

REPORT OF THE COMMITTEE OF THE TORONTO BOARD OF TRADE.

APRIL 15th, 1841.

Your Committee regret that several causes have concurred, to prevent the presentation of the regular annual report, at the time prescribed by the laws of the Board—among the causes has been the removal from our city of our respectable and zealous Secretary, Mr. Brent. The Committee regret the report, during the past year, their transactions have issued in very little present advantage; yet, they hope that their labours will not be fruitless, now that the renewed interest and energies of the Board, have been excited by the prospect of their interference and representations leading to those practical ameliorations, the promotion of which is the object of the report. The Committee congratulate the trade that the commercial interests of Canada will now possess their proper weight in Parliament; many of our principal merchants and financiers having been elected members of the Assembly.

It is gratifying to your committee to know, that in consequence of the termination of the objectionable combination, for several years past existing between the forwarders on the Ottawa and Rideau Rivers—that trade is once more thrown open to competition, and the results will be an immediate improvement in the whole business.

The disparity between the currency of Upper and Lower Canada, your Committee regret, still continues to be felt, as a serious impediment, to the satisfactory transaction of business with Lower Canada. A premium of three per cent (the rate at which exchange on Montreal has generally been held during the past winter) cannot be considered a trifling item in the drawbacks incidental to our Provincial trade. But even at this disadvantageous rate, the inconvenience might be struggled with, were the merchant always sure of obtaining bills on Montreal—it is, however, an unpleasant fact that it is frequently impossible to procure a draft on Montreal on any terms.

The primary cause of this disadvantageous condition of our monetary relations, is, of course, to be found in the enhanced value at which British Silver in Upper Canada has been rated, in comparison with that which obtains in Lower Canada. It is to be hoped that the Legislature will, at an early day, introduce a law to regulate the currency of the United Province. Another important subject of consideration to all classes in these Colonies is that of the adoption of a uniform rate of postage. Your committee observe that the Board of Trade of Montreal have suggested the rate of 3d. the half ounce. The adoption of such a measure would be hailed by all as a boon of vital importance.

A continued source of complaint, on the part of exporters from Upper Canada, is the high charges levied in Montreal for Inspection, passage, &c. &c.—These charges, when added to the heavy down freight, insurance, and charges, make an aggregate average of 25 per cent. on the value of flour; and operate very seriously against our agricultural interests. In connection with this subject, the consideration of the appointment of regular inspectors at this port, presents itself as a matter of great importance.—Wheat, Flour, Pork, &c., bought in this market, if not purchased, subject to Montreal Inspection, must be bought under the strict attendant on the chance of failing to meet the favourable decision of the inspectors—in which case, the buyer must protect himself at the expense of the farmer, by grading his price, so as to be safe against the uncertain result.

The yearly increasing quantity of English salt, imported into Upper Canada, from Montreal is another subject calling for the attention of the mercantile and agricultural classes.—Noting would tend more permanently to reduce the freights, hitherto so oppressive along our inland communications, than the removal of the duty levied at Montreal on English salt—large stocks would immediately be laid in the interior, and salt, the manufacture of the United States, would soon be entirely superseded. The exportation would thus be saved Canada of large sums of money to a foreign country, which notoriously carries on with us no compensating trade. English salt is far superior to American, and the curers of provisions would greatly prefer it, especially as the quantity in Montreal, Pork and Beef cured with American salt are always discarded.

It must be admitted that the framers of the Corn Laws in England, in imposing a duty on Colonial wheat, flour and other grain, did not take into consideration the very heavy freight and charges to which they are subjected on shipment from the lake ports of Canada to England. These charges, on Wheat, are as follows:—

1.—Transport and Insurance from Ports on Lake Ontario, (from Lake Erie and Huron they are much higher) to Montreal, including shipping charges there, per quarter,.....	£0 10 0
2.—Freight from Montreal to England, per quarter,.....	0 10 0
3.—Insurance from Montreal to England, valuing the quarter of wheat at 40s. and taking the premium at the lowest rate—making 2 per cent, exclusive of policy, making in the quarter,.....	0 10 0

4.—Interest on the cost from the time it is bought in Canada of the farmers, say the middle of January, to the time of its arrival in England, which is seldom earlier than July, equal to 6 months, amounts, on the quarter valued at 40s., to.....

5.—On an article like Wheat, which is liable to great injury from a long voyage the actual extra risk cover and above what there is in shipping it from the North of Europe to England, cannot be computed at less than 4 per cent, which, at the cost of 40s., makes on the quarter,.....

Total,..... 1 3 7 1/2

To this add 5s. sterling per quarter duty, we have then a sum total of £1 2s. 7 1/2d. to be paid before the staple produce of our Colony can be sold in a British market. This calculation which is based on experience and truth, shows most conclusively, that the British agriculturist can have nothing to fear from the importation of wheat, flour, and other grain, from the Colonies of North America, duty free, when they are protected to such an extent.

It is also obvious, from this calculation, that the wheat growers of the North of Europe, who ship immense quantities to England, are, in consequence of their having such low freights and insurance to pay, and so little risk to run—placed in a much more advantageous position than the Agriculturists of Canada—to make this apparent the Committee would add:—

That when the average price in England of wheat, is 16s. 4d. to 6s. per quarter, the duty on foreign wheat is £1 2s. 8d.: to this may be added 4s. per quarter, which is a sum sufficient to cover freight and insurance from the average of the ports in the North of Europe, whence it is sent to England—these added together make £1 6s. 8d. From Canada, with the same average, and with our heavy freights and charges, it would be delivered in England for £1 13s. 7 1/2d. per quarter, being 1s. 11 1/2d. per quarter in favour of the foreigner.

To illustrate the matter still farther, take the following averages at which the great bulk of foreign wheat enters the British markets, and the manufacturers under which we labour are still more fully demonstrated:—

	Duty.	Freight.	Togels.
When the average on Wheat in England is 65s. to 69s. per quarter, the Foreigner would pay.....	16s. 8d.	4s.	20s. 8d.
The Colonist would have to pay, although subject to a duty of 6d. per quarter.....	.....	.....	.....
The Foreigner would pay.....	16s. 8d.	4s.	20s. 8d.
The Colonist.....	.....	.....	.....
The Foreigner.....	10s. 8d.	4s.	14s. 8d.
The Colonist.....	.....	.....	.....
The Foreigner.....	6s. 8d.	4s.	10s. 8d.
The Colonist.....	.....	.....	.....
The Foreigner.....	1s. 6d.	4s.	5s. 6d.
The Colonist.....	.....	.....	.....

From the Colonies the wheat is always sent in British ships: from foreign countries a considerable part is shipped in vessels belonging to the country from which it is sent. The Colonists receive payment for their wheat in British manufactures: the foreigner generally in specie.

The natural disadvantage under which the farmer labours, from the above charges on his exports, as well as from an increased price which our position makes him pay for British goods (already heavily taxed) are, the Committee consider, burdens, as near an equivalent to the more direct taxes of the mother country, as any one would like to see borne by Colonists.

During the past year, when our butter was unusually high in England, some small shipments were made; and although the heavy duty, of 20s. Sterling per cwt. (the same that is levied on the importation of foreign butter), had to be contended against, it was found that the profits were remunerative. But when it is considered that 2 1/2d. of the butter exported, was bought from the farmers, at as low a price as 4d. per pound, (or about 2 1/2d. Sterling,) it is not to be expected that, without the withdrawal of the Home duty, this branch of our export trade, which is capable of vast extension, can improve.

The British Manufacturer has not yet to learn, that in these colonies, the only limitation which our demand for his goods knows, is, the extent of our ability to make returns in the products of our soil; and the fostering of our resources is merely the means of sustaining in greater vigour, the important manufactures of the mother country. The removal of all disabilities which stand in the way of our agricultural interests should engage our most strenuous efforts—for our commercial advancement must keep pace with our agricultural improvement.

It appears to your Committee, that from the very intimate connection existing between Upper Canada and the city of Montreal, the great outlet and depot of our whole trade and the point at which centre all our shipping relations with Great Britain, much advantage would accrue to us were Montreal created a free port. Whilst the Island of Jamaica has no less than ten free ports, the whole of Canada possesses only one; and that too, the distant and comparatively inconvenient one of Quebec. By this monopoly, the trading interests of Montreal, and of the whole of the great commercial districts, of which that port is the grand confluence, are allowed to labour under very serious inconvenience.

The Committee would also recommend to their successors to use the influence of the Board of Trade to have Toronto made a Warehousing Port, by which means the city of Montreal, the great number of other articles on which the duties are high on importation, could be warehoused and the duties paid when the goods were required,—thus a considerable outlay of capital in the shape of duties which are now generally paid on landing in Lower Canada would be saved by the importing merchant, who has already many inconveniences to contend with in having his whole year's stock of goods to provide during the short space of six or seven months.

The Committee have delayed their advocacy of the great internal improvements which are necessary to the opening up of the Home District, until the Board of Works, lately established, may be communicated with; because it is only with the assistance of Government that such undertakings as the connecting of lakes Huron and Ontario can be attempted, or any others, which will materially compensate this city for the withdrawal of the Seat of Government.

The prohibition, by which tea is prevented from being legally imported from the United States, the Committee observe, with much gratification will in all probability be removed during the present session of the Imperial Parliament.

In this, as well as some other important changes, the Committee have pleasure in recognizing the advantage of having, as Her Majesty's Representative in these Colonies, a Statesman conversant in the details as well as the theory of commercial affairs.

The Committee cannot omit urging on their successors the necessity which exists for the passing of a general Bankrupt Law for the Province, and they trust the attention of the United Legislature will be directed to this important subject. Divested as the Board of Trade has been, in all its operations, of even a shade of political or party feeling,—the importance of every one interested in commercial affairs, identifying himself with an institution which may become of essential benefit to the city, must be obvious. The Committee hope that every merchant in the place will join in forwarding the objects of an association which has made some progress in public estimation, and the usefulness of which ought to be extended to the utmost possible limit. It becomes a matter of duty on the part of all engaged in commercial pursuits, not to rest satisfied with merely recording their sanction, but to render active personal assistance in bearing out its operations.

(Signed) J. WORKMAN,
Secretary.

* It is assumed that the land carriage from the interior to the Lake Ports will be equal to the corresponding carriage in Europe to the ports of exportation.