

**Agricultural Journal**  
AND  
**TRANSACTIONS**  
OF THE  
**LOWER CANADA AGRICULTURAL SOCIETY.**

MONTREAL, AUGUST, 1851.

ASSOCIATIONS OF AGRICULTURAL  
CREDIT.

We propose to advocate the establishments of these Associations continually until some action is taken in the matter, or until it is proved that our proposition would be injurious to this country, if carried into effect. Strenuous efforts are made to abrogate the usuary laws on the pretence that it would bring capital into the country and promote its improvement. So far as agriculturists would be interested in the question, we feel perfectly convinced that the abrogation of those laws, far from being advantageous to them, would, on the contrary, be the ruin of nine-tenths of them. It is an admitted fact that more capital is required in agriculture to enable farmers to introduce improvements that would be directly beneficial to them, and generally so to the country; but to borrow capital for this purpose at high rates of interest, would be the certain ruin of any farmer who would do so. In England where agricultural produce is more abundant to the acre, and sells for a higher price, landed proprietors or farmers would not attempt to borrow capital at a high rate of interest for agricultural improvements, and seldom give even five per cent. for it. If the usuary laws were abolished in Canada, merchants in cities and towns, and little shopkeepers throughout the country would soon have all the lands of the country under mortgage to them, and on such terms as would be the utter ruin of poor farmers. We warn the true friends of the country to resist this innovation upon the long established laws and customs of the people. If the inhabitants of cities and towns wish for

this change in the laws, (as they are the only parties who are demanding it), let the operation of the law be confined to them should it be changed, but, in mercy to the rural population, let it not extend to them. Their habits are simple, and it was only lately, that in selling a farm, they ever thought of charging interest upon the part of the purchase money which remained unpaid, and even now interest is not often exacted on the purchase money of a farm. Do away with the usuary laws, and very soon the store-keepers of the country will have such a claim upon farms that the proprietors will never be able to redeem them, and they will be reduced to the dependent condition of mere scerfs, and never again be proprietors of either house or land. We know what loan societies have done for parties who were so unfortunate as to borrow from them—to lose every thing they had in the course of three or four years. We do not attribute any blame to those loan societies, because they acted in every instance strictly according to law, but we deplore the misfortune of the parties who were ruined by borrowing from them, and the abrogation of the usuary laws would produce a similar effect upon thousands before the end of seven years from this time. We would not offer the slightest objection that the commercial and manufacturing classes should be free to exact what amount of interest they may think proper among themselves, only let us have the rural population protected from the effects of a law that would be certain ruin to them. If the agricultural class cannot obtain what capital they might require at an interest of six per cent., or under, they would do much better without borrowing any. The Associations of Agricultural Credit, would be exactly calculated to afford them loans upon such terms as would be safe for them to borrow, and it would be better for them if they cannot obtain loans upon safe terms, never to borrow a shilling, however necessary it might be for enabling them to introduce improvements in their system of agri-