

THE AGRICULTURALISTS' INTEREST.

The following letter, which has been addressed to the Editor of the *Peterboro Chronicle*, is well worthy the attention of that numerous class—the farmers—whom it is particularly sought to array against Free-Trade doctrines:—

SIR:—The recent and important change which has taken place in the English Corn Laws (by which the preference heretofore given to Canadian wheat and flour, will, at the expiration of three years, be entirely removed), renders it imperative upon the inhabitants of this colony, be they agriculturists or not, to come forward and assist in effecting such changes in the trade and commerce of the country, as will place it upon a footing of equality with the rest of the world.

So long as the people of Great Britain were willing to pay 9d. or 10d. a barrel more for their flour, for the purpose of encouraging us, we were content, without knowing actually whether we were benefited by it or not, but when this protection is removed, we are made to see, when too late, that nearly the whole of this boon found its way into the pockets of a heartless set of monopolists, who have managed to enrich themselves at the expense of the Canadian farmer.

We shall, no doubt, be told, Mr. Editor, that if we lose protection in the British market, Canada will be ruined, "literally sacrificed," a country in future not worth living in,—but, Sir, my good opinion of Canada will not allow me to believe that we are much worse off here, everything considered, than the people of the Western States. If they can raise wheat, pork, and corn cheaper than we can, they must necessarily get a less price for it, owing to their greater distance from the sea-board, and for the same reason pay more for their goods. The samples of wheat grown in many of the districts of the Province are quite equal to that of Western New York. I am not certain that if we were as far advanced in the science of agriculture, and expended as much in the improvement of our farms, we could not produce as much.

Without presuming to doubt the good intentions of those who advocate protection, or who think the Legislature must not only make laws, but fix the price of corn, I feel a desire to examine the question a little more minutely, and, before I take my flight, ascertain where there is really cause of alarm. My organ of veneration is so large, that I am unwilling to believe the Imperial Parliament, in all its wisdom, could be induced to adopt any measure of doubtful advantage to her colonial possessions, and especially towards Canada, for whose welfare she has always shewn the most anxious solicitude. It should be borne in mind that in England this is no new measure, more than fifteen years have these principles been discussed, advocated, and urged upon Parliament by some of her first statesmen, until their adoption became a mere question of time.

Let us now, Mr. Editor, enquire how much the farmers of Canada have really benefited by the preference in the English market, and should it appear, as I fear it will, that it has gone into the pockets of ship-owners and large dealers, we shall, perhaps, arrive at the conclusion that we have little to lose by the change. My attention was lately called to a very able Report from the Montreal Board of Trade, in which it was shewn that the average cost, for three or four preceding years, of conveying a barrel of flour from Montreal to Liverpool, has been 4s. 9d., and from New York to Liverpool, during the same time, 2s. 1d., at once reducing the value of our flour 3s. 3d. currency per barrel, to which add the enormous difference in the expense of transit from the ports on Lake Ontario to Montreal and New York, and the advantage of protection, coupled with monopoly, will be made apparent.

This year the difference has been still greater, and we find our merchants paying 10s. 8d. currency from the ports on Lake Ontario, via Montreal to Liverpool, while the rates from the same ports, by New York, at the same period, were a fraction under 4s. currency, making a difference against Canada of 6s. 6d. currency per barrel.

The forwarders by the Erie canal readily undertake to carry flour from Rochester or Oswego to New York, a distance of 400 miles—250 of which is through a tedious and expensive canal route—for 1s. 6d. currency per barrel, while the cost from any port on Lake Ontario above Kingston, with an almost free and uninterrupted lake and river navigation of less distance, is seldom less than 3s.!! Of what value, then, I would ask, has all the protection been to us? What has the Canadian farmer gained by it, unless to assist in keeping up a blighting monopoly on the trade and commerce of the country, which has not only fleeced us in our flour and timber, but has caused us to pay more for the goods and the timber we receive in exchange. This is not all, the Upper Canada buyer, owing to the uncertainty of the trade, knowing that he is at the mercy of the shipper, seldom ventures to pay the price the English market would warrant,—and when he does, finds to his cost that he has reckoned without his host, and that his neighbour, the American merchant or miller, can pay as much for wheat, without protection, as he can do with it. Having shewn the value to the Canadian farmer of this boasted protection which we have, no doubt, for ever lost, I shall conclude this letter by pointing out what I conceive to be the remedy.

1st.—The abolition of all restrictions upon our trade, by the repeal of all imperial and differential duties.

2nd.—A repeal of the navigation laws so far as regards the river St. Lawrence, making it free to the shipping of all nations.

The power of doing away with all imperial and differential duties has already been given to our Legislature, and there is every reason to believe that the British Parliament will as readily open the St. Lawrence whenever it can be shewn that it is the interest of her Canadian subjects to do so. But, Sir, protectionists tell you that all this is impossible, and that England will never consent to it, because it would bring the shipping of other nations in competition with her own, and consequently ruin her trade!!! Is there one Canadian, either by birth or adoption, ready to admit that the commercial navy of Great Britain is ready to compete with the world? I think not. What, then, have we to fear? But, admitting, Mr. Editor, for argument sake, that a portion of our trade from Montreal and Quebec should be done in foreign ships, would it not be infinitely

more to our advantage, than that it should all find its way to some American port, there to be shipped to its place of destination, exclusively in American vessels?

With the intention of reverting again to this subject in a few days,
I am, Sir, Your obedient servant,

AN AGRICULTURIST.

Monaghan, 29th September, 1846.

(From *Hunt's Merchants' Magazine*.)

CHAPTERS FROM THE EXPERIENCES OF A MERCHANT.

THE BUSINESS FACILITIES OF LONDON AND NEW YORK
CONTRASTED.

In these two mighty emporiums of commerce—the one the heart of the monetary and mercantile operations of the empire of Great Britain, the other equally the centre of the same operations in the western world—the modes of business and the facilities of commerce are widely different. In London we find more of the dignity and stability of trade; in New York, more of the bustle and turmoil; there is less excitement, and more weight, in the same mercantile movement in the former than in the latter. The calculations of business appear to be made with more calm reflection; impulsive action upon crude, undigested thought, is more avoided; sudden and large profits are less eagerly grasped at, and future, substantial, moderate gains have the more decided preference in the metropolis of European business than in the chief city of the western continent.

My object in this chapter is principally to contrast the business facilities of London and New York, not, by any means, for the sake of making invidious comparisons, or disparaging either place by contrast with the other, but simply as a matter of calm and interesting inquiry, from which, perhaps, some instruction may be gained; or, at all events, from the perusal of which amusement and interest may result. Of course, in a vast number of points, no comparison at all can be instituted; the extremely dissimilar position of each in regard to age, extent, wealth, and resources, must draw a striking line of demarcation between them, though probably, as years roll on, they will more closely assimilate. The fast gathering wealth and resources of New York, will, in time, approximate to those of London. Capital here yields a larger interest, and of course is more productive and accumulative than capital in England. The unparalleled extent of country tributary to the commercial and monetary resources of New York, with its just born but giant enterprise, its boundless natural wealth, and rapidly increasing population, will cause this city to tread fast upon the skirts of the great metropolis. Gradually, with the increase of wealth and the expansion of productive power, will come that dignity, and calm, reflective, weighty influence which accompanies the footsteps of commerce there. Increasing solidity will accompany increasing resources. The feverish impulse and spasmodic graspings which mark American commerce, instead of being thought "smart," will be reprobated as dangerous; and constancy to one pursuit, calmness and thoughtfulness in commercial operations, and moderation in the accumulation of wealth, will not only be theoretically approved, but will be indispensable to success in business, a *sine qua non* in the attaining and maintaining the confidence of the commercial world.

By "facilities for business" I mean those usages, customs, and resources, which enable the merchant to transact the largest amount of business to the best advantage, and with the smallest amount of capital and labour.

In London there is a larger amount of accumulated capital waiting for temporary employment than in any other place in the world. The enormous sums constantly lying in the Bank of England, and the large deposits held by private bankers, on customers' accounts, and on account of country banks and colonial and foreign capitalists, are constantly at the service of those having adequate security to offer, and requiring amounts for limited periods. The system universally prevailing in London, of settling the largest payments, and, in fact, all the ordinary operations of business, by checks, causes those vast monetary transfers to be made without the employment of circulating medium at all, except for retail purposes. A merchant has £50,000 worth of goods to sell, which he disposes of through his broker, to probably one hundred purchasers. Each purchaser pays his broker in a check on his banker; the broker, at four o'clock, pays in the whole of these checks to his banker, and hands the merchant a check for the entire amount, who, in his turn, pays it to his banker. The bankers, every day at four o'clock, meet at the "clearing house," and exchange checks, settling up matters amongst themselves. Thus the receipt and payment of £50,000 three times over, is arranged without the employment of the circulating medium at all.

Here we may remark, *en passant*, on one of the business facilities this method of payment affords.—A broker or wholesale dealer, through the week, has bought or sold a parcel of goods to the amount of £20,000, for payment on Saturday following, which is a common mode of arranging cash transactions. The broker has to pay £20,000, receive delivery orders for the goods, hand those delivery orders over to perhaps a dozen customers, and receive from them the amount in payment. But probably the broker has not more than £2,000 balance at his banker's; how is he then to pay £20,000 to obtain the orders for the goods, so that he, in his turn, may receive payment? He gives his check, crossed to the banker with whom his merchant keeps his account; which he knows will not be collected until four o'clock on the same day. In the mean time, he delivers orders to his purchasers for the goods, receives their checks, pays them in with other receipts, at four o'clock, to his banker, who carries them to his credit, so that his own check is, of course, amply covered, and his account stands square. Had this facility not existed, the broker could not have made the transfers without a sum equal to £20,000, in his possession. By giving his check "crossed" for the amount, he knows that it cannot go in to his banker's except through the banker of the person he pays it to, and therefore will not be presented for payment until after four o'clock of the same day.—In the mean time, as we have seen, he gathers in his receipts from his customers, and they go in to his banker's during the day, in their turn to be collected and arranged by the collecting clerks of the various banks meeting at the "clearing house" at half-past four. Thus the broker obtains, for one day, the use of £20,000.