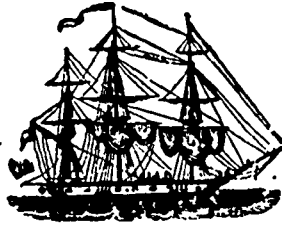


CANADIAN ECONOMIST.



FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

Vol. I.]

MONTREAL, SATURDAY, 19TH DECEMBER, 1846.

[No. 31.]

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THE PROVINCIAL TARIFF.

In our last article on this subject we showed, that, while the consumption of raw and bastard sugars had increased in spite of the augmented duty imposed in 1842, under the Government of the late Lord Sydenham, that of refined had fallen off in a much greater ratio—that, in fact, while the consumption of the former increased at the rate of about twenty-four, that of the latter fell off at the rate of about thirty-five per centum per annum. And from these facts, taken in connexion with other material concurrent circumstances, we concluded that the duties in question “might be reduced without detriment to the revenue on the one hand, and with well founded hope, on the other, of promoting the commercial and general interests of the Province, at large.” The extent to which, in our opinion, this reduction should be carried we will state in a future number, when we place our digested revenue scheme, in its complete form, before the country. Meantime, to pave the way for it, we continue our analytical comparison of the importations of the more important articles of consumption under present duties, and the more moderate rates which prevailed previous to 1842.

The article which comes next in order for investigation, is spirits.

The duties levied on articles comprehended under the term spirits since 1842, are as follows:—

On British Rum,	- - - -	6d stg. per gall.
Foreign do.,	- - - -	1s. do. do.
All other Spirits, British,	- - - -	1s.3d. do. do.
Do. Foreign,	- - - -	2s.3d. do. do.

The foreign article being subject to an abatement of a fourth of the differential duty, when imported (ex warehouse) from the United Kingdom.

Previously to 1842 the duties levied on them, were as follows:

On British Rum,	- - - -	6d. stg. & 6d. cy. per gall.
Foreign do.,	- - - -	1s. do. & 6d. do.
British Whiskey,	- - - -	3d. do. & 3d. do.
Foreign do.,	- - - -	1s. do. & 6d. do.
All other Spirits, Foreign, from the United Kingdom or British Colonies,	1s. do. & 6d. do.	
From the place of growth,	1s.3d. do & 6d. do.	

Our readers will not fail to remark, from the foregoing, that the duty on rum is now materially lower than it was previous to 1842, and that that on foreign spirits (other than rum) is materially higher than it was up to that period. At the same time it may not be amiss to remark, that since 1838 the importation of rum has been quite insignificant, compared with what it was previously, owing in a great degree, if not entirely, to the abolition of slavery in the West Indies, from whence our supplies, with the exception of a trifling quantity of East India rum imported from England, were almost wholly derived. To show the extent to which that trade has fallen off we may mention, that the importation of British Plantation Rum in 1838 was 637,465 gallons, while

in the five following years it was reduced to the following quantities:—

1839,	- - - -	110,135 gallons,
1840,	- - - -	45,220 do.
1841,	- - - -	7,356 do.
1842,	- - - -	26,027 do.
1843,	- - - -	23,799 do.

We call our readers' attention to these facts, because it might otherwise appear anomalous to them to see the consumption of an important article fall off rapidly and extensively, concurrently with and even in spite of, a considerably reduced rate of duty.

The importation of spirits in general, under the two systems of duty that have prevailed since and previously to 1842, are as follows:—

1839,	-	777,550	galls.	1843,	-	233,772	galls
1840,	-	617,978	do.	1844,	-	502,875	do.
1841,	-	389,543	do.	1845,	-	369,568	do.
		<u>1,785,071</u>				<u>1,106,215</u>	

Average, - 595,024

Average, - 368,738

From the above table it will be perceived that since the duty on foreign spirits, rum excepted, was increased, the entries for home consumption have diminished on the average to the extent of 226,286 gallons per annum, or nearly forty per cent. on the average quantity imported during the three previous years with which the comparison is made! This is a startling fact, and we may remark that it is not attributable to the falling off in the supply of rum, inasmuch as the importation of that article did not vary much from year to year from 1839 up to 1845, and consequently that it might be struck out of the table altogether without altering the material feature of our comparison. To what then is this great falling off in the consumption of foreign or imported spirits to be attributed? Is it owing to the increased duty augmenting the cost to the consumer? We say the increased duty, for we take upon ourselves to affirm that the prime cost of the article at the place of production has not on the average increased during the years in question, but rather the reverse! Or is it, on the other hand, owing to the superior habits and increased temperance of the people? Or, lastly, is it owing to the cheap spirit of domestic manufacture, viz. whiskey, having displaced the more costly and superior article of foreign production?

We cannot at the present moment take upon ourselves to answer these questions, not knowing the quantity of domestic spirits manufactured in Canada since 1839, and being likewise deficient of other data which would be necessary to enable us to come to a sound conclusion. We may remark, however, that the very striking falling off in the consumption of imported spirits affords *prima facie* evidence to suspect that the duties now levied on them check consumption, and are consequently too high for the simple and legitimate purpose of raising revenue.

We now come to the consideration of Wines. The duties on these previously to 1842 were as follows:

In wood from the United Kingdom.

Madeira,	10s. stg. per tun, and 9d. cy. per gallon.
French,	6d. do.
All other kinds,		10s. stg. per tun, and 6d. cy. do.

In wood from place of growth.

Madeira,	£7 stg per tun, and 9d. cy. per gal.
All other wines except French,		£7 stg. per tun, and 6d. cy. per gal.

On bottled wines, if bottled in the United Kingdom, the duties were the same as in wood; but, if in *foreign bottles*, there was an additional duty of £7 7s. stg. per tun, and 1s. more for every dozen bottles.

In 1842, the duties were altered by the Act which then came into force, to the following rates:—

From the United Kingdom.

Madeira,	5½ per cent, and 1s. stg. per gal.
All other kinds,		5½ per cent, and 6d. stg. per gal.