

owner. This also we admit to be true to a certain extent, but not sufficiently to account for the enormous occasional disproportion in freights in the respective places; but what does it prove? The expediency of putting our trade on such a footing as that we may obtain for vessels riding to our ports also a large amount of outward freights: and this, we believe, may be done through the modification of the British Navigation Laws and the opening of the St. Lawrence to foreigners.

The illustration of the impolicy of the Navigation Laws so forcibly stated in the Report of the Montreal Board of Trade in the case of our trade with Cuba, &c., is attempted to be got over by the Quebec Board, but in vain. The fact stands unassailed that in the present state of our commercial relations our only means of getting a cargo of sugar is by sending a vessel in ballast for it, thus ensuring the expense of *two* voyages; whereas had we the privilege of hiring a foreign vessel, we should only incur the cost of *one*. The answer of the Quebec Board of Trade, (borrowed from the *Montreal Gazette*) is curious; namely, that the sugar can be imported, through the American Drawback Law, *via* the United States Canals. That is merely a reiteration of, not an answer to, our objection, which is, that our Upper Canadian brethren, and indeed ourselves, are enabled to draw our supplies for foreign vessels through foreign canals cheaper than through our own canals, and that thus our formidable commercial rival New York is aggrandized at our expense.

But the continuance of the British Navigation Laws is advocated by the Quebec Board of Trade as an equivalent for the sums of money expended by the British nation on this Province. We admit no such plea, nor would Great Britain venture to make use of it. She, for certain reasons of state, thinks proper to maintain a military force on this continent, but it is at her option at any moment to increase, diminish, or totally to withdraw it; and she has long since admitted, in the most solemn manner, that she has no right to tax us one sixpence for its support. And is she to do that indirectly which the constitution forbids to be done directly? If so, at least let us come to some distinct understanding of the terms of the compact! Let us know the precise amount of protection to be afforded to British shipping, in consideration of the precise amount of military expenditure within the Province! When the two sides of the account are thus stated, we shall be better enabled to judge whether the advantage on our side is so great as the Quebec Board of Trade wish us to believe: nay, we may perhaps even come to the conclusion that it would be better to be directly taxed for the maintenance of our military defences, than to suffer the loss of our commerce, the decay of our public works, and the decline of our revenue, which we believe must result from the restrictions imposed on us by the British Navigation Laws.

As to the balance of trade, the Quebec Board of Trade need trouble themselves little about it: the value of our exports will adjust themselves to that of our imports without the intervention of any extraneous aid. There is little fear of the foreign merchant sending us more property than we have the means of paying for. As to our means of raising the funds necessary for the support of our civil government, and our other necessary expenditure, if we rely on other resources than those which we have within ourselves, and which it only needs an enlightened spirit and sound judgment on the part of our statesmen to make available to a much greater extent than they are at present—we trust to a broken reed. On whole past history abundantly proves the folly of expecting a continuance of commercial protection in any shape from the mother country; and had we sooner discovered this fact, and relied on our own exertions instead of trusting to others, we are satisfied that this would have been a far more prosperous country than it now is.

On the free navigation of the St. Lawrence, our Quebec friends abstain from giving an opinion, because, as they state, the subject is better understood by the Imperial Government, "as involving principles and interests of great magnitude and vast importance to the whole empire." We wonder then how they venture to give an opinion on the British Navigation Laws generally. That surely is also a question of great importance to the whole empire, and involves most important principles; nay, it is so general in its character, and so closely connected with the national policy, that we may well imagine it has occupied the serious attention of British statesmen. The question of the free navigation of the St. Lawrence, on the other hand, is one—although doubtless it also involves high considerations of national policy, which form a fit subject for grave deliberation on the part of the British minister—which appeals directly to the feelings of every inhabitant of Canada, because by it his pecuniary interests are most immediately affected. We can, therefore, scarcely conceive the possibility of any individual connected with our commerce—still less of any public body representing the greatest shipping port of the country—remaining neutral during the agitation of such a question. We will admit that the national question may be better understood by the British Government than by us; but we doubt if the provincial question—that on which our very existence as a commercial country depends—is at all known in Britain; and we rejoice that no such overstrained feelings of delicacy as those

which govern our Quebec friends, have deterred the Boards of Trade of the other commercial cities of the Province from expressing their opinions. We moreover confidently rely that the Provincial Legislature will, at its next session, lend its influence in the same cause, and obtain the object at which the majority of the inhabitants of all parts of Canada, unless it be Quebec, aim,—the FREE NAVIGATION OF THE ST. LAWRENCE. By that time, we trust, our Quebec friends will have matured their opinions.

### THE PROVINCIAL TARIFF.

Having at length succeeded in arousing public attention to the serious injuries inflicted on our commerce and industry by the operation of the Navigation Laws, and, by force of argument and facts, compelled our opponents, the *Montreal Gazette* in particular, to acknowledge in the most unequivocal language that "commercially they are totally indefensible"! and consequently incompatible, in their present state, with a full degree of colonial prosperity;—having, we say, established these important truths, and wrung the admission from our most violent opponents, we consider ourselves now at liberty to revert to the subject of the Provincial Tariff, a topic scarcely, if at all, inferior in importance to the Navigation Laws, in its bearings upon the well being of the people of this Province.

In our present number, it will be our endeavor to lay before our readers the rough sketch of such a tariff scheme as would, in our opinion, meet the general concurrence of Free Traders, throughout the Province. It will illustrate on the one hand, what we understand by a Free Trade Tariff; and, on the other, that such a scheme might be instantly adopted by the country without endangering the credit or impairing the annual revenue of the Province.—Nay, we venture to assert it will show that, while we diminish taxes, the presumption is altogether in favor of our thereby increasing our available revenue.

Let us however at the outset, again endeavor to set some of our contemporaries in the Western part of the Province right as to our views upon taxation. Some of them still persist, we observe in alleging that we wish at once, and *per saltum*, to resort to a system of *direct taxation*. We have repeatedly and plainly repudiated that intention. Our doctrine has been, that looking upon both direct and indirect taxation as the same in principle, as falling directly upon income, we consider the adoption of either system should depend entirely on the following grounds:—1st. Its practicability; 2nd. The comparative expense of collection; and 3rd. The comparative convenience to the community at large.

We know that the indirect system is practicable; we know its expense, and we know it is convenient; and till those who advocate the opposite system come forward and *prove* its superiority, we consider ourselves justified in refusing to adopt it, although we are aware it has some influential advocates, both here and elsewhere. Our opposition to it, however, as will be seen by what we have stated, is not positive or active, but passive. We are open to conviction, and ready to examine any scheme founded on the principle of *direct taxation* that may be put before the country.

In the meantime we shall endeavor to explain our own views. We see nothing at variance with Free Trade, in a well regulated Tariff of Custom House Duties. What we object to is a Tariff calculated to limit or prohibit importations,—a duty that has the effect of artificially raising the price of commodities far above the mere amount of duty levied upon them. Take, for instance, the article of pork. It is well known that the Province requires to import fully as much again for its consumption as it produces. The duty is about 11s. per barrel. What then is the effect? The consumer not only pays 11s. per barrel to the revenue on the quantity imported for his use, but pays perhaps fully the same sum *in extra price* upon the whole quantity he consumes of *domestic production*. Thus, for instance, for a barrel of American mess pork, he pays, we will suppose, first 50s. as the prime cost, then 11s. to the revenue for duty, making the total cost, 61s. Now as there cannot be two market prices for the same commodity, it follows that he must, under these circumstances, pay the *domestic* producer 61s. also, for his barrel of pork; while, on the other hand if there were no duty, it is clear the consumer would pay only 50s. *all round*, for his supplies. We object then to such a duty, from its obviously unjust and injurious effects; inasmuch as it not only compels a certain part of the community to contribute to the revenue, (which none can object to,) but also to contribute in perhaps an equal ratio to his fellow subject, which is manifestly unjust.

The duties, on the other hand, to which we can see no objection, are such as are levied on sugar, tea, wines, &c., because there being none of these commodities produced in the province,