

look forward to the future with hope, urging on their successors to take advantage of every favorable opportunity that may offer of forwarding measures calculated to place this rising Colony in the position she ought to occupy.

All which is humbly submitted,

JOHN YOUNG.  
President. H. B. T.  
WM. ATKINSON.  
Secretary, H. B. T.

Hamilton, April 28, 1847.

The following gentlemen were chosen officers for the ensuing year:—

J. T. Brondgeest, Esq., President; Archibald Kerr, Esq., Vice President; William Atkinson, Esq., Secretary and Treasurer.

COMMITTEE.—R. Juson, Daniel Macnab, Wm. Atkinson, James D. McKay, Hugh C. Baker, W. P. MacLaren, J. T. Gilkison, John Young, James Osborne, James B. Ewart, Wm. Green, James Stocks, John P. Larkin, Esquires.

## FALLACIES FOR THE CONSIDERATION OF MEMBERS OF PARLIAMENT.

It may perhaps serve a good purpose at the present juncture, on the eve of the assembling of Parliament, to review a few of the principal fallacies which are likely to be brought out in the debates that will probably ensue in the House when the question of the commercial policy of the country comes up for discussion.

It will doubtless be conceded by friend and foe that the House of Assembly is lamentably deficient of that description of talent and experience which the present crisis imperatively calls for. We now want men to legislate for us who are not only thoroughly conversant with the fundamental doctrines of Political Economy, but who have also closely studied the peculiarities of the commerce, and investigated the resources of this Province:—are there such men in the Legislature at the present moment in either House? To this question we conceive there can be but one reply. It is not with the men, however, that we are going to deal. Our purpose is to expose, not the men, but the fallacies which those men are likely to employ in their debates.

First, there is the agricultural fallacy,—that the farmer will be ruined unless he is protected.

Members connected with agricultural constituencies will tell us that our farmers cannot compete with the American farmer unless they are protected by all those restrictions which operate so perniciously against our commerce, viz.: the frontier duty of 3s. a quarter on wheat, the duties of 2s. 6d. a bbl. on flour, 11s. or thereabout on pork and beef, and the host besides of immoderately heavy duties on cattle, poultry, and every other species of agricultural produce that can be imported. They will deny the truth of the settled and generally recognized principle that where a country is in a position to export, the value of the surplus exported regulates the value of the whole; and hence, with perverse stupidity that may be fatal to our commerce, they will strive to maintain the duties on wheat and flour, although it is indisputable that such duties cannot enhance prices to the farmer. Again, and on the other hand, they will contend for the duties on pork, poultry, cattle, and such like, in defiance of justice and the obvious right of every consumer in the Province to buy where he can buy cheapest. What claim, we ask, has the Agriculturist upon the other classes of the community that they should be laid under contribution for his benefit? What special and exclusive taxes is the farmer called upon to pay to entitle him to lay the rest of his fellow-subjects under a fine for his especial benefit? Out upon such injustice! We claim for all the right of going to the cheapest market, whether they be farmers, mechanics, tradesmen, or what not: let all, we say, be free to purchase the necessities of life where they can be purchased cheapest.

The next fallacy we shall expect to hear is that the differential duties do us no injury,—that their cost to the Province is a mere bagatelle. The argument of the *Montreal Gazette* will perhaps be resuscitated and served up as something new. The Custom-house returns will be alluded to, and the same gross error into which our contemporary was betrayed will probably be committed again,—that of assuming the differential duty collected on certain kinds of foreign manufactures as the only sacrifice which such duties entail upon the province. That mistake we say will, in all likelihood, be committed again, although to every one capable of understanding the question, it must be apparent that the duty collected is not the injury done to the inhabitants of this Province, but, on the contrary, that the injury arises from the extra price which such differential duties make it the interest of the Canadian importer to pay to the English manufacturer, in preference to purchasing cheaper goods in a foreign market.

We illustrated the working of this principle in a late number of this journal, and we think it is well to quote the example again, as it is all-important that the bearings or "incidence" of a differential duty should be thoroughly understood. We said, in the article alluded to,—“For instance, a Canadian purchaser finds that he can buy a certain quantity of foreign goods, whether of French, German, or United States manufacture, for £905, while for the same quantity of goods of English manufacture he is asked £1000. Under a system of Free Trade, in other words, were there no differential duties, he would of course not hesitate for an instant as to which assortment of goods he should purchase: but under existing circumstances he sits down and makes the following calculation:

English Goods, worth	- - - - -	£1000
Duty, 5 per cent.	- - - - -	50
		£1050

Foreign Goods of the same quantity, quality, and description, worth	- - - - -	£905
Duty on £450 worth, at 12 per cent.	- - - - -	54
Duty on £455 worth, at 20	- - - - -	91
		£1050

We must add, that, for the sake of illustration, we have supposed in the above example that the foreign goods were subject to different rates of duty: one half, as silk, hardware, &c., being subject to 15 per cent differential duty; and the other half, as hardware and manufactures of linen, cotton, &c., being subject to 7 per cent *ad valorem* differential duty. Now we conceive that it must be evident to every reader, from the example given, that, while the differential duties are maintained, it is quite the same to the Canadian importer, and consequently to the Canadian consumer, whether he import a given quantity of foreign goods at a cost, exclusive of duty, of £905, or an equal quantity of British goods at a cost, exclusive of duty, of £1000. Nothing can be plainer; and hence we contend that while these differential duties are maintained, the Canadian consumer is compelled to sacrifice about 10 per cent per annum on the bulk of his importations, for the benefit of the British manufacturer. Nor is this a trifling sacrifice. It is true, it cannot be calculated with any certainty or precision; but on the other hand, an estimate may be formed of it. For instance, we know from Custom-house returns that the value of the manufactured goods annually imported for consumption exceeds £3,000,000 currency. And assuming, for the sake of argument, that one half of the goods so imported consist of hardware, glassware, and manufactures of silk, linen, leather, and cotton, which can be obtained cheaper in France, Germany, and the United States, than in England, it is clear that to that extent we sacrifice 10 per cent per annum to the British manufacturer, that is, in round figures, £150,000 per annum. In reality, however, we believe the sacrifice to be much greater. There is, for instance, a great sacrifice on sugars to be added to the above, being no less than 5s. 8d., or 6s. 6d. per cwt., on about two and a half million pounds of bastard sugar! Yet we doubt not there will be persons in the House, who, like our contemporary of the *Montreal Gazette*, will have the effrontery to assert that these duties entail next to no injury upon the people of this province.

The next fallacy we shall hear of is the so-called boon which the differential duties on our timber is alleged to be to this Province; and there are persons in the House interested in timber who will doubtless endeavour to make it appear that this preference to Canadian timber in the markets of Great Britain is more than an equivalent for all the sacrifices entailed upon us by the differential duties of which we are complaining, and the Navigation Laws to boot. Now, on the other hand,—although we have no desire to repudiate or endanger this remaining protection,—we believe it is admitted by all unbiased persons that it is our red pine only which needs to fear increased competition with the Baltic, the trade in white pine and the other staple articles of export in wood having increased in price as well as extent since the differential duties were reduced. And with reference to red pine, let us admit for the sake of argument that increased competition with the Baltic would reduce both the quantity exported and the price of it, would the result be so serious a loss to the country as to make us hesitate about risking it for the greater benefits to be derived from free trade *inwards*? The whole export of red pine is only about five million feet per annum, and supposing increased competition with the Baltic reduced its average price a penny a foot, which we presume would be the extent of it under any circumstances, that reduction would only involve a loss of something under £21,000 per annum to the country—a mere trifle, which could easily be saved by a little more skill and economy on the part of the producers. In fact, if the producer were only allowed to get his pork free of duty—that is to say, allowed to buy it in the cheapest market, the whole sum might be saved by that change alone.

We recommend this theme to the careful study of our Legislators.