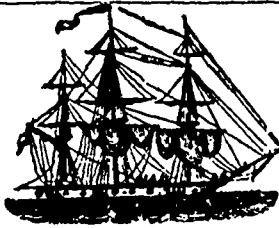


CANADIAN ECONOMIST.



FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

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MONTREAL, SATURDAY, 27TH JUNE, 1846.

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THE CANADIAN ECONOMIST.

MONTREAL, SATURDAY, 27TH JUNE, 1846.

THE ST. LAWRENCE NAVIGATION.

(CONTINUED.)

Our enquiry into the comparative merits of Montreal and New York, as ports of shipment to Great Britain, shewed as its result a difference of 7d. per barrel and 1s. 4d. per quarter, in favor of the latter port. We now come to enquire, can this be met by lower rates of inland forwarding than our competitors on the Erie and Oswego line are able to offer? Our conviction is that it can so be met, and that we shall retain quite as much of the forwarding trade as it is desirable that we should have. Too much of it we do not want. Unlike some parties here who, not content with keeping their selfishness to themselves must needs thrust it on the public, we do not wish to see the vital interests of the Province sacrificed for the purpose of retaining a trade which we cannot offer the means of carrying on. We do not wish to see the resources of our merchants, our millers, and our farmers passing into the pockets of British shipowners or even of Canadian forwarding companies,—a process we are unfortunately compelled to witness in full operation at the present moment. Our forwarders cannot find boats enough to bring down the produce; and when it gets here, we cannot find ships enough to take it away; and therefore, as we showed in our last number, we are now paying 3s. 6d. stg. per barrel more for freight from Toronto to Liverpool, than the charge by way of New York. It is because our principles compel us to dissent from the policy which gives rise to this practical absurdity, because we point out to our productive classes that, what is lost by the withdrawal of English protection, will be fully compensated by the abandonment of English restriction, by cheap imports and cheap freights, it is because our confidence in the principles of free trade lead us to apprehend much good to the empire at large, and no ultimate harm to the colony from its general adoption,—it is too because we are wise enough to make a merit of necessity,—it is for holding and advocating such opinions that we are stigmatized as the supporters of "schemes" which have for their end "the ruin of the trade of Montreal." We assure our readers that we have no "schemes" in view whatever: our object is to give currency to certain opinions on trade which have obtained the sanction of nearly all the trading classes in England, and without seeking to advance one locality at the expense of the country, we wish to allow every locality to stand on its own merits, to give it a fair field and no favor.

Exposed as it will be to a rivalry with other commercial sites, such as Quebec and New York, we do not believe that Montreal will be so easily ruined as some parties affect to believe. We showed in our paper of the 13th instant that, when the deepening of Lake St. Peter is completed, so as to admit of the largest class of ships entering our port, we shall be able to come within 7d. per barrel and 1s. 4d. per quarter of the New York rates of freight, and we think we shall be able to satisfy our readers that the advantage we possess in our system of inland forwarding will enable us, in the whole cost of forwarding from the interior, to cast the balance in favor of Montreal. If we can succeed in doing this, we believe that is all we shall require to do in order to retain our trade. It will not leave us and settle at Quebec, so long as Montreal can prevent it from going to New York.

The present rates of forwarding on the Erie and Oswego lines are lower than they ever were before, and we believe they may be taken as the minimum. In fact they do not afford a profit, and are more likely to rise than to fall. In forwarding produce

from Canada by these lines two transshipments are necessary,—one at the entrance of the canal, and another at the point where it joins the Hudson. Delay and injury to the cargo must always arise from this circumstance, and present an objection to these lines in a competition with others which are free from transshipments. With an equal cost, our own lines will therefore command a decided preference; but we have little doubt of beating our opponents also in the matter of cost. We proceed to the comparison:—

RATES OF FORWARDING FROM TORONTO TO NEW YORK.

Toronto to Oswego,	Os. 6d.
Oswego to Troy,	1s. 4½d.
Troy to New York,	Os. 6d.

Per barrel of flour, 2s. 4½d. Cy.

RATES FROM CLEVELAND TO NEW YORK.

Cleveland to Buffalo,	Os. 9d.
Re-shipment,	Os. 1½d.
Buffalo to Troy, (55 cents.)	2s. 9d.
Troy to New York,	Os. 6d.

Cy. 4s. 1½d.

Now when it is borne in mind, that, after deducting tolls, the whole sum left for the forwarder is only 20 cents for a distance, by canal, of 362 miles, it cannot be supposed that any further reduction from this low rate is possible. We think, then, that we are safe in assuming the above rates as the minimum. They are one-third less than the rates of previous years, which have averaged 87½ cents from Buffalo to New York, while so lately as the fall of last year, the rate was a dollar and upwards per barrel.

In attempting to arrive at the minimum rate on our own lines, we find ourselves unable to judge altogether from past experience. The improvements in the navigation of the St. Lawrence, now nearly complete, are of a kind that must revolutionize the whole system of forwarding. They are designed to meet that great peculiarity of our navigation, its extraordinary variety, comprising a continual alternation of lake, river, and canal. With canals of the dimensions hitherto in use, it has been impossible to employ craft adapted for lake navigation. Trans-shipment at Kingston,—involving much expense, loss of time, and damage to the cargoes,—has been the consequence. Of this evil we now see the end. In the fall of next year, if not in the spring, we shall have craft with cargoes of 16,000 bushels of wheat or 3000 barrels of flour, making their voyages direct from the head of Lake Ontario to Montreal. We shall also see steam propellers in use, carrying 2500 barrels, and making the voyage from Hamilton downwards in three days, and upwards with return freight in four. Compare this with the present system, requiring the use of barges fitted to carry only 500 or 1000 barrels, the frequent delay of a month in the transit, and two distinct voyages, with the expense of re-landing and separate establishments at Kingston, and is it not plain that a charge of 1s. per barrel under the new system will pay as well as a charge of 1s. 6d. per barrel under the old?—Such a conclusion would seem an obvious one, looking merely at these general considerations; but we have, to corroborate it, the deliberate opinion of most of those engaged in the trade, including the oldest forwarder on the river,—a man of great practical experience, intimately acquainted with all the details of management. We think, therefore, that we are fully warranted in assuming the minimum rate at 1s. per barrel.

The comparison will therefore stand as follows:—

From Hamilton or Toronto to New York,	Per Barrel.	2s. 4½d.
Do. do. do. to Montreal,	1s. 0d.	
Add extra cost of conveyance to Britain over } New York rate,	Os. 7d.	1s. 7d.
Difference in favor of Montreal Route,	Cy. 0s. 9½d.	
From Cleveland, U. S. to New York,	4s. 1½d.	
Do. do. do. Montreal,	1s. 10½d.	
Add extra cost of conveyance to Britain over } New York rate,	Os. 7d.	2s. 5½d.
Difference in favor of Montreal Route,	Cy. 1s. 8½d.	