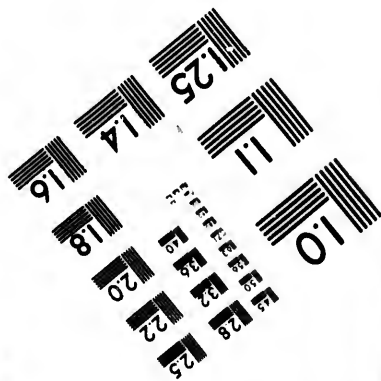
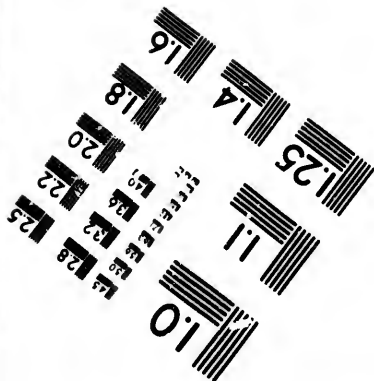
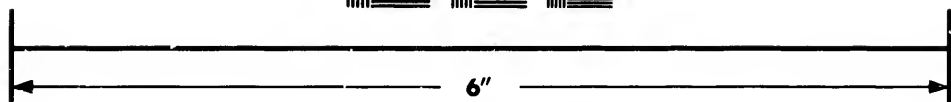
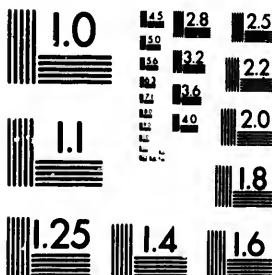


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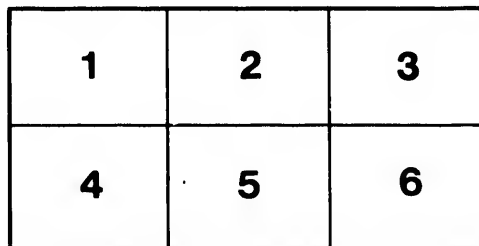
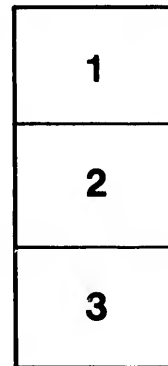
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THI

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M E M O I R

ON

THE COLONIAL TIMBER TRADE,

PRESENTED TO

THE RIGHT HONOURABLE

SIR ROBERT PEEL, BART.

BY

THE COMMITTEE

OF

THE NORTH AMERICAN COLONIAL ASSOCIATION.

LONDON :

PRINTED BY C. ROWORTH AND SONS,
BELL YARD, FLEET STREET.

1842.

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MEMOIR
ON
THE COLONIAL TIMBER TRADE.



THOUGH many and great reasons existed to hope for permanency in the present regulations of the Timber Trade, which, by the most frugal and enterprising competition of our Colonies with foreign countries, has so abundantly supplied this kingdom with the choicest kinds of every variety of Wood, at reduced prices, in increasing quantities, until the annual importation now exceeds 1,500,000 loads; while our export of British productions to the North American Provinces has in consequence risen to the amount of above £3,000,000, and the Tonnage employed by our imports thence exceeds 800,000 tons; an emigration thither of many thousands of persons a year being carried on at the same time; and, concurrently with all these great enterprises, a revenue of above a million and a half sterling being yearly raised upon Wood, without the least evasion, inconvenience, or complaint: yet, it must be confessed, that apart from considerations of revenue, the principle and object laid down for the change recently proposed by Sir Robert Peel were in all other respects unexceptionable, and worthy of a great statesman. For not only was it by his calculations implied, that no alteration in the relative proportions of Foreign and Colonial Trade was contem-

plated, but announcements were made in express terms, that "*the measure was to produce upon our Colonial Possessions no injurious effect whatsoever*"—"to be one of relief to Commerce, to Agriculture, and to our Colonies;" that, "*above all things, we should avoid any injury to the Canadas;*" that, "*our relations with Canada were such as to require the utmost caution, and such as made it imperative on us to do nothing which can suddenly affect their interests.*" In fine, "*I propose,*" said the Premier, "*neither at present, nor permanently, to injure these interests; but, on the contrary, to confer on them, as well as on the consumers in this country, a great, an immediate, and an improved relief.*" Accordingly, and in perfect consistency with these principles and objects, the alteration proposed was exhibited as one of remission of Colonial duties to an almost nominal amount, accompanied indeed with a reduction, but apparently amounting to no more on an average than 5s. 4d. a load in the present amount of our whole Colonial protection against Foreign Wood.

In this view of the proposed measure, nothing could be desired more considerate, more moderate, and beneficial to our commerce and navigation; and, with the single exception of some loss to the revenue, nothing more satisfactory to every interest could probably be effected. It has, however, most unfortunately happened, that, partly through miscalculation, and partly perhaps from misinformation, upon a subject of all others the most complicated in its details and bearings, the mode in which this reduction of duty is to be computed and applied has entirely altered the whole character of the measure, quite perverted its apparent principle, and will utterly defeat its avowed object. For, first, instead of simply making upon every article of Wood a specific reduction equal to 5s. 4d. a load in the existing protection against foreign importations, an average of the whole du-

ties upon every article has been first taken, the reduction made on that average, and then the reduced average applied to certain articles in lieu of the former duty; two things which are apparently so similar as to admit of no objection, but in reality are totally different in their operation, and, being no less at variance with the object of the measure, will produce the most fatal consequences to British and Colonial Trade and Navigation. Next, the average has not been taken upon those articles only to which its reduced amount of duty is to be applied, nor upon those only in favour of which the reduction is made, but includes also some articles against which it operates, and some that are afterwards exempted from its operation. And, lastly, in the very computation of the average an error has been made, which considerably increases the injurious effect of that indirect and most fallacious medium of reduction.

It is greatly to be lamented that, in such a question, the idea should ever have occurred of resorting to a computation by averages. That method is no doubt justified by necessity, wherever it is required to generalise numerical facts collected from different times and places, or varying in less important relations, and to establish a rule or expression of universal application. In which case, though the application to some particular instances may prove incorrect or injurious, that disadvantage is more than compensated by the benefit of acquiring a common and uniform standard. But this, the necessary and legitimate use of averages, should never lead to their employment where that resort is required by no such necessity, and that imperfect result is countervailed by no such acquisition; for in such a case the computation becomes liable to inaccuracy and mysticism, and may introduce the most fallacious conclusions. There can not be a stronger instance of the misconception and misapplication of such a process

than to use it as a medium of adjusting our charges upon different articles of importation, and to assume the present amount on each to be equal to an average upon the whole. Imagine such a method applied to our whole duties of customs upon every commodity imported. Nothing could so outrage and defy common sense. Yet it is scarcely less absurd to apply such a measure to the separate articles of the same commodity, where those articles are numerous, their value unequal, the duties upon each not only different but imposed by totally different modes, and the need and importance of protection no less various. It is manifest that, on whatever article the present duty is highest, the average would apply most unfairly, and if that article were also the most important, the whole process would be most deceptive. In Wood, that article is Timber, of which 818,299 loads were imported in 1840, being considerably more than one half of our whole importation of Wood of all descriptions. The present duty upon Foreign Timber is 56s. 6d. a load, yet an average reduction of apparently but 5s. 4d. a load in protection is to reduce that duty to 26s. 3d.

But if an average is to be resorted to at all, it should at least be fairly computed. Here the average has been taken upon Timber, Deals, Staves, Lathwood, Firewood, Spars, and some minor articles, as Knees and Handspikes. Yet the reduction upon that average is applied to Timber, Deals, and Staves only, to the exclusion of Lathwood and Firewood, Spars, Knees, and Handspikes, for each of which specific duties are distinctly and separately made; viz. of £2 the fathom, instead of £4 : 5s., the former duty on Lathwood, and 10s. the fathom instead of 19s. on Firewood; and the several duties on Spars, Knees, and Handspikes, are specifically reduced to about one-half of their present amount; which, however, is still to be charged by tale, and not by cubical contents. Now the present duties on these

articles are equal per load, on Firewood, to 4s. 4½d.; on Lathwood, to 25s. 6d.; on Handspikes, to 21s. 11d.; on Knees, to 27s. 1d.; and on Spars, to 11s. 7½d. These articles, therefore, have apparently been brought into the average to reduce its amount per load, as they would materially do, being of all Foreign Wood charged with the lowest duty according to the cubical contents; but because the reduced average would raise the duty upon such articles they are exempted from the application of the average reduction, and the duty on each is by specific provisions reduced to about one half of the present amount. What has been the effect of this management? Assuming the average duty on all Foreign Wood to be 41s., if Firewood be struck out (of which 40,963 loads were imported in 1840), the average will rise to 43s. 9d.: if Spars also be struck out, it will rise to 44s. 7½d.: and if the rest of the articles above shown to be unfairly included be also struck out, the average will be raised to no less than 45s. 5d. Again, why are the Russian Deals of which the dimensions are 18 feet and upwards by 11 inches, and which now bear a duty of about 40s. a load, included in the average? for the effect of such a rule of reduction is scarcely less adverse to the Russian than to the Colonial Deals, in competition with the Norwegian. Colonial Deals themselves might have been included in the average with almost the like propriety. As regards the Shipowner both stand in nearly the same predicament. It may further be remarked in passing, that the computation by averages must of course exclude the duty on the 12 feet by 9 inch Deals, and on those of still shorter lengths, from Norway; although as the reduced average duty contemplates and will allow their admission, their exclusion should have been considered and represented in exhibiting the amount and operation of the existing duties. For these are precisely

the Deals that will most supplant the Spruce Deals of our Colonies, and are now subject to a duty equal to about £3: 12s. per load upon the dimensions of 12 feet by 9 inches. Thus it appears that the computation by averages has occasioned an omission of the high extremes, which ought to have been represented, and an insertion of the low extremes, which ought to have been, and which after having served their purpose, actually are, excluded; and in the intermediate degrees no separation or distinction is made of a class, (viz., the Russian Deals,) which no way belongs to the same category with reference to the present question, but is forced in as an ingredient in a computation, the effect of which is to be used to the injury of the very Deals which thus exaggerate that effect.

Fallacious and inapplicable as is this measurement by averages, and unfairly as they appear to have been taken, the result is still so extraordinary that there seems something incredible and inexplicable in it, unless a very material error has crept into the computation. Such, upon inquiry, has been found to be the case. A careful investigation of the quantities imported, and amount of duties paid upon all articles of Foreign Wood for the year 1840, has shown that the average of duty is not 41s., as supposed by her Majesty's Government, but no less than 43s. 6d. Here, therefore, is an error of 2s. 6d. in the very computation of the average. Add that to the far grosser error of including in the average, for the mere purpose of reducing its amount, those articles, which ought to have been, and which having served that turn, actually are, excluded, (an error equal to 4s. 5d. a load,) and the aggregate of 6s. 11d. will make the average 47s. 11d. instead of 41s. This of course makes a very important difference. Yet these errors, though more apparent by figures, are even less in point of reason, than the mistake committed by resorting to averages at all,

upon such an occasion: which mistake, even in point of consequences also, is so much the more important, that its evil effects could by no means be all averted by the correction of those other errors. By the combination of all, the protection upon Colonial Trade will be reduced upon the principal articles of Timber and Deals far beyond what has ever before been proposed by any Government, or can be sustained by any Colony. The following table will exhibit and contrast the real operation of the average reduction, with its apparent amount, according to the first announcement of the present measure; and the subsequent alteration has only diminished the apparent without any effect in the real reduction upon timber.

<i>The Apparent Reduction.</i>		<i>The Real Reduction.</i>	
	£ s. d.	£ s. d.	
Present Average Duty on Foreign Wood according to the official calculation.....	2 1 0		TIMBER,
Average after October, 1843	1 8 0		Present Duty on Foreign, per load ..
<i>Reduction</i>	<u>0 13 0</u>		2 16 6
Present Average Duty on Colonial Wood according to the same calculation.....	0 9 0		Proposed Duty after October, 1843 ..
Average after October, 1843	0 1 4		1 6 3
<i>Reduction</i>	<u>0 7 8</u>		<i>Reduction</i>
Apparent reduction of protection	<u>0 5 4</u>		1 10 3
			Present Duty on Colonial
			0 11 6
			Proposed after October, 1843
			0 1 1
			<i>Reduction</i>
			<u>0 10 5</u>
			Real reduction of protection.....
			<u>0 19 10</u>

Upon Deals the real reduction of protection will vary extremely, according to their dimensions, from an inconsiderable amount to no less than £1 : 13s. 6d. a load upon the 12 ft. by 9 in. deals. This reduction will be found to operate to the particular and almost exclusive benefit of the shorter Deals of Norway, which, being almost all

imported in foreign ships, will at once supplant the use of Colonial Wood, and at the same time supersede the employment of British Navigation as well in the Russian as in the British American Trade.

Thus, in the two far most important articles, Timber and Deals, the only articles in which any actual competition between the Colonial and Foreign supply exists, of the former of which articles about 818,299, and of the latter about 500,000 loads, are yearly imported, the reduction of protection instead of being but 5*s.* 4*d.*, as the average shows, would in reality be no less than 19*s.* 10*d.* upon Timber, and £1 : 13*s.* 6*d.* a load upon those Deals which will come most into competition with Colonial trade. These amounts greatly exceed what has ever before been recommended by any Parliamentary Committee, or proposed by any former Administration; though both Committees and Administrations have existed, a majority of whose members were most hostile to the Canadian Timber Trade; yet never did either before suggest a greater reduction of protection than 15*s.* a load. The late Administration, in 1841, proposed no more. The Parliamentary Committee of 1835, limited their recommendations to this sum. And Lord Althorp, in 1831, attempted, first in the form of 5*s.* a load reduction on Foreign, and 10*s.* addition on Colonial Timber, and afterwards in the shape of a pure reduction of the Foreign duty, to carry the same diminution of protection to the amount of 15*s.* only. None of these measures were carried; and that of Lord Althorp was rejected in a House of 426 members by a majority of 46. It is true that the present measure, in so far as it reduces the duty on Colonial Wood, is essentially different from those former proposals; but in so far as the protection against Foreign Wood is also reduced, this measure is essentially the same; and it is after allowing for and deducting

the amount of remission of Colonial Duty, that the reduction of protection against Foreign Wood is shown to be, notwithstanding, so much greater than ever before suggested by the most adverse parties. The advantage to be expected from any increased consumption of Wood seems every way illusory. Wood is principally used in house building, a branch of industry which already has been more than any other extended beyond the demand, and, as will presently be shown, can be little benefited by the proposed remission. The quantity of Wood now imported is enormous. No new purpose for using such an article can be suggested.

That such a reduction must, if persisted in, be highly injurious to the Colonies, the British Merchants trading thither, and to the Shipping Interest both there and here, is too evident to be questioned by any one, and has been already conceded by those most interested to dispute it. In 1831, Lord Althorp, with the amplest means and abilities to study the question, came to the conclusion, that a reduction of 15s. in the amount of protection would transfer one half of the Colonial Trade to the north of Europe: a result which was then, and has ever since been, admitted by all parties interested in the subject. The progress of time would rather increase than diminish such a consequence; as the demand for Wood in this country has risen, importations are now larger, no improvement of art or machinery is applicable to the preparation of timber any more than to its growth or culture, the sources of supply in our Colonies become yearly more remote, the cost therefore is greater; yet the price here is kept down, and profits must consequently have been reduced to the barest scale; while the shipowners are even less able to sustain the least diminution of their freights. If therefore, in 1831, a reduction of 15s. in Colonial protection would have transferred one-half of

the Colonial Timber Trade to Foreign Europe, what effect, in 1843, must a reduction so much greater in this protection produce upon diminished means of sustaining the unequal competition?

It is a great aggravation of the evil now impending over the Colonial and Shipping Interests, to find that the infliction is announced as a relief, and the effect predicted to be a benefit: and, perhaps as a greater aggravation, it may be added, that this calamity has originated from the quarter they least expected, and will now at last be accomplished by the very hand to which they have hitherto looked with gratitude, for having protected them so long. It only remains, however, for those whose interests are involved, to protest and exclaim against that destruction of their trade and property, which they know is inevitable from the measure now proposed. Its whole bearings and relations can be understood by none so well. A subject so extensive and complicated, requires a degree of study and information that nothing but interest and experience together can suffice to give. In the right therefore of both, and with every solemnity and sanction which so grave an occasion demands, her Majesty's Ministers are most humbly, but most earnestly assured, that a measure more destructive to the interests of British and Colonial Trade and Navigation has never been proposed.

It becomes necessary, therefore, to recall to mind what the nature and magnitude are of the interests at stake: and though these are considerations which have been often urged before, yet they may well deserve to be once more repeated, upon this, perhaps the last, and certainly the most urgent, occasion for their employment.

No department of our commerce has ever produced such great and prosperous results upon our Colonies, Manufac-

tures, Navigation, and Revenue combined, as have been effected by the Timber Trade.

The British North-American Provinces have, under the existing duties, risen from poor and inconsiderable Colonies to be populous, and most valuable members of the empire. During a period of nineteen years, previous to the establishment of the present system, their imports from this country had not only not increased, but had actually declined; and at the expiration of that period, their exports hither employed but 63,681 tons (in 1807). At present our annual exports of home production to those possessions may be set down at the real value of £3,000,000, (in 1839 that amount was exceeded); and the shipping employed by our imports thence was, in 1840, 808,222 tons. The Timber Trade of the Northern Colonies forms by far the greater part of their whole industry and exports, being in those of Canada one-half, of Nova Scotia and Prince Edward Island one-fourth, and of New Brunswick five-sixths.

This last Province may be fairly cited as an example of the effects of the Protective and Colonial System, and particularly of its application to the Timber Duties; having, in consequence, advanced from a handful of Loyalists, by whom the Colony was first planted in 1783, to its present very flourishing state of population and trade. The former have increased since 1824 from 74,176 persons to 157,562, in 1840; and the latter during ten years, from the value of £483,545 (of imports) in 1829, to £1,435,447 in 1839. Of the seventeen millions of acres which New Brunswick contains, less than five hundred thousand have yet been reclaimed from the native forest, which covers the whole country beside. The number of mills there built for the manufacture of deals is 574, the value of which is estimated at £500,000, and the value of other property there invested in the Timber Trade is considered to be of a far

greater amount. Of that Colony's whole exports, the value of all native articles not of Wood amounts only to about £75,000. The shipping owned there exceeds 90,000 tons. And the exports thence give yearly employment to 2,605 ships of 381,577 tons, and 17,313 men. Almost the whole of which trade and navigation is purely British, and with the British Dominions, and principally with the United Kingdom. And as there is scarcely any part of the world where so small a population could by their industry, under its existing protection, be more profitable to the Manufactures, Trade, and Navigation of the United Kingdom; so also is there no position where to plant and foster an enterprising, loyal, and powerful Colony seems more useful to the security and prosperity of the British Empire. For the policy of raising up in all the British North American Provinces an efficient barrier against foreign attacks from that quarter, can as little be questioned, as that object could be attained by the measure now in contemplation. And this policy applies most strongly to the central situation of New Brunswick, as being at all times the point most important, and at the present moment also the point most endangered. As the Deals of New Brunswick come most into competition with the Deals of Norway, the measure now proposed would fall with the fullest severity upon that Province, which in consequence would become greatly impoverished and even depopulated. No moment could be more unfortunate for such an infliction. Within the last two years, the chief town of that Province and the principal port of the Timber Trade has been twice devastated by fires, which have consumed property to so large an amount, that even the spirit and enterprise of the inhabitants, now beginning to rally, would prove quite unequal to encounter the far greater calamity of the present proposition.

It is not however that portion of the colonists whose capital and industry are embarked in the Timber Trade that will alone be affected by this measure; the general prosperity of every other employment will suffer from the effects. Among remoter instances may be mentioned, that even the Fisheries derive a great advantage from the present Trade in the low price at which Salt is now obtained there, being taken out as ballast by the timber ships. But the great business of Emigration, the most useful and surprising effort of human courage and enterprise, which, unassisted and undirected by Government, has by voluntary and almost by fortuitous action, been carried to the vast extent of 50,000 persons in one year conveyed from the United Kingdom, where they were a superfluity and a burthen, to the Northern Colonies, where no acquisition could be greater to them, to us, and to mankind; this marvellous movement, which is there so fast replenishing the earth and subduing it, could not only never have so prospered as it has but for the Timber Trade, but could never have found its direction and seat within our own dominions, nor even the means or opportunities of conveyance any where, but for that bridge across the Atlantic which has been formed by the Timber Ships.

Nor have the North American Colonies been found either indifferent to their present protection, or ungrateful for its continuance. There is scarce one of their legislatures or commercial bodies that has not at some time petitioned against any change: and within the last twelve-month the Assemblies of Canada and New Brunswick, the two Provinces most interested in the trade, have sent home the most earnest addresses to the Parliament, deprecating any diminution in the existing protection of the Timber Duties, without which the industry of those dependencies would be deprived of its principal, and, in many districts,

of its sole employment. It may, perhaps, seem inappropriate to cite political reasons in aid of commercial policy ; but surely the promptitude, the courage, and the loyalty with which our fellow subjects there planted, have of late answered the call of Her Majesty's Government to support its authority, extinguish rebellion, and repulse the repeated invasion of pirates and brigands, would seem too soon forgotten, if so severe a blow were now struck at this most vital advantage ; the loss of which would first fall upon a class of inhabitants by no means the least deserving for zeal and fidelity to the Crown and the empire.

In manufactures, there is scarcely a single department of British industry that may not more or less suffer by the proposed alteration, which, as far as they are concerned, is a transfer of our custom from Colonies whose trade is regulated by our own laws, to nations who make their laws of trade most adverse to our commerce. What the value is of that difference may be seen in the table sub-joined.

*Real value of British productions exported from the
United Kingdom in 1839,*

To Sweden	£121,850
Norway	81,584
Denmark	143,732
Prussia	206,866
	————— £554,032
B. N. A. Colonies	£3,047,671.

In answer to this statement, the old assertion, that the present Timber Duties prevent those foreign nations from buying more of our manufactures, requires only the old reply, that the value of our present imports from them far exceeds the value of our exports. Those exports, there

fore, are not limited by any such restriction. The limit, no doubt, depends upon their price: the controlling ingredient of which is the duty levied on them by the foreign tariffs. In these tariffs, however, no reduction has been obtained or promised, in consideration of the immense boon now to be granted by the remission of our duties on Foreign Wood.

But our trade with the North American Colonies is much too important to be justly appreciated by such a comparison alone. It is by measuring our exports thither with those to every nation in the world, that we can best estimate the value of our Northern Colonies. The value of our exports to those Provinces is, in manufactures of Apparel, £270,277; of Cordage, £97,327; of Leather, £71,985; of Tallow, £77,661;—and in every of those four articles, that value is greater than of the same exports to any foreign country: in Cotton manufactures the value of our exports to the Northern Colonies is £688,403; in Glass, £33,970; in Painters' Colours, £31,551; in Books and Stationery, £55,342; in Silk, £136,750; in Hardware, £144,103; in Iron and Steel, £248,431; and in miscellaneous articles, £186,369; in every of which eight classes of exports, the value of those sent to the Northern Colonies exceeds that of those sent to any foreign country, with one single exception only. There are but two foreign countries that take more of our Woollens, the export of which to those Colonies is no less than £463,222: and the aggregate of all our exports to them is exceeded by our exports to three nations only in the world. These are striking and important facts in our commerce and manufactures; but the results produced on our shipping, by the present Timber Duties, are still greater.

The trade between this country and the Northern Colonies, and between this country and the North of Europe,

gives employment to British shipping and to foreign in the following proportions :

Entered inwards into the United Kingdom in 1840.

From	FOREIGN.			BRITISH.		
	Ships.	Tons.	Men.	Ships.	Tons.	Men.
Sweden . . .	296	53,337		70	11,933	
Norway . . .	792	114,241		23	3,166	
Denmark . .	1,440	103,067		56	6,327	
Prussia . . .	1,338	237,984		771	112,709	
Total . .	3,866	508,629		920	134,135	
B.N.A.Colonies	2,416	808,222	

Great as seems this amount of navigation employed in the colonial trade, when compared even with our whole tonnage to all parts of the world, the proportion is really greater when allowance is made for repeated voyages of the same ship within the year.

This view of the question also embraces the interest of the Northern Colonies, where shipping is now owned to the extent of 290,236 tons, manned by 18,044 men; a great portion of which tonnage is employed either in carrying wood from the outbays to the chief colonial ports, or conveying it thence to the United Kingdom.

As there is not the remotest probability of any employment being found in other trades for the tonnage to be displaced in this by the proposed measure, it is almost superfluous to remark, that even if freights of foreign wood were offered from the Baltic, the depth of the ports there would not admit ships of such burthen as most of ours in the Colonial Timber Trade. But instead of any increased employment for British shipping in the trade from Northern

Europe, a diminution must be expected, in consequence of the proposed measure, by which the duty upon Norwegian Deals will be reduced so much more than upon Russian, that the latter must suffer much in future competition with the former. The Deals and other Wood of Russia are chiefly imported in British ships, of which no less than 423,791 tons have found freight inwards from that country in one year (1839), when the Russian tonnage so employed amounted only to 67,857 tons.

Equally unnecessary must it be to answer the argument that the shipowners will be enabled to build their ships cheaper, their grievance being that there will be found too many already built. But, in fact, whatever Foreign Timber is here used in shipbuilding, is either not such in kind as is likely to be much depreciated, or not so great in quantity as make the depreciation of much moment.

With regard to the relief to other consumers of Wood, whether any benefit can reach them is extremely uncertain; its limit only can however be ascertained, and is found to lie within a very narrow compass. Assuming the whole reduction to go immediately to the consumers, the remission of £600,000 revenue on 1,500,000 loads of Wood will be equal to but 8s. a load. And even taking a separate view of the much larger reduction per load in the duties on Timber and Deals, used in house building, the benefit has been computed to amount to less than one and a half per cent. on the whole expense of building. But probably it will fare with this reduction of the Timber Duties as it did with the duties on leather; the remission on such articles becomes so diluted and divided before it reaches the consumer, that, if he receive any he is scarcely aware of the benefit.

It is sometimes asserted that the duties on Foreign Wood are excessive: yet they impede no industry, restrict no convenience of life, excite no discontent, and even their amount

per cent. on the value of the commodity is far less than the duties on Sugar, for example, or on Tobacco. Upon Wine also the duty is about 150 per cent., and even on the lower priced Teas the charge is equal to 130 per cent. Yet these commodities, if not among the necessaries of existence, are, of all its comforts, the most highly esteemed and most extensively used, and on which any relaxation of duty is most sensibly felt, by the consumer in a reduction of price, and by the revenue in an increase of consumption.

It has been objected against the existing duties that they are higher on the more manufactured article Deals than on Square Timber. The objection is true, but the remedy is not secured by the present measure, and might be easily attained by a different and less injurious one. The whole force of this objection, however, is founded upon the erroneous supposition that Square Timber either is or might profitably be here converted into Deals. But in fact, though Deals are sometimes applied to purposes for which Timber might be better used, Timber can never be advantageously manufactured into Deals. The best Deals are cut from the outside of the log, and those taken from near its centre are often found with such defects, as, though unimportant to the use of Wood as Timber, would be insuperable in Deals. Whatever Wood therefore is to be used in this latter shape is in fact now imported in its rudest and least manufactured condition as Deals.

An inconsistency is also alleged in the present duties, because they are not charged upon Deals according to their cubical contents, but rather inversely. And why should the charge be by cubic measure alone, rather than, as at present, by dimensions and tale combined? A good reason, which will be hereinafter stated, exists for the present system: what object is to be gained by cubical duties, except the indirect one of inflicting a most serious injury

upon British shipping and Colonial Trade under the appearance of only adopting a more accurate measurement? Such an accuracy can serve no purpose; is only attainable by an endless waste of time, labour, and expense; and the attempt can but serve, from its very impracticability, to introduce greater errors and even evasions and frauds, such as are believed already to exist only in some few of the less important articles of Wood which are at present charged by cubic measure.

As to the question of revenue, for the last three years the amount derived from Wood has amounted in the aggregate to £4,845,804, being equal to £1,615,268 yearly. Not a complaint has ever been made against the duty by the consumers; not a murmur has been heard from them of the high price of Wood; nor, until very lately, and after years of agitation upon the question, has a single petition been presented against the present system. Its opponents have been persons either engaged in Foreign Trade or Navigation, Mills, or Forests, or interested only as disputants in maintaining a dogma, which seems more than any other to make its disciples fond of their own opinion and intolerant to that of others, and which has been at length perverted to the extremity of disclaiming every preference of Home to Foreign Trade. So easily borne are these duties, and so impossible their evasion by illicit trade, that of all branches of our customs this is perhaps the only one that, on the late addition of taxation, increased in proportion to the charge. The revenue derived from this source has been growing up from the amount of £146,478, in the year 1794, till it now forms so large and unfailling a portion of our whole customs, without in the meantime causing any impediment to industry, any inconvenience to comfort, or any corresponding enhancement of price. In that year the duty was but 6s. 10*d.* a load, and the price,

including duty, £2 : 10s., and the quantity of Timber then imported was 169,710 loads from Foreign Countries, and 873 from the Northern Colonies. Now, under the duty of £2 : 16s. 6d., the price including duty is £5., and the quantity of timber imported is 171,577 loads from Foreign Countries, and 646,722 from the Northern Colonies. There is scarcely an example in our annals of trade and finance of so large an augmentation of revenue, attended with so vast an increase of importation, and so slight an addition to the price of the commodity. A striking practical proof of what may also be confirmed by abstract reasoning, that the greater part of this revenue is in point of fact not paid at the expense of the consumers, but out of the rents and profits of the foreign producer. Because, as there cannot be two prices in the same market for the same article, the cost of the remotest, that is, Colonial Wood, necessary to our supply, must determine the price of the nearer, or Foreign Wood ; and the difference between the price of the nearer and the price of the remoter must be either rent and profit to the producer of the nearer, or revenue to the consumer of both. Until therefore our duties on Foreign Wood exceed this difference in the cost of production and importation, as the above comparison of prices proves they clearly do not, they serve only to transfer that difference to our own revenue ; without any, or any but a very minute burthen to the consumer ; bringing thereby a Colonial competitor into the market sooner and to a larger extent than he would otherwise be brought thither by the high price of Foreign Wood.

The present duties therefore, in as far as they are levied on Colonial Wood, are indeed a burthen to the consumer, and so far their repeal will be to him a very salutary relief ; but in as far as they are levied upon Foreign Wood, their diminution or repeal is only taking from our own Exche-

quer so much, of which by far the greater part must be added to the rent or profit of the foreigner. If indeed the whole amount repealed were to be so transferred, no decrease in the Colonial Trade could occur; for if prices continue relatively the same, from whatever cause, whether of duty to our Exchequer or rent to the foreigner, the division of trade would continue the same. But out of the 19s. 10d. now to be remitted to the foreigner upon Timber from that ingredient of the price which arises by our duty, he will find an ample margin at once to increase his rents and profits and extend his business by bringing more of his Timber to supplant the Colonial: to do this of course he must sell somewhat cheaper, that is, give up something of his rent and profit, and so far no doubt the consumer will ultimately be benefited; but this cannot be to any great extent, for the Colonial Timber will be excluded as effectually by the loss of one penny a load as by a pound.

In fine, an abbreviated view of the principal facts of the Timber Trade may be exhibited in the following summary. The consumption of the United Kingdom now requires annually 1,500,000 loads of Wood over and above our own production. This quantity demands for transport the employment of about one million tons of shipping and fifty thousand seamen. Of both this Timber and shipping there are two sources of supply, a cheaper and a dearer; the cheaper foreign, the dearer British and Colonial. In these sources of Timber, Foreign and Colonial, its cost varies according to its situation, the remoter being of course the dearer; but as there cannot be a corresponding variance of price for similar articles in our markets, it is evident that the price of the remotest necessary for our supply, must be the price of the whole, and the difference between the cost of the remotest and of the nearer, must all be profit and rent to the possessor

of the latter. Now the whole of this difference may be transferred from the rents and profits of the seller to the exchequer of the buyer, if the duties of the buyer be so regulated, as to fall on the nearer and remoter timber just in proportion to countervail this difference; for such duties, by making the price of the nearer timber equal to that of the remoter, would supply our market from all those sources, in the same manner as would otherwise be done by the increased rents or profits of the nearer producers. An exact adjustment of duties to this effect is perhaps impracticable, but an approach to it has been attempted by the present system, and has proved sufficiently near exactitude to answer not only that, but other no less important purposes. The nearest timber is the Norwegian and Swedish, the next the Prussian, then the Russian, and last the Colonial. The Swedish and Norwegian deals are the shortest and narrowest, the Prussian longer and broader, the Russian longest and broadest. In deals, therefore, by making the duties according to tale, and not increasing in proportion to the length and breadth, those duties countervail the difference of situation and cost of production; and by making also, in both timber and deals, the duties on Foreign heavier than on Colonial, the same object is still further accomplished; so that timber from many remoter sources is brought into our market by an increase of price in the nearer timber, which increase is all revenue to our own Exchequer; the net price paid to the foreigner being now the same as if the Colonial timber were as near and cheap as his own. At the same time, by another and no less important consequence, resulting from a combination of these with other and similar circumstances and regulations, such additional supplies of timber are brought in our own ships instead of foreign, and paid for in our manufactures instead of specie; while an immense

number of our supernumerary labourers, are carried out at the lowest charge to our own Colonies, and provided there with employment by the enterprise and prosperity created from this trade. Thus, the revenue derived from Foreign Timber, under this system, is, for the most part, a pure saving to the country, and of an amount now equal to above £1,200,000 a year. To which amount must also be added, whatever would else have to be paid for freights to foreign shipowners; nor is it in fact unreasonable to add, also, whatever would else have to be paid for Timber to foreign landowners, merchants, and labourers; because both those amounts have thus been actually retained and divided among ourselves; if indeed our ships and Colonies are to be considered as forming part of our wealth and empire: unless perhaps it can be shown, that the capital so invested, and the colonists there planted, may be readily transferred to some other seat or employment, and become more useful to our industry and power, than our dominions in North America and our supremacy on the sea.

But the question now is, not whether such a system is so likely to be profitable that our commercial regulations should be altered in order to introduce it; but whether, after having cherished this system for nearly half a century,—after having, by the faith and encouragement of repeated enactments during two and forty years, led both our population and capital into the forests of the North American Colonies, where neither would else have been established; after having so long invited them there to erect mills and other establishments of great cost and value for this trade; after having for ages induced the wealth and industry of both this country and its colonies to seek investments in shipping and navigation, and, when other means of protection were of late withdrawn, having still

pointed to the Colonial Timber Trade as the safest of resources (of which in fact it has proved the only hitherto unfailing one); after having seen this system attended with the most complete success, in affording increased supplies of Wood of the best description and at diminished prices,—in peopling and prospering our Colonies,—in conveying thither, and serving to establish there, an emigration that has exceeded 50,000 persons in one year,—in raising our exports thither of British productions to above £3,000,000,—in employing by our imports thence above 800,000 tons and 40,000 seamen a year,—in enabling our Customs notwithstanding to collect a revenue of £1,500,000 annually from importations of Wood (than which sum no part of our whole taxation is so easily borne and collected, and of which sum by far the greatest part is in fact taken from the rents and profits of foreigners); the question is, whether it be now expedient by a most sudden and sweeping change, at a moment the most unfavourable, to bring down the most disastrous and inevitable consequences upon so large a portion of our Ships, Colonies, and Commerce.

Such must be the operation of the proposed measure, contrary indeed to its avowed principle and object, and apparently the result of mere miscalculation, and misconception of the means and mode employed in making and applying the reduction of duties. In such a crisis, the parties interested may certainly be excused for deeming it a duty to themselves and their country not to witness in silence this gratuitous destruction of their property and trade. Perhaps nothing is now left for them but to suffer and complain. Still their protestations and warnings are most earnestly to be repeated, that nothing less than the ruin of these interests is impending; and that this commercial revolution, of which they are the first victims, can never rest here. Its progress at every step must prove the

more irremediable, until protection shall have disappeared from every investment of industry and capital at home, and Great Britain shall be as destitute of Colonies as she is of allies, and her own dependencies become members of the commercial leagues, or subject to the foreign tariffs, that are everywhere arrayed against her. Again and again are her Majesty's Government most humbly but most earnestly assured, that a measure more destructive to British and Colonial Trade was never proposed, than is now brought forward under the guise of benefit and relief; and if there be anything in *our relations with Canada to require the utmost caution*, there is everything in the consequences of the present proposal to fill not only that Province but the other Colonies with misery and discontent. Nor can the result be regarded, by any dependency abroad or any interest at home, but as the beginning of the end to the whole Colonial and protective system of the British Empire.

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