

We regret exceedingly that we should be compelled to comment in severe terms on a document emanating from the head of the Government of this country; but we esteem the national honor, which that Government has jeopardized, as paramount to all other considerations. That honor, like Cæsar's wife, should be above all suspicion; and the press, whilst guarding it, exercises its noblest and most useful function.

MERCHANT'S DESPATCH.

In another part of our paper will be found a copy of a letter from a mercantile firm in this city to their correspondents, on the consequences of the expected changes in the Corn Laws. The subject is considered mainly with a view to a comparison between the two routes to the Atlantic, the Hudson and the St. Lawrence. Incidentally, the relative advantages of Quebec and Montreal, as the marts of trade in Canada, under the new law, are considered, and a decided opinion in favour of the former is given.

We have in a former number touched upon the relative capabilities of these two cities, and we may hereafter revert to the subject. We need scarcely inform our readers, that we are not prepared to assent to the *dictum* so decidedly and unhesitatingly propounded, "that Montreal *must*, under any circumstances, lose a very large portion of the trade it at present enjoys." Whilst cordially wishing success to our sister city, and believing that the prosperity of the one will conduce to that of the other, we are fully prepared to enter the lists with her in the field of honorable rivalry, *et palmam qui meruit, ferat*.

We have inserted the letter in question, because we are desirous that every important topic growing out of the Free-Trade system, should be fairly brought before our readers; and we have given it *entire*, since we presume the writer attaches no inconsiderable importance to the latter portion of it which conveys his opinion of the Free-Traders of Montreal, although what that opinion had to do with the subject discussed in the former portion, we are unable to discover. We doubt whether the Free-Traders of Montreal will entertain a higher opinion of the writer's judgment, than he, it appears, does of theirs; but, at all events, he may rest assured, that when he appears in print, whether as the *publisher of his own private letters*, or otherwise, his example will not be imitated by us, but his arguments, if noticed at all, will receive a candid consideration, and be tested by our opinion of their intrinsic weight. The oracle at present being dumb, on "the general question as to whether protection will be beneficial to the province at large, or not"; we suppose we must remain in suspense until the seal of silence is removed, and we receive the full benefits of its inspiration.

One word only, on an error of fact, since it is our duty this week to correct errors in despatches, *public* and *private*, *magna componere parvis*. If the writer of the letter had seen the petition on the subject of Free Trade when presented to the Governor and two Houses of Parliament, he would have found appended thereto the names of most of the leading merchants, bankers, and tradesmen of the city. As to the election of the Council of the Board of Trade this year; his remark amounts to this, that the Free-Traders have unity of purpose, in other words, principles of action, whilst the Protectionists have no bond of union. It is not improbable that disappointment at not being re-elected members of that Council, has caused a morbid feeling of irritation in some minds, *et hinc illæ lacrymæ!* But such feelings, even where they do exist, are transitory in their character, and, on their subsiding, we entertain every hope that there will, on the part of the mercantile community of this city, be a unanimity of purpose, where it is so much needed—that all will combine to obviate the difficulties which beset us, and to educe if possible, even from these difficulties, the means of our future prosperity.

FREE TRADE.

Free Trade principles are evidently making progress. During the past ten days several of our contemporaries have devoted more than usual attention to the discussion of questions of practical interest to the trade of the colony. Among them we notice particularly the *Pilot*, the *Gazette*, and the *Times*. The last is a new convert, and we hail his appearance among us with plea-

sure, as he promises to be an able and serviceable ally. The other two, the *Pilot* and *Gazette*, we have always looked upon as Free Traders, though neither of them have as yet made as comprehensive a confession of faith as we think it desirable they should make. We would rejoice if they boldly came forward and avowed those comprehensive principles which we have proclaimed to the world as our commercial creed, and which we trust we shall ere long see sanctioned and adopted by our local legislature, viz., 1st, the abandonment of all differential duties; 2nd, the repeal of every duty on raw materials required for manufacturing purposes; 3rd, the relaxation, if not the entire repeal, of every duty imposed for the purpose of *protecting* domestic interests; from which premises it follows that we are opposed to all duties save and except those of a moderate rate, imposed (on articles imported for consumption) for the single purpose of raising the necessary amount of revenue required by Government to carry on its various functions. Having thus nothing in view but the mere raising of revenue, our tariff would be based on one simple uniform principle—that of levying the minimum rates of duty that will yield the largest amount of revenue—giving in other respects the freest scope to commerce that a comprehensive and well-contrived bonding system is capable of affording. When such simple principles are adopted by our local legislature for their guidance in arranging our commercial tariff, then observation and experiment will do the rest; that is, experience will show what the lowest rate of duty is which will yield the highest amount of revenue, and that point being ascertained, the duty of the legislature will be discharged by simply adopting it. But while the notion is allowed to prevail that any interest requires or deserves to be *protected*, it is clear that the simplicity of the case is altogether altered; for selfish interests start up and raise an outcry for protection, which legislatures have hitherto been too prone to listen to and gratify, to the positive injury of the well-being of society in general.

These remarks lead us to the question of the Agricultural Duties, including the duty on American wheat imported into this Colony for consumption, to which our contemporaries above alluded to have been devoting attention. The *Pilot* defends them; the *Gazette* opposes them. For our parts, it is almost needless to say that we are opposed to them. This Colony raises a surplus of wheat for exportation, and hence the price to the Canadian grower is regulated by what he can obtain for his surplus in the market to which he conveys it for consumption, that is, Great Britain. We believe the *Pilot* does not deny the truth of this axiom, but it says the price in England is regulated by the quantity sent to it; implying, as the words stand in his article, that it is not our interest to give facilities to United States produce to find its way there through our channels: an inference from which we dissent entirely. The English market being open to the world, and prices in Canada being regulated by it, it follows that it is our interest to grasp the greatest possible share of the trade of America with England, inasmuch as prices there will be the same whether we have the trade with all its attendant profits, or whether it go by the Erie Canal and New York without giving us one farthing of profit. It surely requires no argument to prove so self-evident a case.

Now as to the articles of which Canada does not produce a surplus, viz.:—cattle, sheep, swine, &c., as well as cured meats. We think the duties on these articles objectionable, because they enhance the price of food to consumers, not only on the quantity imported but on the whole quantity consumed; and such being the effect we maintain that they ought to be abolished, whether they were laid on avowedly for protection or merely for the purpose of raising revenue. We would class food and raw materials together; that is, if the state of the country does not absolutely require them to be taxed to meet the expenses of the state, it were better not to tax them at all; and in any case it were better to seek out some other source of revenue, rather than raise it upon the articles in question.

As to the argument we hear occasionally advanced, that the agriculturalist is as well entitled to protection as any other member of the community, we can only answer that we object to any class of the community being protected by protective or prohibitive duties, but we are at a loss to know what classes are protected in Canada besides the agriculturalist.

We have looked diligently through the ranks of society, from the highest to the lowest, to find out *another protected class*; but we have looked in vain. We see all classes laboring alike under the oppressive burden of the differential duties—these we want removed. We see all classes affected alike by the duties on wearing apparel, wines, spirits and other articles imported for consumption—but we see nothing falling peculiarly on the agriculturalist. We pause, therefore, to be shown what classes are protected besides the agriculturalist, before we carry the discussion further; and we trust that those who make use of the argument will consider it their duty to come forward and enlighten us, when it will give us pleasure again to advert to the subject.