

that Her Majesty has learned the existence, in such a quarter, of anticipations of such a character.

I have it in command from Her Majesty to address to your Lordship the following observations in regard to the matter of the address, which have been submitted by Her Majesty's advisers for Her gracious approval, and to which She has been pleased to give Her sanction.

Her Majesty's Government conceive that the protective principle cannot with justice be described as the universal basis, either of the general connexion between the United Kingdom and its colonies, or even of their commercial connexion. There is a large and important group of the colonies of this county, having a very extended commerce, and one of a peculiarly British character, in relation to which the protective system has at no time exercised a powerful influence, and in relation to which at present it has little more than a nominal existence. I speak of the Australian colonies: and it cannot fail to be remarked, that while these are the most distant, and therefore, according to the suppositions of many, the most in need of commercial preference, they have also made the most rapid progress, and have thus most effectually belied that necessity. It is true, indeed, that a part of their material prosperity may be ascribable to the supply of penal labour; but this is far from affording an explanation of the case, since perhaps the most remarkable instances of vigorous and rapid growth among the Australian possessions of Her Majesty have been instances in which penal labour has been altogether unknown. The energy of the colonists has, without doubt, under Divine Providence, been the main cause of their singular advancement; stimulated, but not overborne by distance, and aided, not repressed, by the enjoyment of commercial freedom. The same energies, with less disadvantage of distance to contend against, will, it may be confidently predicted, have a similar effect in developing the resources of British North America, and not with less, but rather with the more signal success, when capital, industry and skill shall be left to take their own spontaneous direction, and to turn to account, as individual prudence shall suggest, the abundant materials and instruments of wealth which the bounty of Heaven has bestowed.

Her Majesty's Government have been glad to find that the Assembly has viewed with an unmingled satisfaction the prosperity of Canada under the moderate system of protection which has hitherto prevailed; but the Assembly cannot fail to recollect, that all the progressive relaxations of that system, which for a series of years past have been introduced into the law, have been met and resisted by predictions of the ruin that it was honestly but erroneously conceived would follow them, and that those predictions have, with a remarkable uniformity, been disappointed. Experience cannot but suggest that a similar insecurity attaches to the renewal of the same expectations founded on the same arguments.

It is not for the sake of controversial or purely argumentative advantage that Her Majesty's Government refer to former apprehensions, and to the manner in which they have been dissipated by the event. A retrospect of this kind is calculated to throw clear and abundant light upon the real merits of the question. The fears which are now entertained have reference to the circumstance that it is proposed to remove all differential duty between Canadian and foreign corn. Is it then to be shown that the Canadian corn trade has prospered heretofore in proportion to the amount of such differential duty? Far otherwise. The law of 1828 diminished the difference in favour of Canada; the law of 1842 further and greatly diminished the difference in favour of Canada; the Law of 1843, which reduced the duty on Canadian wheat to one shilling per quarter, still left a much smaller difference in its favour, as against foreign wheat, than existed under either of the former Corn Laws. And yet the corn trade of Canada has grown and prospered; and its extension has, doubtless, contributed in no small degree to the happiness and prosperity of the people of the colony, which the Assembly, sharing in the unmingled satisfaction of Her Majesty and the British Parliament, has seen advancing in steady and successful progression. But this extension has taken place, not under protection secured from change, nor under protection fortified by successive increments, but contemporaneously with a series of changes involving its great diminution.

It appears to be the impression of the Assembly that some great revolution of prices is likely to occur, as the consequence of the pending changes in the law, which will deprive the Canadian farmer of all hope of remuneration