

producer against all American competition from this quarter through the channel of the St. Lawrence.

With regard to the Carrying Trade :—

All the Grain grown in Canada will not supply the consumption of British North America, and, if it were all shipped to England, and the population of our Commercial Towns were supplied from the United States, the quantity of our own so exported would be very limited for many years to come.

By reference to Appendix No. 5, it will be seen that the cost of transit on a barrel of Flour to Liverpool, through the Erie Canal, is 3s. 1½d. less than by the way of the St. Lawrence ; when this is added to the proposed duty, it will give 5s. 1½d. in favor of New-York. By reference to the table of Duties it will be found that this difference only accrues when Wheat averages between 61s. and 62s. per quarter. (See Appendix No. 7.) And whenever prices in Britain exceed that average the products of the Western States will be conveyed by the Erie Canal. After the enlargement of the Erie Canal shall have been completed, which is our most formidable rival, notwithstanding the reduction heretofore mentioned by the St. Lawrence, the cost of transportation through the two channels will be so nearly equal, that to the transit through the latter a decided encouragement should be given by the Home Government for at least a few years. If Grain cannot be exported to England at a profit to our grower unless Flour reaches 33s. per barrel, and Wheat from 60s. to 61s. per