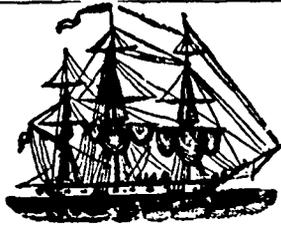


CANADIAN ECONOMIST.



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MONTREAL, SATURDAY, 1st AUGUST, 1846.

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THE CANADIAN ECONOMIST.

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THE FREE NAVIGATION OF THE ST. LAWRENCE.

Our readers will excuse us if we continue to give more than ordinary prominence to the question of the Navigation Laws, as in our estimation it is one of the most important questions affecting the interests of Canada. If we were asked, What measures would you consider necessary to enable this colony to accommodate itself to the altered circumstances of its relations with the Mother Country? the first measure we would suggest in reply would be, *the Free Navigation of the St. Lawrence*. Nay, so much value do we attach to this measure, that without it all other remedial acts whatsoever, however well devised and however advantageous in their application, we should consider as but abortive attempts to re-mould and mature our commercial system.

With the origin of the Navigation Acts of England, most of our readers, we believe, are acquainted. They were enacted during the Long Parliament, out of a spirit of rivalry to Holland, whose commercial navy was then in the meridian of its prosperity, inspiring England with a well-grounded jealousy.

These acts may be considered in a two-fold aspect,—political and economical. In their political character, they have been regarded by the highest authorities as the wisest ever enacted by a British Parliament. The effect of these laws was undoubtedly to augment the naval power of England, and it is by their operation that she has been enabled to assert the proud title of “mistress of the seas.”

Viewed in their economical aspect, on the other hand, these laws have been declared by the same high authorities to be expensive and injurious. Embodying as they do in its full extent the protective principle, their natural effect is to burden commerce, and thus increase the cost of production; for whatever saving might be effected by the employment of foreign tonnage, and which is precluded by these acts, virtually amounts to a tax on the industry of the country.

It will be readily admitted, however, by all parties, that there are interests of a country more important than those involving pounds, shillings, and pence; and that many cases may occur in which considerations purely economical must be subordinated to the higher considerations of political expediency.

The Navigation Acts of England we believe to form a case of that description. The prime object in view in the enactment of these laws was to increase power, rather than wealth; and for the accomplishment of that object certainly no wiser legislation could have been resorted to than the very laws in question.

Whether the time has arrived, or will ever arrive, when England can afford to dispense with her Navigation Acts, throw open her ports to the flags of all nations, and defy universal competition, it is not our object at this time to enquire.

The none question with us must be, Is Canada entitled to seek a relaxation of these laws in her favour? Now, in our estimation, we must be able to shew the most solid and substantial grounds for demanding such a concession from England, before we have the slightest chance of succeeding.

We are not of those who suppose that England will readily yield us this concession. The Navigation Acts are held by her too sacred to be lightly touched. That we have special and sufficient grounds for demanding the concession, we do not doubt, and trust to be able to shew; but we state it as our belief,—and it is this which gives

the question its greatest importance in our eyes,—that we shall only succeed in wringing that concession from England after long and persevering agitation, and after shewing such a determination to assert our rights, as will make it plain to her that there remain only the two hard alternatives,—CONCESSION or DISAFFECTION.

Now there are two special grounds on which we think we are entitled to demand from England a relaxation of those laws, and it will be found that Canada is the only colony of Great Britain that can urge the same claims upon her consideration.

First, In consequence of the long and rigorous winters to which we are subjected, our navigation is entirely suspended for nearly six months of the year. This circumstance prevents us in a great measure from holding vessels of our own, so that we are almost exclusively dependant on outward supply. Again, our export trade is, by the same circumstances, hurried and forced, so that we are exposed in an imminent degree to injurious fluctuations of freight, consequent on the unsteady supply of tonnage.

Does this state of things apply to any other dependency of Great Britain? At the West Indies, the Cape of Good Hope, East India, and Anstralia, they labour under no such disadvantages. With a navigation available at all seasons of the year, they have a constant and regular supply of ships, with moderate freights; injurious enhancements in the cost of freights being exceptions, and not the rule.

Secondly, Canada is a carrying country. What we mean by this is, that such are her internal navigable resources, and geographical position, that she is obviously adapted to conduct a carrying trade of great magnitude. She does not fulfil her natural destiny, unless she secures and retains that trade. Not only the produce of her own soil, but the boundless produce of the *Far West*, should seek an outlet by her waters to the ocean. And how is she to secure that trade? Obviously by giving every facility for the cheap conveyance of that produce seawards.

If, therefore, it can be shewn that so long as we are restricted to British shipping we are unable to offer such facilities, but that the expense of internal forwarding and seagoing freights continues so high as to force the produce of the West to seek some other channel to the Atlantic; and if, further, it can be shewn that the inviting of free competition in the navigation of the St. Lawrence, would so reduce the cost of forwarding of freight, as would make the route through Canada the cheapest route for the conveyance of merchandise to the sea; then are we entitled on this ground also to demand from the British Government a relaxation of the Navigation Laws in our favour.

In our opinion, all these premises can be substantiated. In regard to the first,—our being unable, under the present restrictive system, to secure the carrying trade of the produce of the West,—it is sufficient to glance at the comparative cost of forwarding by Montreal and by New York. We gave the figures in a former number, but but we repeat them here, as the subject cannot be too fully and too frequently before the public.

Cost of transporting a barrel of flour from any port on Lake Ontario to New York, - - - - -	2s. 9d.
From New York to Liverpool, - - - - -	2s. 6d.
	—5s. 3d.
From any Port on Lake Ontario to Montreal, -	2s. 6d.
From Montreal to Liverpool, average rate this year, - - - - -	5s. 1½d. stg. 6s. 4d.
	—8s. 10d.

Difference in favour of New York, - - - - - 3s. 7d.

There is thus a difference in favour of the route by New York of 3s. 7d. per barrel; a difference more than counterbalancing the differential duty in England, and which, when that duty is equalized at the expiration of three years, would render it impossible for Canada to compete with her powerful rival on the other side of the line.

In regard to the other premise, that free competition in the navigation of the St. Lawrence would so reduce the cost of carrying in Canada, and of freights to England, as would secure a preference for the Canadian route, we can of course have no absolute proof that such would be the case until the trial is made. Still the presumption amounts almost to a certainty. We have evidence in the extremely low rates of charges on the Erie and Oswego canals, and throughout the whole route to New York, of what our American neighbours can do; and we have every reason to believe that were American skill and enterprize directed unrestrictedly to forwarding