



# CANADIAN ECONOMIST.

## FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

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MONTREAL, SATURDAY, 6th JUNE, 1846.

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## THE CANADIAN ECONOMIST.

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### THE FREE-TRADE ASSOCIATION—WHAT IT HAS EFFECTED.

One of the commonest—we had almost said silliest—questions put to the founders of the Free-Trade Association, was, What do you intend to effect? The parties who could put such a question must, we are led to suppose, have had either great faith in the natural wisdom of the Colonial species, or very little wisdom of their own. They must have given our politicians credit for a sagacity not always enjoyed by statesmen at home, or expected from the future much better things than our experience has enabled us to detect in the past. What were we to effect? What, rather, had we not to effect? Listen to the ordinary conversation of ordinary men—read the majority of the newspapers—examine the proceedings of Parliament—listen to the debates,—and then imagine how heavy a task we had to perform!

But we are glad to know that our labours up to the present time have not been without effect,—that we have not been working uselessly. Both in the Colony, and out of the Colony, we can discover some fruits for the zeal and labour we have put into this work; not so much within the Colony, it is true, as we had a right to expect, but still enough to encourage us:—without the Colony, much more than would repay a hundred times our labour. The intelligence brought by the last mail from England assures us of the pleasing fact, that the movement we have commenced has had the effect, as we hoped it would, of strengthening the hands of the Free-Trade party at home. It has done this by furnishing them with a reply to an argument which has been most commonly used by the advocates of Protection, both here and in the Mother Country, viz. that the result of Free Trade would be the loss of the Colonies. To this argument, an answer has been furnished from the Colonies themselves. In the Address of the Free-Trade Association, we stated what we believed to be the true interests of the country, apart from Protection, and our language has, we are proud to find, been referred to in England on all recent occasions when this question has been brought up. Nor do we think that either our interest or our character as Colonists has suffered in consequence. On the contrary, we have the best authority for believing that our character stands infinitely higher than it would have done had a different course been pursued. In the *London Times* of the 9th and 18th ultimo there are two powerfully-written leaders on the question of Free Trade as it affects this Colony, in which more credit, we fear, is given to us than we altogether deserve. In the latter of these articles, the writer (who has been alluding to the passing of the Bill to admit flour under bond) speaks of the "intelligence" and "spirit" of our Provincial Assembly in preparing for the change that is at hand. Did the writer but know the truth, how soon would he recall his words! It is true that a majority of the Assembly did agree to pass that Bill, but what have they done since? Have they taken any steps to relieve the trade of the Province? or are they likely to take any, till absolutely forced to it, as they will be? These are questions to which we should be sorry to be compelled to return an answer, for it would do little to support the eulogy so prematurely pronounced on our politicians.

It is, however, some satisfaction to know that, practically, the opinions we have expressed have had a weight in the Colony, though they may have failed to affect the deliberative proceedings of the Assembly. We have reason to believe that the attention of the public was first seriously called to the Board of Works' proceedings at Lake St. Peter through our instrumentality, and that to our efforts may be attributed the decision of the Parliamentary Committee who have just now reported. This alone is a matter of the first importance to the Trade of the country; and if we achieve nothing else, we shall not have laboured in vain. But we shall achieve much more. We shall see the principles we now advocate introduced into this Colony; and with their introduction we shall see the fears which a portion of the community now entertain, vanish. It is true that much prejudice has to be overcome before that is accomplished: but we do not despair. In the long run, nations as well as individuals find out their own interests. The only danger (and it is a great one, we confess) is, that Canada may *make the discovery too late*.

### NON-RECIPROCAL TRADE NOT INJURIOUS TO OUR INTERESTS.

In our last number, we endeavoured to show that it is consistent with our interest and with sound policy to buy wherever we can do so cheapest, even though we are under the necessity of making our purchases with gold; and we trust we did so to the satisfaction of the generality of our readers, convincing them at the same time that a nation best consults her own interests by removing every restriction from her commerce, and persisting in that course, whether other countries imitate her liberal example or not. In proof of the accuracy and soundness of the views we then laid down, it gives us the highest pleasure to adduce the testimony of such eminent statesmen as Sir Robert Peel and Lord John Russell. The quotations, which follow, are taken from the speeches which they delivered in the House of Commons on the 4th May, on going into Committee on the new Corn Bill. Ministers were taunted by the Protectionist party, as Free Traders are taunted here, that commerce with foreign countries would in many instances be one-sided, to the positive injury, if not the utter ruin, of the free-trading country.

To these taunts, betraying an amount of economical ignorance which one could scarcely have expected to find in a British House of Commons, Sir Robert Peel replied in the following words:—

"The noble Lord (Bentinck) said that if we got the corn of France, and the timber of Russia, the great consideration was what we should get them to take in return. Why suppose they took nothing in return what should we suffer from that? (cheers, and counter-cheers from the Protectionists.) On what principles does the noble Lord think foreign commerce is carried on? When we buy the bundles of France, they are not given to us—something is given in exchange for them. We cannot take the silks of France, the timber of Russia, and the corn of Prussia without paying for them,—there is no mode of making purchases but by giving an equivalent for them. Well, but you say we shall send out gold for them—but, do you send out gold to those countries now? I have not seen any diminution in the gold of the Bank of England that could be attributed to that cause. If there has been a decrease in gold, it has been from our internal concerns. I have not seen that any great quantities of it have gone to Prussia. What will astonish you still more perhaps is, that I wish it had. (cheers.) This country would be able to command a sufficient quantity of gold if it were required in the steady and legitimate course of trade. When a regular commerce is carried on there can be no drain of gold, and even if they take nothing but gold, we can procure it by transmitting our manufactures for that gold, and then purchasing corn and timber with it. I should not be alarmed therefore, if there should be an export of gold from this country, knowing that we shall obtain that gold by exchanging our manufactures for it. No such export can take place as will derange our internal affairs, or derange the stability of our com-