to mean, 'considering the dearness of provisions,' you were then arding a most mischievous and unjust delusion, viz., that wages ought to be regulated (or can be regulated) by the price of provisions. The wages paid to the labourer (that is, the price of labour) must be regulated, like the price of any other article, by the supply and the demand; and if the employer of labour can get his work done (i. e., can purchase the labour) for 7s. a-week, he is no more called upon to give 10s. than he would be called upon to give £30 for a cart horse if he could buy one that suited him for £21. If he gives 10s. for work which he can have done for 7s., the extra 3s. are charity, just as, if he gives £30 for a horse which could be had for £21, the extra £9 would be a gift to the horse dealer. The charity in the one case and the gift in the other may be right and proper; but no one has a right to ask him for it, or to blame him for not giving it.

"I do not say that a man acts wisely in giving the lowest price that he can get his work done for. I believe quite the contrary; just as I believe the £30 cart horse will in most cases be cheaper than the one bought for £21, for the latter requires the same care and stable room, and eats as much as the other, and probably will not do half the work. In the same way, a man who works for 7s. may be, and is, I believe, generally dearer than the one who requires 10s. As an instance of this, I lately heard of a farmer in one of the midland counties who gave us a reason for giving high wages that his rent was high, and that he could not afford to give less than 15s.—that is, could not afford to employ inefficient men. But these things are matters to be considered by the parties concerned, and to be arranged between them. Other people have no right to interfere.

"It is sometimes said that a farmer is bound at least to give such wages as his labourer can live upon. I utterly deny that the wages of labour ought to be regulated by the wants of the labourer. If so, wages must be regulated, not by the value of the work done, but by the circumstances of the labourer—whether single or married—by the size of his family—by the habits of his wife—and the number of his children. The consequences of this would be, that the unprovident, the idle, and careless