

## SUGAR DUTIES.

The next great battle of the tariff is to be on the Sugar Duties. The new proposition of Sir Robert Peel respecting this article is as follows:—

	Present Duties.	Now proposed.
Colonial Muscovado, - - -	14s.	Same.
Do. equal to white clayed -	16s.	Same.
Foreign free labour, Muscovado, -	23s. 4d.	19s. 10d.
Do. equal to white clayed, -	28s.	25s.
Foreign slave labour, - - -	63s.	Same.

Thus very slight reduction of duties will, it is said, allow a small increased quantity of free labour sugar to come into home consumption at present prices; but taken as a whole, the proposed measure is utterly incommensurate with the requirements of the case, and will meet with strong opposition from the Free Trade party in Parliament. The ground that that party intend to take is this: they insist that the distinction between free-grown and slave-grown sugar shall forthwith cease, and that the protecting duty imposed on foreign sugar shall be gradually diminished, so that in five years all sugars shall be admitted on equal terms.

There is no one single article probably which exhibits the effects of protection to the same extent as sugar. The pecuniary cost to Great Britain of this protection may be shown by a very simple calculation.—The quantity of sugar entered for home consumption in the ten years ending 1844, was about *two millions of tons*; while the difference in price between British Plantation and Brazil sugar of equal quantity, in bond, during the same period, was about £16 per ton.

$$2,000,000 \times £16 = £32,000,000.$$

Thus the sacrifice by which Great Britain has endeavored to support the sugar monopoly amounted to the sum of *thirty-two millions sterling in ten years*. In other words, she has paid for every pound of sugar she has consumed twice as much as it was worth in an open market. In one year alone, 1840, the extra cost of her consumption, over and above what was paid by any other nation in Europe, amounted, irrespective of duties, to upwards of *five millions sterling*; while the total amount of manufactures exported to the sugar-growing Colonies was only *four millions sterling*—so that, according to this calculation, she would positively have gained a million sterling by making the Colonies a present of all the goods they took from her, as a bribe to allow her to go to the cheapest market for sugar!

## CANADA AND THE REPEAL OF THE CORN LAWS.

The following Despatch, addressed by the Colonial Secretary, Mr. Gladstone, to the Governor General of Canada, in reply to the Address of the House of Assembly, relative to the Free-Trade measures of the Government, has attracted much attention in England, and possesses more or less interest for all our colonial possessions.

“DOWNS-STREET, JUNE 3.

“MY LORD,—I have to acknowledge the receipt of your Lordship's despatch, No. 61, of the 13th of May, transmitting to me, for presentation to her Majesty, an Address which has been voted by her Majesty's loyal subjects the Commons of Canada. In this address it is set forth that the Assembly of Canada regard the adoption of the principle of commercial intercourse now under the consideration of the Imperial Parliament with serious apprehension and alarm, and various grounds are stated for entertaining such impressions. Her Majesty has been pleased to receive this Address with the fullest confidence in the loyalty and intelligence of her faithful Commons of Canada; but it is with sincere concern that Her Majesty has learned the existence, in such a quarter, of anticipations of such a character.

“I have it in command from her Majesty to address to your Lordship the following observations in regard to the matter of the Address, which have been submitted by her Majesty's advisers for her gracious approval, and to which she has been pleased to give her sanction.

“Her Majesty's Government conceive that the protection principle cannot with justice be described as the universal basis, either of the general connexion between the United Kingdom and its colonies, or even of their commercial connexion. There is a large and important group of the colonies of this country having a very extended commerce, and one of a peculiarly British character, in relation to which the protective system has at no time exercised a powerful influence, and in relation to which at present it has little more than a nominal existence. I speak of the Australian colonies. And it cannot fail to be remarked that while these are the most distant, and therefore, according to the supposition of many, the most in need of commercial preference, they have also made the most rapid progress, and have thus most effectually belied that necessity. It is true, indeed, that a part of their material prosperity may be ascribable to the supply of penal labour; but this is far from affording an explanation of the case, since perhaps the most remarkable instances of vigorous and rapid growth among the Australian possessions of her Majesty, have been instances in which penal labour has been altogether unknown. The energy of the colonists has, without doubt, under Divine Providence, been the main cause of their singular advancement; stimulated but not overborne by distance, and aided, not repressed, by the enjoyment of commercial freedom. The same energies, with less disadvantage of distance to contend against, will, it may be confidently predicted, have a similar effect in developing the resources of British North America, and not with less, but rather with the more signal success, when capital, industry, and skill, shall be

left to take their own spontaneous direction, and to turn to account as individual prudence shall suggest, the abundant materials and instruments of wealth which the bounty of heaven has bestowed.

“Her Majesty's Government have been glad to find that the Assembly has viewed with unmingled satisfaction the prosperity of Canada under the moderate system of protection which has hitherto prevailed; but the Assembly cannot fail to recollect that all the progressive relaxations of that system, which, for a series of years past, have been introduced into the law, have been met and resisted by predictions of the ruin that was honestly but erroneously conceived would follow them, and that those predictions have, with a remarkable uniformity, been disappointed. Experience cannot but suggest that a similar insecurity attaches to the renewal of the same expectations founded on the same arguments.

“It is not for the sake of controversial or purely argumentative advantage that her Majesty's Government refer to former apprehensions, and to the manner in which they have been dissipated by the event. A retrospect of this kind is calculated to throw clear and abundant light upon the real merits of the question. The fears which are now entertained have reference to the circumstance that it is proposed to remove all differential duty between Canadian and foreign duty. Is it, then, to be shown that the Canadian corn trade has prospered heretofore in proportion to the amount of such differential duty? Far otherwise. The law of 1823 diminished the difference in favour of Canada; the law of 1832, further, and greatly diminished the difference in favour of Canada; the law of 1843, which reduced the duty on Canadian wheat to 1s. per quarter, still left a much smaller difference in its favour, as against foreign wheat, than existed under either of the former Corn Laws: and yet the corn trade of Canada has grown and prospered; and its extension has, doubtless, contributed in no small degree to the happiness and prosperity of the people of the colony, which the Assembly, sharing in the unmingled satisfaction of her Majesty and the British Parliament, has seen advancing in steady and successful progression. But this extension has taken place, not under protection secured from change, nor under protection fortified by successive increments, but contemporaneously with a series of changes involving its great diminution.

“It appears to be the impression of the Assembly that some great revolution of prices is likely to occur, as the consequence of the pending changes in the law, which will deprive the Canadian farmer of all hope of remuneration for his surplus produce. But the Canadian farmer is advancing from year to year in capital and in science, and to say nothing of the great advantages he cannot fail to derive from improved communications, it would surely be rash to assert, nor probably do the Assembly, in their Address, intend to imply, that his industry must be paralysed unless he shall continue to receive the precise amount of average payment for his grain that he has hitherto received for it. Doubtless the alarm which has been excited has reference to the idea of some sudden, great, and permanent reduction of prices, to follow the repeal of the British Corn Law. Without pretending to estimate too nicely the momentary or the occasional effects of the measure, her Majesty's Government cannot but admit that they could better appreciate at least certain presumptive, though far from demonstrative, grounds for the alarm of the Canadian agriculturist in regard to the future fortunes of the colony, if they shared in such an anticipation. To some reduction of average and usual price, from the removal of artificial restraints, they are disposed to look forward, but when they consider the steady and rapid growth of population in the corn-producing countries of the globe, they cannot but be persuaded that it would be unwise, whether in the friends or the opponents of commercial relaxation, to recommend or dissuade it on the ground of any great revolution in permanent prices to be operated by it, and their expectations of advantage, sanguine as these anticipations are, have reference, in a greater degree, to the increased steadiness of the market, and to the vigour which general trade will derive from the removal of artificial influence disturbing the balance of its several pursuits, and from the wholesome stimulus that competition, which in farming pursuits can scarcely become over-wrought, rarely fails to impart to industry.

“I am unwilling to repeat at length the arguments which I have addressed to your Lordship in my despatch No. 66, of the 18th May, with respect to the other great subject of the alarm of the Assembly,—namely, the trade in timber. When, however, we revert to the year 1842, it cannot but be acknowledged that this was the case of a trade peculiarly artificial as it stood under the former law. The reduction, though graduated, was decisive; perhaps in no case has it been more so, and certainly in no case have more uniform, confident, or sincere prophesies of ruin been hazarded by the opponents of the change. The result is, that the export of timber from British North America to this country attained during the last year to a height which it had never reached under the more protective law. I do not mean that the withdrawal of protection was either the exclusive, or even the principal, direct cause of this prosperity; although there cannot be a doubt that many trades have to refer their vigor to the fact, that the absence of artificial support has in their case given free operation to the stimulus necessary for the development of natural and permanent resources. Increased demand in the United Kingdom has, without doubt, been the main and the immediate cause of the increased export of wood from British North America, but it is the conviction of her Majesty's Government that such increased demand was in itself referable in no small degree to the relaxations of our commercial law, and therefore, in its due proportion, the growth of the timber trade is truly and justly, even if circuitously, to be ascribed to that very diminution of protection from which its ruin had been anticipated. We are now to look forward with hope to a further increase of the consuming power of this country; a further encouragement to the use of timber as compared with competing articles capable of being applied to the same purposes; a further encouragement to the use of Canadian timber, in combination with the wood of the Baltic, for those objects in regard to which the consumption of the one directly stimulates the consumption of the other. Is it too much to hope that causes so similar may produce like effects; and that the caution with which Parliament has proceeded in the gradual reduction of the timber duties to a moderate standard, may be again rewarded by the satisfaction with which it will witness a further growth in the wood trade of Canada?

“Her Majesty's Government, therefore, cannot, on the part of the Imperial Exchequer, share in the fear that increased freedom of trade will have the effect of crippling the revenues of those important public works, which are designed to facilitate the transit of the produce of Canada by the St. Lawrence to the sea. They can by no means subscribe to the opinion, that the comparative dearthness of this route is an established fact. And they likewise feel that if they did subscribe to that opinion, although it might corroborate the propriety of the course they have pursued in suggesting to Parliament the interposition of an interval before entire freedom shall be given to the corn trade, it could do no more; it could not induce them to ask, nor Parliament to grant, nor, they are certain, could it induce the people of Canada to desire, that the market of their farm produce should be maintained by means of a perpetual tax upon the people of