

channel, instead of the St. Lawrence, and similar circumstances may very probably again occur when there will be no legal impediments in the way. It will be difficult to over-estimate the injury which this country will sustain should our canals be unable to compete with those of our neighbours; and although we feel satisfied that with perfect freedom we can do so successfully, we are not equally sanguine that it will be in our power if we are to be hampered and fettered with restrictions or burthens of any description. All who have studied the subject, admit that we cannot spare to our rivals any, the slightest advantage; and that in the race we are about to run, we must at least have a good start. To secure this, is alike the duty of our Government and of every person interested in the future welfare of this province.

Since writing the above, we have seen the *Gazette* of yesterday morning, and find that our apostate Free-Trade friend is still at his old tricks. In his last number, he tries hard to make out that the opinions of English statesmen are very little favourable to any permanent change of the Navigation Laws; and that after the period at present prescribed has expired, matters will remain just as they are. As he has lately stated that he is opposed to these Laws "upon principle," one would suppose that such a discovery would vex him amazingly; but no, not at all. He mentions with anything but favour the names of those who would destroy the existing restrictions, and is evidently amazingly pleased to have a chance of a fling at the system he professes to admire. It is in this spirit that he characterizes the Members who declared themselves in favour of a total repeal of the Navigation Laws, as persons whose opinions are entitled to no weight, or, what is still worse, "notoriously opposed to the colonial system altogether." Sir Charles Napier, he confesses, is an "experienced sailor," and he rejoices exceedingly (as he says) that the gallant Admiral "entertains the opinions that we (the Editor) had before expressed, that these laws are not, in reality, *advantageous to the maritime power of Great Britain*"; but then, as if out of sheer spite, he adds that "Sir Charles has a capricious judgment on almost all questions, and is not a person who carries much weight with him, even in his own department." Now to us there seems to be a palpable contradiction in this. How can a man who agrees with the Editor of the *Gazette* be capricious; and why sneer at a judgment which is just before pronounced to be experienced? If the Editor of the *Gazette* really does believe, as he says, that the Navigation Laws are not advantageous to the maritime power of Britain, why does he not help in getting rid of them, instead of attempting to get up an impression that all the great men in England are the other way, and that it is something like high treason in a Colonial writer to express an opinion on the subject? But we deny that the case is as the *Gazette* wishes to make it appear. The extracts we have given above show that there is a party, and a very clever and influential party, who perfectly understand the working of the Navigation Laws, and are resolutely bent on their repeal. Mr. Brown, the influential Liverpool merchant, is one of the number, although the *Gazette* would have the contrary appear. No one can have ever read the speeches of that gentleman without perceiving how completely he has set himself against all restrictions, and if he did not express himself against the Navigation Laws in the late debate, it certainly was not because he does not believe that they are highly injurious to the maritime power of England.

### THE USURY LAWS.

For the present we shall probably conclude our observations on these laws in the present number. We are gratified, however, in being able to state, that we have already made converts to our opinions. Many who formerly held that the penalties against the taking of usury were necessary for the protection of the borrower, and particularly the borrower in humble circumstances, have acknowledged to us that their opinions are now reversed,—that they look upon these laws as injurious to the latter, and detrimental to the general interests of the country. This is most encouraging. Moreover, some who formerly thought that it would be dangerous to allow the Banks the same freedom as might safely be conceded to individuals, have acknowledged their error to us in conversation,—being now fully satisfied that the principle of competition,—the effects of which they had previously overlooked, will compel the Banks as well as other capitalists to restrict their rates of interest to that general market rate which the average rate of profits would enable borrowers to pay. We shall now simply add, by way of illustration, a few examples, which have come to our knowledge, and which can be substantiated by proof should they appear incredible to any of our readers, to show the practical working of the mischievous laws in question.

A respectable person in good circumstances lately wanted about £600 to meet an emergency. He had undoubted securities to offer for such a loan, viz:—first rate promissory notes having six, nine, and twelve months to run. He applied to a Bank, which declined making the loan at six per cent. per annum for so long a period. He then applied to a respectable private capitalist, who likewise declined, alleging as a reason that he could make eight or nine per cent. upon his capital for the same period by investing it in securities in a different form, but assuring the applicant, at the same time, that if the law allowed him the option of lending money on promissory notes at the rate of eight or nine per cent. per annum, he would gladly cash the bills which were then offered to him. The borrower had now no alternative left but to resort to a class of money lenders commonly known as "shavers," and to one of these accordingly he went. And what was the result? Instead of obtaining a loan of money at eight or nine per cent. per annum, as he could have done from a capitalist who had but *one risk* to cover, he had to allow the *illegal dealer* in money *twenty per cent.* per an. to cover that and the *additional risk* of being convicted of taking usurious interest, as well as the odium of being considered a person following a disreputable calling. Let not our readers suppose that we are stating a fiction; for it is a case that can be substantiated by incontrovertible evidence! Nor is it by any means a case of rare occurrence in this community. We could give the particulars, were it necessary, of fifty such and some worse.

We will give another variety of example, on the authority of a friend, which will give a practical illustration of the working of these laws as respects our Banking establishments. One of these was recently applied to for a loan for three months upon paper of the most undoubted quality and character; the sum required was large, and the security offered allowed to be unexceptionable. But what was the result? The banker refused to go into the operation, alleging the following as the grounds of his refusal: first, that he could make more of his capital by employing it in Canada West in discounting produce drafts upon Montreal, which enabled him to make a *Bank commission* in addition to the legal rate of interest; secondly, he could employ his capital to better advantage in the New York market, either in purchasing bills of exchange at the then current rate of four to five per cent. premium, or in advancing money in loans there for short periods upon unexceptionable security at seven per cent. per annum. Our readers must admit that the reasons were good and sufficient, and that the banker would have sacrificed the interests of his proprietary by lending money at six per cent. per annum here, while he had such alternatives of making more by other means. What then is the irresistible inference to be deduced from the foregoing facts? It is that even our *banking capital* is driven into foreign countries for profitable employment by the operation of the accursed Usury Laws which our Legislature, aided we are sorry to add by our city representatives, blindly and stupidly resolved in its last Session to maintain in all their strictness. Will such ignorance still prevail in our legislature when it next meets? Will the Honble. Mr. Sherwood make a fresh attempt to rid the country of these mischievous and disgraceful laws, or, disgusted with the reception his efforts met with in the last session, will he leave us, fettered and manacled, to our fate? A short time, we trust, will show; but if he does renew the effort, we trust so great a blockhead as Mr. Smith, of Frontenac, (we speak in a parliamentary sense) will not succeed in again throwing out the bill by moving, without giving the shadow of a reason, that it be read that day six months.

Whatever be Mr. Sherwood's intention, however, we trust that a bill will be brought in by some one in the next session of the legislature to do away with these pernicious laws, not only with reference to mercantile bills of exchange and promissory notes, but also with reference to all transactions whatever.

Meantime the people throughout the Province should be looking after their own interests, by getting up *petitions* in every direction to be poured into the House of Assembly. The members of that body must be acted upon by being made to feel, "the pressure from without." Speeches will be utterly wasted and useless—the strongest reasoning will be powerless—unless backed up by petitions from the people.

Let the constituencies, therefore, exert themselves—let every man who feels an interest in his own or his country's welfare, exert himself—so that petitions may be sent in from every quarter;—and if this be done with energy and unanimity we take upon ourselves to predict that the Usury Laws will be repealed ere another session of our legislature pass away.

Since writing the foregoing, we have received a copy of a Petition which the Hon. Mr. Sherwood intends circulating for signatures among the inhabitants of the province. We approve without reserve of the spirit of this Petition, which we annex, and trust that it will be returned to Parliament numerously signed, otherwise, like many other well-meant designs, it will fall fruitless to the ground.

We appeal to such individuals, then, throughout the province, to assist Mr. Sherwood in his praiseworthy efforts to purge our Statute-book of these abominable laws.