

provided for out of the public revenue, derived from the sale of lands, and duties that are levied upon imports; while in the United States, the proceeds of these are paid over, to meet the expenses of the General Government; and the inhabitants of the different States, are taxed directly for all local purposes and internal improvements, which it is contended, cannot be provided for out of the national treasury. Hence we find, that a bill which has been introduced during several sessions of Congress, to defray the estimated expense of certain harbour and river improvements, on the lakes, and clearing out "snags" in the Mississippi and Ohio rivers, by which an annual sacrifice of life would be prevented, and for other beneficial public objects—general in their effects, but local in their operation, although supported strenuously, by the members representing those sections of the Union more immediately interested, and by the Whigs upon principle, has hitherto been rejected by Congress; or if by chance it has been carried, has received the veto of the President.

Then, again, the taxation in cities is enormous and oppressive. Only think of the resident inhabitants of New York, being taxed at the rate of seven or eight dollars annually, for every man, woman and child; to enable the city government to meet its local expenses, incurred by a corporation, the members of which owe their election to universal suffrage, by which all the rogues, rowdies and vagabonds in the place, are enabled to control the elections, and thus secure the return of candidates, who will not be rigid in the enforcement of the laws, to which they have professional and personal objections.

Were the taxes in the cities levied directly, the public mind would be concentrated on the subject, and some reform might be effected, but with the exception of that for the supply of water, they are, generally speaking, merged in the house-rent; and the landlord incurs the odium, that attaches to the high rates which are exacted. Besides this local taxation, it will be perceived, that the population have to pay excessive duties on all the necessities of life which they consume, and the clothes they wear, owing to a protective tariff, with which those paid in the British Colonies, will bear no comparison—with the exception of flour and wheat, which Nova Scotia and New Brunswick ought to produce themselves—Canada raising a large surplus.

In connection with this subject, I trust a few remarks may not be deemed irrelevant or out of place, in relation to that of reciprocity with the United States, by which the Canadian farmer and lumberer is persuaded he is to be benefitted. There seems to be a prevailing opinion, that were the products of Canada admitted into the United States, free of duty, they would continue to command the present

high prices there—than which nothing could be more erroneous; as were the protective duty removed, the price would receive a corresponding reduction. It is an admitted axiom in political economy, that the consumers of an article pay the duty; but in the present instance, with the exception of lumber, the curious anomaly is presented, of the consumer paying the amount of a duty that is never levied; because when the produce is shipped the duty is withdrawn.

The effect of this unnatural state of things, is highly advantageous to the American farmer, by creating a fictitious price in the market, as the duty, as will be seen, cannot be exacted, unless the Canadian produce is disposed of for home consumption—consequently he obtains an advanced price; and hence agricultural produce is cheaper in England, than it is in New York, whence it is shipped; the merchant purchasing it at the short price, and the difference of duty more than paying freight and other expenses. Reduce the duty to-morrow; and the market price to the consumer would be reduced in precisely the same ratio. The same result would follow, if the Canadas formed an integral part of the United States; of which, however, there is but little probability.

To evade the duty on timber as much as possible, which from its bulky nature cannot be transported to the sea-board of the United States, and which the buildings which are annually in course of erection require should remain in the country, we find the Americans towing over logs and spars from the British side of Lake Ontario and the St. Lawrence, and afterwards manufacturing the former into boards and planks to such an extent, that the Canadian government has authorised the levying a duty upon their exportation.

It is truly wonderful, that the Congress of the United States, which in reality constitutes the government there, does not perceive its true interests in this matter. On the one hand, we find the bulk of the community—particularly those residing in towns, paying an unnecessarily exorbitant price for the necessities of life, that the western farmers may obtain an extravagant price; and on the other, the ship-builders residing on the shores of the Lakes and the St. Lawrence, prevented from using the wood they require, at as cheap a rate nearly as does his competitor in Canada.

In New Brunswick—and I presume it is the same in Lower Canada, at the present moment, ship-building is being carried on to a greater extent, than was ever before known: the operation of free trade, and the repeal of the navigation act, having produced results entirely different from what short sighted people expected and predicted. Had the Americans the right to navigate the St. Lawrence to the ocean, who does not perceive, that they would extensively engage in ship-building, and with