

SPEECH OF Mr. MERRITT, M. P. P., AT THE TORONTO AGRICULTURAL INSTITUTION.

We find the following reported speech of Mr. Merritt, at the late Toronto Agricultural Show. It was elicited by a toast, uniting the names of Great Britain and the States. There is no one who has paid more attention than Mr. Merritt to the commerce of this country, and although we may differ with him on some points, we are willing to bear testimony to the general soundness of his views, and the perseverance with which he has exerted himself to perfect the internal communications of the country.

On this occasion Mr. Merritt, after some opening observations, spoke as follows:—

"It was well known that he had not been an advocate for free trade. He had never sought it but for the colonies, but now foreign nations would be placed in the same position with the colonies of the empire; and he now believed, that this change would redound to the interests of Canada. The chairman would recollect when the whole commerce of Canada, and the western world passed down the St. Lawrence. How had they lost it? It was lost in 1824, by the wisdom *per se* of that enterprising people, the Americans, in the formation of the Erie Canal, by which the trade was diverted from its former channel. He had exerted himself to the utmost to bring back this trade from the artificial, to what all must concede was the natural channel. They deserved credit for accomplishing so much, with what were then limited means. They had accomplished it, and were now enjoying the benefits of a revenue derived from inland communication. The first motion he brought forward after being elected to the Assembly, was one for the improvement of the communication by way of the St. Lawrence. He was proud of this, believing as he did that the God of nature had not given us these splendid lakes and rivers, but to form the great highway. The narrow channel created by them was 360 miles, that created by the Canadians only 66; was it then to be said they could compete with us? No! The freight from hence to Quebec, would be \$2, of which one was toll. Was this argument visionary? No! but grounded on facts, for it would be found that the freights from Detroit to Oswego, would be \$2, of which \$1 would be paid as toll on the Welland Canal. When the canals should be completed, the produce would be sent down in large vessels, bringing back goods for the merchants here and westward at the price of ballast. He knew that they had gone in debt for their construction. How could they pay it? Why, by the tolls. He felt that nothing could equal the St. Lawrence and its canals. Mr. Thorne says he would not open it to them. Why you would be out of your senses not to do so. 'Tis they would be paying your tolls—they would be paying the interest of your debt. The receipts this year had been £30,000; last year they were only £20,000; but he looked confidently forward to its being £100,000, within ten years. He spoke with confidence, having noted its progress for a long period. The gross receipts on the Erie Canal, last year, were \$2,600,000; and this year the tolls had increased \$200,000. He brought in four resolutions to the House on this subject, which had not been adopted. Had they been adopted, he believed the revenue would have been materially increased; ours would have been the cheapest market, and they would have carried it in. He had intended to say more, but this he would say, that there was a misapprehension as to the free navigation of the St. Lawrence. Why not allow American vessels from Oswego to Boston? They have opened to us; why not we to them? Why not bring them here? He would have them look at the country westward of Lake Erie, larger in extent than the Atlantic coast, ready to send its produce this road if permitted. All he would ask, was that they should be placed on the same footing as those in the States."

OPENING OF THE PORTS.

(From the London Economist.)

A year ago a strong case admittedly existed for suspending the Corn Laws, and opening the ports for the free admission of all kinds of food; and Sir Robert Peel was only deterred from doing so by a division in his Cabinet, too strong to overcome, and which led to its dissolution. But whatever reasons existed then, exist much more strongly now for such a step. Scarcity was then only probable and prospective—now it is certain and present. Although the Corn Law has, in the meantime, undergone an important change for the better, under ordinary circumstances, yet it is in some important respects much less favourable for such a crisis as that which we are now approaching. As long as grain is moderate, or even does not reach a very high price, the present law is infinitely preferable to the old one, but as soon as general scarcity, in spite of the greater facilities offered by the present law, raises the price to such a rate as we have known it for many months together within the last few years, then is it much worse than the law which it superseded. As long as wheat is 54s. or 60s. a quarter, the present duty is only 4s. which under the late law would have varied from 18s. to 12s.; but when wheat rises to 73s. a quarter, then under the present law the duty still continues at 4s., while under the late law it would have fallen to 1s. There is, no doubt, much in the moderate scale of duties under the present law, to prevent prices from rising so high; nevertheless, such a general and extensive scarcity may arise, and there is too much reason to believe has now arisen, when, in spite of the greater facilities afforded by the new law, prices will advance so high that the new duty will be greater than the old one, unless, indeed, some extraordinary encouragement be given, in the mean time, to still more abundant foreign supplies. This is, in short, exactly the emergency which Lord John Russell foresaw would arise in the event of a fixed duty being adopted, when it would be imperative to suspend it,

The present corn-law is, indeed, so far a fixed duty, that wheat is never admitted under it below a duty of *four shillings*; and the reasons which appeared to the noble Lord to provide for a suspension of a "fixed duty," in times of great scarcity, apply with equal force to the present law. But it may be said that Lord John Russell proposed, as a self-acting test of that scarcity, in consequence of which the law should be suspended, a certain high "six-week average price," which has not yet been attained. In framing a general law, with a view to the future and usual state of things we know no better test that could have been proposed, than that of price; but, after all, it was only as the best general test of scarcity that it was proposed. And if, in the course of events, more unquestionable and striking tests of general scarcity exist, the noble Lord will only be acting on the same principles, if he adopt them, as the reason for immediately opening the ports, in conformity with the same principle. Now, surely, no one will, at this moment, ask for more striking tests of scarcity than those which every where surround us whether we look around our own immediate doors, throughout the various counties in England—whether we extend our view to the state of Scotland—whether we include within our range of observation what we are compelled to do in Ireland—or whether we extend our view to the state of at least *three-fourths* of Continental Europe. But, if it be said that scarcity shows itself rather in inferior food than in wheat, the duty upon which we seek to abolish, then the reply is obvious, that the more abundant the higher class of food can be rendered, the less will be the pressure for the inferior food which is so deficient in quantity.

But we are aware that there is a class of politicians—and who, if we mistake not, are represented in the Cabinet—who hold, that it is just when the price of wheat becomes very dear that the duty can be levied without any charge to the consumer; that to remit the duty at such a time, is in short only to make the foreign grower, or the importing merchant, a present of the duty which would otherwise go into the exchequer. We will not waste time now in showing how utterly futile such an objection would be at any time; for whatever force it could have in the estimation of any one, under ordinary circumstances, it can have none at the present crisis. The only ground on which it is contended that the duty in reality would be paid by the foreigner, is, that the natural price of grain is so much lower in the Baltic than in this country, that the same quantity would come whether it was free of duty or not. That, in short the usual inequality of the price of wheat between this country and the continent is such, that a small duty might be imposed without placing the English merchant in foreign ports at any disadvantage with foreign competitors in his purchases. This argument cannot be used at the present moment, for great as have been the inducements for some time past to import wheat into England, we find that at Danzig and Hamburg, the French and the Belgians have competed in the purchase of wheat almost to the entire exclusion of the English buyer. Nay, such is the equality of prices here, and in some of the neighbouring countries, that home-grown wheat has been purchased in several of our country markets for shipment to France. Now as the only source from which any important supplies can be derived during the winter and spring will be the United States of America, it is not difficult to see that the smallest duty chargeable upon the import of flour and wheat into this country, may divert shipments from the ports of Liverpool and London to those of Rotterdam, Antwerp, and Havre, even though, at the same moment, the consumer in England should be paying a higher price than the Dutch, the Belgians, or the French. A duty, however small, imposed upon importation here, is a direct premium given to the surrounding markets. Let us, too, never forget that in such a case we have nothing to do with price: all our aim should be to obtain quantity.

And if it be necessary, for that object, to give to the foreign producer a high price we must consider that a greater evil can only be thus obviated. Moreover, at the present moment, there is another reason which should operate with such objectors as we now refer to, for withdrawing their opposition to such a measure. If we had a large quantity of corn in bond, they would contend that to relinquish the duty would be only to add to the profit of the lucky speculator who happened to hold it, altogether forgetful that such a step would prevent a large quantity from being shipped to other markets, where, though the price to the consumer was not higher, yet it was so to the importer, from the fact that no duty interposed between them, as has already to a great extent taken place; and the equally important fact that the profits thus thrown into the hands of the merchant by his lucky adventure, afford him not only the means, but the inducement, at once to embark in fresh enterprise to increase supplies. Politicians who grudge the profits of commercial speculation, are ill calculated to preside over a country suffering from scarcity and famine. To such, however, it may be a source of satisfaction, that owing to the almost total absence of any stocks of grain in bond, no risk would be run of enriching the speculator at the cost of the exchequer.

But if the test of scarcity be sufficient to satisfy every one of the imminent danger in which the country is placed—and an admission of this is, indeed, the only justification for the present policy pursued towards Ireland—then we hold it to be impossible that any Government, and much less the present one, can refrain from the adoption of every possible means which will facilitate the increase of supplies, or render those which we have more efficient. It is utterly impossible that any Government, and much less the present one, can subject the country to the enormous sacrifices which it is called upon to make in order to feed the poor in Ireland, and leave the smallest vestige of a duty upon the importation of food of any kind, or the slightest restriction upon the mode in which it is consumed, inconsistent with the strictest economy which private interest might dictate.

That the opening of the ports for the free admission of food of all kinds—that the permission to use sugar or molasses in our breweries and distilleries, if only as a means of economising at the present crisis the consumption of grain—are measures which would be forced upon the most unwilling Government by an overwhelming necessity during the coming winter, but which will be cheerfully and willingly adopted, as being only in accordance with their general principles by the present cabinet, we