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REPORT

Of the Directors to a Special General Meeting of the Chamber of Commerce and Manufactures at Manchester, on the injurious effects of Restrictions on Trade, and the necessity of immediate changes in our Commercial Policy; arising out of the report and evidence of the Select Committee of the House of Commons on Import Duties, during the last Session of Parliament.

The growing importance of finding such new and enlarged markets for the sale of our productions "as shall give the means of subsistence to this industrious community, and supply a profitable field of employment for our capitalists," was adverted to in the Report to the Annual Meeting of the Chamber last year. This question has since engaged a large share of the attention of the Board; and the publication in August last of the valuable report and evidence taken before the Committee of the House of Commons, on "Import Duties," presents such a body of facts confirming the views so frequently expressed by this Chamber, and exhibiting, in so strong a light, the injurious effects of restrictions on trade, that the Board have deemed it to be their duty, to call the special attention of the Chamber to a subject so deeply involving the future welfare of our commerce and manufactures.

Before proceeding to the consideration of those reforms in our commercial system, which have now become essential to the full development of our national resources, it may be interesting to the Chamber, and satisfactory to those who have doubts of the policy of further changes, briefly to review those which have been already made, in order to ascertain, how far the practical adoption of free trade affords encouragement to carry it out to the fullest extent.

The first step in the march of commercial reform was made in 1814, when the monopoly of the East India Company was partially relaxed, by permitting private individuals to trade with the Presidencies of Madras, Calcutta, and Bombay, and the port of Penang (the monopoly of the trade to China was continued to the East India Company until 1834). The results of this partial opening of the trade demonstrated the fallacy of the fearful forebodings of rain by the East India Company, as will be seen by the following comparative statement of the increase of exports from Great Britain to India and China:—

Total value in	1814 (during monopoly)	£1,874,690
Ditto " "	1833 (after 19 years of partial free trade)	3,495,301
Ditto " "	1839 (5 years after the East India Company trade monopoly was entirely abolished)	5,600,576

In 1815, the first inroad was made upon our famous navigation laws, which, for nearly two hundred years, had been referred to as monuments of human wisdom, and the foundation of our naval and commercial greatness. By these laws, all foreign produce imported into Great Britain, except in a British ship manned by a majority of British seamen, was subjected to high discriminating duties imposed upon both the foreign ship and the cargo. The United States of America, equally anxious to foster American navigation, had adopted similar laws. The effect of these mutual restrictions upon the trade of the two countries was, that it became necessary to have two sets of ships employed; that was to have, British vessels to bring home American produce, and American ships to convey our produce to that country, each being obliged to leave its own port in ballast.

The loss attending such a system produced in both countries a desire to abandon these mischievous restrictions, and by a treaty in 1815, the ships of both countries were placed reciprocally upon an equal footing.

Retaliation of our restrictive system, on the part of foreign countries, at length alarmed our government; and in 1823, the reciprocity of duties bill, being an extension to all countries inclined to adopt it of the reciprocity treaty with the United States in 1815, was brought forward by Mr. Huskisson. This innovation was vigorously opposed by the ship owners, who predicted that it would throw the carrying trade into the hands of foreigners. The employment of British shipping in our foreign trade however, instead of being diminished by this measure, has already more than doubled, as will be seen by the folowing official statement of the tonnage of British vessels entered and cleared from the ports of the United Kingdom.

	INWARDS.	OUTWARDS.
In the year 1815,	1,372,108 tons,	1,398,688 tons.
In the year 1839,	3,101,650	3,096,611

In 1824, Mr. Huskisson brought forward a bill for the alteration of the laws relating to the silk trade, by which the absolute prohibition, of all articles of foreign manufactured silks, was removed, and an ad valorem duty of 30 per cent. on their importation substituted. The duty on *raw* silk was reduced from 5s. 6d. to 1d per lb.; and on *thrown* silk, from 14s. 8d. to rates varying from 1s. 6d. to 3s. 6d. per lb.

The measure was strongly opposed by the majority of the silk manufacturers, and their organs in Parliament predicted that "by the end of two years, which it was proposed to allow before the prohibition should finally cease, the silk trade would be destroyed."

The groundlessness of these apprehensions is shewn by the rapid progress of the silk trade since 1824. The average consumption of raw and thrown silk, in the ten years preceding 1824, under the protective system, was 1,940,902 lbs. per annum, while the average consumption of the twelve years following 1824, under the partial free trade system, was 4,164,444 lbs. per annum. The imports of raw and thrown silk had increased, in 1839, to 5,020,034 lbs., and the exports of silk manufactures, in that year, amounted to £868,118, in declared value, of which £56,000 in value, were exported to France.

Mr. Huskisson followed up the alteration, in the silk trade, the next year, (1825,) by laying before Parliament his celebrated exposition of the colonial, commercial, and shipping policy of the country, and bringing forward three important measures. The first—relating to a further extension of freedom in the system of our commercial policy in respect to our colonies; second—The substitution of duties for prohibition on foreign manufactures, and the reduction of duties payable on raw materials used in our manufactures; third—Relief to shipping interest and navigation.—The extent of the alterations in the previous restrictive system may be estimated by a few of the leading items.

The duty on	Woollens of from 50 to 67½ per cent. was reduced to 15 cent. ad. val.		
Do.	Cottons of from 50 to 75 reduced to 10 per cent "	"	"
Do.	Linens of from 40 to 180 reduced to 25 per cent "	"	"
Do.	Glass of 80 reduced to 20 " "	"	"
Do.	Earthenware of 75 reduced to 15 " "	"	"
Do.	Iron of £6 10s. 0d. per ton was reduced to 30s. per ton.		
Do.	Copper of £54 to £27	"	"
Do.	Olive Oil of £15 13s. 0d. per ton " to £7 "		
Do.	Gloves previously prohibited were admitted at a duty of 30 per cent.		

"The result of the alterations," said Mr. Huskisson, in bringing forward the above measures, "which I have now stated to the Committee, will be this,—that upon foreign manufactured articles generally where the duty is imposed to protect our own manufactures, and not for the purpose of collecting revenue, that duty will in no instance exceed 30 per cent. If the article be not manufactured much cheaper or better abroad than at home, such a duty is ample for protection. If it be manufactured so much cheaper or so much better abroad as to render 30 per cent. insufficient, my answer is, first, that a greater protection is only a premium to the smuggler, and, secondly, that there is no wisdom in attempting to bolster up a competition which this degree of protection will not sustain."

At the same time that the protective duties on manufactures were reduced to the maximum of 30 per cent. the duties on all raw materials of manufacture were also reduced. The wisdom of these measures has been proved by the increase in every branch of manufactures, the prosperity of which was previously supposed to depend upon the fostering care of bounties and protection.

The Linen trade is a remarkable example that the only real and effectual legislative encouragement which the manufacturer has received, has been the reduction of the import duties on flax and hemp, and the relinquishing of the absurd attempts to force the growth of these products at home.

Previous to 1825 the Linen manufacture was protected by duties amounting to, from 40 to 180 per cent., and for upwards of a century bounties on the exportation of linen to foreign countries were granted, which only expired in 1830. In 1829 the bounty, although then very much reduced, amounted to about £300,000 or to nearly *one seventh part* of the real or declared value of the linen exported that year. Although the bounty afforded the means of supplying foreign countries with linens for less than they cost, like all other monopolies, it rendered those engaged in the manufacture indifferent to improvement, and the trade continued to languish. Mr. Huskisson reduced the duties which on dressed flax was £10 14s. 6d. per cwt., and on undressed flax 5d. to 4d. per cwt. upon both, and this has been subsequently reduced to the nominal duty of 1d per cwt.—No sooner was the trade unshackled than enterprise and skill were directed to it; the increase of the Linen manufacture in Dundee has been even more rapid than the increase of the Cotton manufacture at Manchester; and in 1833 the exports of linen from that port were as great as those from all Ireland.

The article of Wool affords one of the strongest arguments to prove the wisdom of Mr. Huskisson's policy. A duty of 6d. per lb. upon foreign Wool was imposed by Mr. Vansittart in 1819, which amounted to about 50 per cent. upon the price of a considerable quantity of the Wool imported, the effect of which was to destroy a large portion of our manufactures, which required an admixture of foreign and British Wool, and to bring great distress and ruin upon the Woollen manufacturers. It is a most remarkable fact, that *the price of British Wool instead of advancing from the high and prohibitory duty imposed on foreign Wool, continued to decline, until it reached a lower price than had been known for a century.*

The revival and subsequent progress of the Woollen manufacture after the reduction of the duty on the raw material from 6d. to 1d per lb. by Mr. Huskisson in 1825, exceeded the most sanguine expectations.

The imports of foreign Wool in 1820, the year after the duty of 6d per lb. was imposed were—9,775,605 lbs. After the reduction of the duty to 1d. per lb. in 1825, the imports gradually increased, and in 1839 they reached 57,364,772 lbs.

The benefits of the reduction of the duty on foreign Wool were not confined to the Woollen manufacturer, the British Wool grower equally shared the advantage. Notwithstanding this enormous increase in the imports of foreign Wool, the prices of British Wool recovered from their previous depression, and have since maintained higher rates than during Mr. Vansittart's protective system.

Whatever doubts and fears may have been originally entertained of the results of the great changes effected by Mr. Huskisson, in our restrictive commercial policy the complete success which, without a single exception, has attended his measures, is decisive of the wisdom of the course pursued. The fears of alarmists and monopolists have been dissipated by the falsification of all their predictions. Trade is proved beyond the possibility of controversy to have declined in every case where protected, and to have increased and flourished, in proportion to its approximation to perfect freedom.

It is matter of astonishment, with such facts before us, and in an age of boasted intelligence that there should remain on our statute book a single remnant of the monopoly system, which experience has proved to be so injurious to the national welfare; yet protections still exist, which monopolists of the present day maintain with equal tenacity, and with the same prognostications, of ruin from their abolition, that were uttered by the monopolists in the days of Mr. Huskisson.

Our commercial legislation appears to be founded on no recognized, general, or equitable principles. The rule laid down in regard to manufactures is, that the public interest requires that in no case shall the duty on foreign manufactures exceed 30 per cent. for the purposes of protection; (the duty on foreign Cotton goods is 10 per cent. the avowed object was to stimulate native industry, by throwing it open to the rivalry of other nations—the sound and wholesome doctrine was dealt out to the manufactures,—"that if 30 per cent. duty will not sufficiently protect you there is no wisdom in bolstering your industry by higher duties." But the producers of Sugar, Coffee, Timber and Corn, are exempted from the wholesome stimulus of foreign competition; their productions are fenced round with prohibitory duties, amounting to from 100 to 450 per cent.

The object and end of all just government being to place *all* on the same footing; it is inconsistent with this object that the legislature should impose taxation for any other than purposes of revenue. It is obvious that the Corn, Sugar, Coffee, and Timber duties are imposed, not with the view to raise revenue for public purposes, but for the sole object of enabling particular interests to obtain for their commodities a price beyond their real value, equal to the amount of the duty imposed—a system of legislation opposed to every principle of equity, inasmuch as the increase of price operates as an indirect taxation upon consumers, and diminishes their means of paying the taxation required by the state. Mr. J. D. Hume says, "I have always considered the increase of price, in consequence of protection, amounts to a tax. If I am made to pay 1s. 6d. for an article, which, in the absence of the law, I could buy for 1s., I consider the 6d. a tax, and I pay it with regret, *because it does not go to the revenue of the country.*" (1132)*

The enormous amount levied upon the community by being obliged to pay for their Sugar, Coffee, Timber, and Corn, higher prices than the same articles may be purchased at in the markets of the world almost exceeds belief.

By the evidence taken before the Committee of the House of Commons on "Import duties," (August, 1840) it appears that we could supply ourselves with foreign Sugar and Coffee at less than half the price we pay for these articles from our West India Colonies. Brazilian Muscavado Sugar, could be purchased in bond at 20s. to 22s. per cwt., whilst similar qualities from the British possessions were worth 54s. to 56s. per cwt. Brazilian white Sugars were 24s. to 26, equal in quality to British white Sugar at 62s. to 66s. per cwt. St. Domingo Coffee in bond was worth 44s.; the same quality of West India Coffee 92s. per cwt.

The duty on British colonial Sugar is 24s., and on Coffee 56s. per cwt.; but the protecting duty on foreign Sugar is 63s., and on Coffee 140s. per cwt.† The effect of this prohibitory duty of 6¾d. per lb. is entirely to exclude the use of foreign Sugar, and to give the monopoly of the supply to our Sugar colonies. The high monopoly price has also diminished the consumption. Mr. Porter, of the Board of trade, in his evidence before the Committee on "Import Duties," says, "In 1831 the net revenue on Sugar admitted for home consumption into Great Britain amounted to £4,219,049, and in 1839 only to £4,183,257, although the population of 1831 of 16,539,318 had increased in 1839 to 18,524,036." (2688.)

The monopoly of Sugar and Coffee, by raising enormously the prices, not only deprives a large portion of the working classes of the means of purchasing these articles, but it occasions great loss to the revenue. If foreign Sugar and Coffee were admitted at the same rates of duty as British, there is little doubt the consumption and the revenue would both in a short time be doubled. The consumption of Coffee in 1824, when the duty was 1s. per lb., was 7,993,041 lbs., the following year Mr. Huskisson reduced the duty to 6d. per lb., and in 1831 the consumption had increased to 22,704,627 lbs., yielding at the low rate of duty a greater revenue by 40 per cent. per annum than at the high rate of duty.

The tax imposed on the consumers, by being obliged to give above double the prices for Sugar and Coffee to our colonies that these articles can be purchased at from other countries, amounts to upwards of £6,000,000 per annum, levied for the exclusive benefit of the colonies, to whom a few years ago the British people paid £20,000,000 for the abolition of slavery.*

The total value of British and Irish produce and manufactures exported to the British West Indies in 1839, amounted to £3,986,598, of which about one-fourth is re-exported to the South American and neighbouring states, so that at the present time, including the interest on the slave compensation money, the British people are paying £7,000,000 per annum to our West India Colonies for the privilege of selling them products to the value of £3,000,000 a year!

The plea set up by the colonies for claiming the monopoly of the British market is that they are restricted from obtaining their supplies of food, timber, and other products from the cheapest markets, and that they also pay *Imperial* custom duties. It seems but reasonable, that at the same time that all protection is removed on the produce of the colonies, that they should also be relieved from all restrictions to a free intercourse with other countries. That they may be relieved from the payment of Imperial duties without loss to the colonies or the mother country appears from the astounding fact that these duties are almost entirely absorbed in the expenses of collection. From the accounts laid before parliament in 1832, it appears that the produce of the Imperial duties in the West Indies was £75,340, and that the charges of management, and the payment of Custom Houses, amounted to the sum of £68,028, leaving only £7,312 for the revenue.

There is perhaps no monopoly which is calculated to excite so much surprise as that of Timber. It would naturally be expected that the greatest maritime country in the world would take special care to procure, at the cheapest rate, and of the best qualities, supplies of an article necessary in the highest degree to its welfare and security; but a striking instance of the manner in which the interests of the country have been sacrificed by the legislature, is afforded by the existing law, which imposes a duty of 55s. a load upon the Oak and superior Timber of foreign countries, whilst for the benefit of the Timber monopolists, and a certain class of shipowners, the inferior Timber of our North American colonies only pays a duty of 10s. a load.

Sir Robert Seppings, one of the Commissioners of His Majesty's Navy, stated, in his evidence before a Committee of the House of Lords, "That Canada Timber is peculiarly subject to dry rot. That frigates built of Fir, the growth of North America, did not average *half* the durability of other Timber; and that the Royal Navy had suffered so much from the use of Canada or North American Timber, that *its use was now altogether discontinued*, except for deals and masts."

The evidence of eminent Timber Merchants, Builders, and Carpenters, is to a similar effect as to its purposes for building. "It is not allowed (says Mr. Copeland) to be used in Government buildings, nor is it ever used in the best buildings in London. It is only speculators that use it, from the price of it being much lower (in consequence of its exemption from duty) than the Baltic timber."

Mr. Porter, in 1833, estimates the annual loss to the public, through adherence to the present system, at £1,500,000, which is the amount of the pecuniary sacrifice we consent to make, in order that our ships and houses may be inoculated with dry rot, whilst the whole declared value of British and Irish produce and manufactures exported to these colonies in 1838, amounted only to £1,992,457.†

The monopoly which stands at the head of all others, is the Food monopoly. Whilst the removal of restrictions on trade has been unattended by the removal of restrictions on corn and provisions, the working classes of this country have obviously a just ground of complaint, that they are thereby exposed to an unequal competition with foreign labour. To call upon our artisans to enter into rivalry with foreign manufactures in our home and in foreign markets, but at the same time to compel them to pay a monopoly price for their food, is so manifestly unfair, that this Chamber will stand excused in the eyes of every reasonable and just mind, if it have evinced some impatience under the continuance of such a partial system of legislation. Their opinions on this question have however been so frequently expressed, and are so well known, that the Board will only now refer, in confirmation of their views of the magnitude of the evils produced by our corn and provision laws, to the testimony of men of official station and great experience, who were examined before the Committee of the House of Commons on import duties in July last. The evidence of these gentlemen, unbiassed by interest, having access to the best sources of information, and therefore the best means of forming a deliberate and correct judgment of this important question is entitled to the highest respect.

Mr. James Deacon Hume, who, for 38 years, held an official situation in the customs, and, for 11 years, was Secretary of the Board of Trade, (the gentleman whose assistance in preparing his free trade measures, Mr. Huskisson said entitled him to the "lasting gratitude of the country,") in his evidence before this Committee, says—"I consider myself that food is the last thing upon which I would attempt any protection, and is the first thing upon which I would remove the prohibition and protective duties. We want more food than we can produce, the exclusion of supply, in such a case is cruel privation." (1192. 1193.) "I conceive every limitation in the importation of food, and every rise in the price of food, places us at the risk of being surpassed by the manufacturers in other countries, and if ever the day should arrive that we should be put to a severe trial as to our manufacturing power, I can hardly doubt that the prosperity of this country will recede much faster than it has gone forward. (1198.) I cannot help believing there can be no other cause for a decline in our prosperity than other countries having cheaper food. (1199.) The corn laws cripple and limit the industry of the country. (1230.) They have a tendency to throw the people out of work, and to diminish their employment. (1217.) They diminish the revenue, because having paid the private taxes on food, the people are less able to pay the public taxes." (1229.) Speaking of the burden of the food monopoly, as computed in money, he says, "*I conceive the actual money paid, and the evil effect computed in money would be more than the whole revenue of the country.*" (1231.)

Mr. McGregor, the present Secretary of the Board of trade, in his evidence before the same Committee, entirely coincides in, and expresses similar views regarding the Corn and Food monopoly with Mr. J. D. Hume. He says, "I consider that the taxation, imposed upon the country upon the production of wealth through labor and ingenuity, by our duties on corn and the provision duties and prohibitions, are far greater, probably much more than double the amount of taxation paid to the treasury." (1014.)

Mr. McGregor speaks in a warning voice to the makers and upholders of these unwise laws. "If (says he) the present corn laws are continued, the inevitable consequence will be, that persons of capital and skill, in this country, will do what the landlords cannot do; that is, they will remove, with their capital and industry, to other countries, whereas the lands cannot be removed. The rents of those lands, without manufactures, would decline, as in various parts of Germany, where rents are not one-tenth part of what they were one hundred years ago, occasioned entirely by the removal of manufactures. In Augsburg, the landlords were, during the prosperity of trade and manufactures, led to build some of the finest palaces of Europe; those palaces are now deserted, or turned into post-houses or inns, or barracks, or hospitals; nobody is living in them of the name or family of those who contructed them. The same may be said of every town where manufactures once flourished, and which bad laws and bad governments have been instrumental in destroying;—desolation has been the consequence of the withdrawal of that flourishing industry; and the same is to be found in every country in every period of the history of mankind under similar circumstances." (1045.)

The great neglect of the Government and the legislature in not following up the commercial reforms commenced by Mr. Huskisson, has been fraught with evil consequences,—capital has been diverted into unnatural channels, both in our own and foreign countries; and an indisposition created to yield up monopolies, attended with the most temporary inconvenience,—manufactures have been *forced* in foreign countries,—competitors have been raised up where we should otherwise have had customers,—our trade has been crippled by our refusal to take in exchange for our products the products of other nations,—and jealousy and unfriendly feelings have been excited by our exclusions, in the place of kindness and good-will.

The impolicy of our restrictive laws is strikingly exemplified in the consequent diminution of our commerce with our nearest neighbours, the rich and civilized inhabitants of Europe. Notwithstanding the great increase in wealth and population since the peace, "the average annual exports to the whole of Europe were less in value by nearly 20 per cent. in the five years from 1832 to 1836 than they were in the five years that followed the close of the war."* Another striking fact connected with our intercourse with Europe is the change which has taken place in the nature of our exports, viz., the constant diminution of manufactured articles, and the increase of articles on which little labour has been bestowed.† Mr. Porter, in his evidence before the Committee on Import duties, (July 31, 1840) enters into elaborate statements, shewing the value of our exports, and the degree of labour bestowed on them, by which it appears that in our exports to Northern Europe, the most important part of the world as regards our foreign commerce, with the exception of the United States, the proportions were—

	1827	1838
Much Labour	61,78	39,16
Little Labour	38,22	60,84
	100.—	100.—

It will now be shewn, from evidence of an official character, that these disastrous consequences to our trade in Europe, as well as those which have attended our commerce with the United States of America, have been entirely owing to our own unwise and restrictive regulations.

The recent publication, by order of Parliament, of the correspondence between the British and Prussian Governments, relating to commercial intercourse between the two countries, shews the wise and enlightened views entertained by the latter, and the desire they have always evinced to afford every possible facility for freedom of trade. In 1823, when urging us to concede to Prussia a reciprocity treaty similar to that we had made with the United States, the principle laid down by the Prussian Minister, in his note, was, "that reciprocal commercial restrictions were reciprocal nuisances, prejudicial to all nations having reciprocal interests, and particularly to those engaged in extensive commerce, and that the policy of Prussia was to substitute, in the place of reciprocal prohibitions, reciprocal facilities."

The rejection of all equitable overtures,—the determined exclusion of the Corn and Timber of Prussia,—and the adoption of the like policy towards the other nations of Europe, led to the prohibitory tariffs of Northern Europe, which have had the effect of prematurely *forcing* manufactures in those countries, and of replacing the exports of *our* manufactures by those of raw and partially manufactured materials.

The Testimony of Mr. McGregor, Secretary of the Board of Trade, is conclusive on this point. "The argument (says he) they made use of to me upon every occasion at Berlin, in Saxony, and in the Rhenish States, and particularly at the two Congresses, held at Munich and Dresden, was this, you compelled us to become manufactures; we have not mines of gold and silver, and you will not take what we have to give you; but if you had taken what we have to give, we should have continued to produce it; but as you would not take it, our people were intelligent enough to turn their attention extensively to manufactures." (312.)

Dr. Bowring's "Report to Lord Palmerston on the Prussian Commercial Union," is to the same effect. "We have rejected (says he) the payments they have offered,—we have forced them to manufacture what they were unable to buy." "We should now have complained," says a distinguished German writer,‡ "that all our markets were overflowing with English manufactures,—that Germany received in British Cotton Goods alone more than the hundred millions of British subjects in the East Indies,—had not England, while she was inundating us with *her* productions, insisted on closing her markets to *ours*. The English Corn law of 1815, had in fact excluded our Corn from the ports of Great Britain: she told us we were to buy but not to sell. We were not willing to adopt reprisals; we vainly hoped that a sense of her own interest would lead to reciprocity. But we were disappointed, and were compelled to take care of ourselves."—(Dr. Bowring's Report.)

With reference to the United States of America, we have equally strong evidence to prove that her hostile tariff was passed in retaliation of our prohibitory duties upon the Corn and Timber of that country. Mr. Addington, the British Minister at Washington, in his dispatch to Mr. Canning on this subject says:—"I have only to add, that had no restrictions on the importation of foreign Corn existed in Great Britain, the tariff would never have passed through either House of Congress, since the agricultural States, and especially Pennsylvania, would have been opposed to its enactment."

Will the legislature learn wisdom by this experience, or will they still persevere in a system so unjust and impolitic—so injurious to the best interests of the country? Will they still pursue toward the United States and Brazil, the two largest consumers of our manufactures, the same course which has been pursued towards the nations of Europe, and by continuing to prohibit their staple productions, hazard the loss of our trade with them also? These are questions demanding the serious attention of the manufacturing and commercial community. Already has this important question begun to be discussed in the United States, in the prospect of their tariff, coming into operation in July, 1842, when the duty on foreign manufactures will be reduced to a maximum of 20 per cent.

It can scarcely be expected that the Corn-growing States of America, which comprise three-fourths of the population and seven-eights of the wealth of the country, will submit to the continued exclusion of their produce from our markets, without retaliating by the prohibition, or the imposition of heavy duties on our manufactures; but like the Germans, they may further foster a manufacturing interest for the consumption of the food produced in their own country.

Our commercial treaty with Brazil expires in 1844. Brazil admits all British produce and manufactures at a duty of 15 per cent, whilst we impose on the staple products of Brazil, Sugar and Coffee, prohibitory duties amounting to 150 per cent, more than the duties upon the same articles from the West Indies. Mr. M'Gregor says "That the Brazilians are anxious to break up this treaty; *and on breaking it up to give us notice that they will prohibit all our manufactures entirely, if we do not receive their Sugars.*" (645.)

"Our exports to the Brazils amount to £5,000,000 annually," (647,) and she at present takes the largest amount of Cotton manufactures, from us of any nation in the world. Our trade with Brazil is capable of great extension. Mr. McGregor says, "The general opinion expressed by the mercantile parties trading with the Brazils is this, that our trade during the last five years would have been more than doubled, both in navigation and in goods, if we had taken in return the produce that Brazil had to give us. (908.)

It must be evident to every reflecting mind that a crisis is advancing, which unless prevented by wisdom and promptitude, may produce inextricable difficulties. Mr. Huskisson, with his accustomed sagacity, foresaw and predicted the consequences of perseverance in our restrictive policy. Unhappily for his country that great Trade Minister was not spared to carry out the enlightened measures of which he laid the foundations; but he has bequeathed, in his last speech on this subject warning advice, which will be listened to with the respect commensurate with his talents and wisdom. Referring to the Corn laws, he declared "It is my unalterable conviction that we cannot uphold the Corn laws, together with the present taxation and at the same time increase national prosperity, and preserve public contentment." Referring to the growth of manufactures in foreign countries, he said, "There is a rivalry every day growing more formidable, with which our capital and industry, and skill have to contend. If we meet it under some advantages, we have also great and growing disadvantages to encounter. Do not let us lose sight of the fearful consequences which must ensue if we are distanced in the race. The greatest of all follies, on such an occasion, would be to shut our eyes to difficulties, which taken in time we may perhaps overcome, but which by procrastination we cannot evade."—(Speech, March, 1830.)

The time has arrived when these difficulties must be calmly and seriously met. Is it fitting that we should go on sacrificing our greatest *national* interests to the practice of giving protection to the *private* interests of a comparatively small portion of the community? Shall we look in silence and unconcern on the singular anomaly of a country presenting the greatest natural advantages for commerce and manufactures,—a boundless demand for its productions.—the means of illimitable employment, with the most industrious, skilful, and enterprising population in the world sinking into pauperism? The impossibility of finding profitable employment for the people, so long as the laws unjustly prohibit them from freely exchanging the products of their industry, for the products of all other countries, at once indicates a remedy for the evil. Monopolies can no longer be tolerated.

By order, and on behalf of the
Board of Directors.
J. B. SMITH, President.
Chamber of Commerce, Manchester,
March 11th, 1841.

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* The figures refer to the number of the question in the evidence before the Committee of the House of Commons on "Import duties."

† By a curious fiction of the law, foreign Coffee, imported from the Cape of Good Hope, is construed to be "the produce of a British possession East of the Cape,' and as such, is admitted into British ports at the reduced duty of 84s. per cwt being 6d per lb. less duty than if the Coffee were shipped from the foreign *direct* to a British port. Many cargoes of foreign Coffee have been taken out of bond in Liverpool, shipped to the Cape of Good Hope, landed and then immediately reshipped on board the same vessel and brought back to Liverpool. By this process it is purified of its foreign origin, and then pays only 9d. instead of a duty of 15d. per lb. A Liverpool merchant suggested to the President of the Board of Trade, the easier expedient of purging Coffee of its foreign origin by sending it three times round Ireland!

* It is a singular anomaly that foreign Sugar, refined in bond in England, which the law prohibits the people of this country from using, is allowed to be sent to the Colonies, who thus supply themselves with refined Sugar at one half the price of the mother country. Mr. Porter says, "The Colonies buy refined Sugar re-imported from England at a much less price than they sell their raw Sugars." (2675.)

† The exports to our North American Colonies, since this period, have increased; but this arises chiefly from the increased supplies of our military and naval establishments during the late disturbances in Canada. It is much to be feared that the increase of exports will fall much short of the increase of expenditure occasioned by these disturbances.

* Porter's Progress of the Nation, chap. 9. page 101.

† The decrease in the export of Cotton manufactured goods, and the increase in the export of Cotton Twist (a half manufactured article) to Northern Europe is remarkable, viz:

VALUE OF EXPORTS OF COTTON MANUFACTURED GOODS.

	1820.	1838.
Russia	£702,125	59,837
Germany and Prussia	2,969,493	887,296
United Netherlands	979,681	661,557
	£4,651,299	£1,607,990

VALUE OF EXPORTS OF COTTON TWIST.

	1820.	1838.
Russia	£494,306	1,236,584
Germany and Prussia	1,411,987	2,265,602
United Netherlands	55,261	1,876,269
	£1,961,554	£5,378,455

The quantity of Cotton Twist exported, if made into goods in this country, would give employment to nearly double the number of hand-loom, and double the number of power-loom, weavers at present engaged in making Cotton goods for exportation.

The increase in the export of other raw materials is no less striking than that of Cotton Twist.

TOTAL EXPORTS FROM GREAT BRITAIN.

	1820	1838
Bar, Pig, and Cast Iron	58,747 tons,	192,211 tons
Unwrought Steel	438 "	2,946 "
Coals	249,119 "	1,313,709 "
Linen Yarn	Nil. "	14,923,329 "
Woollen Yarn	3.924 lbs.	3,085,892 lbs.
Cotton Twist	23,032,325 "	114,596,602 "
Machinery & Mill-work value	Nil "	£627,430

‡ Kanke's Historisch—politische Zeitscrift.

Kingston Herald.

KINGSTON, TUESDAY, MAY 11, 1841.

We have nothing later from England.

In another part of this number we have inserted the "Report of the Directors to a special General Meeting of the Chamber of Commerce and Manufactures at Manchester, on the injurious effects of Restrictions on Trade, and the necessity of immediate changes in our commercial policy; arising out of the Report and Evidence of the Select Committee of the House of Commons on Import Duties, during the last Session of Parliament," to which we refer our readers, as deserving special attention at the present time. Many of our contemporaries seem to be greatly alarmed at the proposed equalization of duties on Canadian and Baltic Timber; but we think without sufficient reason. We readily admit that a reduction of our exports, especially in the present state of the country, is the last event we should wish to see; but every one must perceive that when an individual merchant loses one or more of his best customers, while he regrets the fact, there may be reasons which must reconcile him to the loss. If it should occur in the simple circumstance of finding a better market, knowing that he would do the same as they do to him, his objections are silenced, consequently he will repair the deficiency in the best way he can.

The same thing may happen on a larger scale, as is indeed the case in question. The people of Great Britain can obtain timber they greatly prefer to North American timber. It is useless for us, therefore, to contend that this preference does not arise from a superior quality of timber, but merely from prejudice. It is a fact that they do prefer it; at the same time a preference of the Baltic timber, whether arising from actual proof of its superiority or not, is not the only inducement to the adoption of the measures proposed. Two extremely important causes are now vigorously in operation: One, the necessity of securing a revenue; and every one acquainted with the financial state of Great Britain, will admit the operation of this imperative necessity. The most important items in the detail of ways and means are attacked for reduction or repeal every parliamentary session; and the only ground alleged for continuing some is, that the amount cannot be spared, no means being apparent for supplying the deficiency that would be made by reduction or repeal of the existing customs and excise duties.

Now in connection with this necessity, it has been satisfactorily proved that every approximation to the principles of Free Trade that has been tried has perfectly succeeded, as the report referred to will show. Within certain limits of course, (though we cannot at present define them,) the reduction of import duties produces an increase in the amount of imports, and a corresponding increase in the revenue from such imports, is the consequence. The position in which these facts stand to each other, is ascertained beyond doubt: high duties and limited importations—low duties and extensive importations.

The other cause equally imperative is, the Necessity of extending the exportation of British manufactures. This must be done on the largest scale, to give employ to the increasing population of Manchester, Sheffield, Birmingham, and other towns, and the time is come when every restriction *must* be removed. The clamorousness of starving thousands has long given warning of a dreadful crisis; desperate resolution will be the next expression of the times. Legislation on these subjects that shall cast a partial eye on the North American Colonies is perfectly out of the question; as much so is the expression of selfishness that would require it.

We must therefore make the best of uncontrollable circumstances. And first, let it be observed that North American timber in form of deals will always be admissible, as they will no doubt be cheaper; they are unexceptionable for Joiner's work, and for many purposes preferable; consequently there is no ground for alarm with respect to the profitable employment of our saw mills. Also, in form of masts and spars it will be pre ble to Baltic timber, both by reason price and its quality. Again: a great tity of timber has been exported from our Provinces, which has given a bad tation to the timber from them all; and for we have no one to blame but ourselves. ly: most of the timber exported from Provinces has been badly manufa The Baltic timber that enters the market is exactly square; consequently sizes of scantling are cut out without It is very far from being so with Am timber, and this alone is sufficient to preference to the Baltic timber, as the of the former renders it as dear as the in many cases.

Before we assume that we are not justly by Great Britain in this affair, not hastily conclude that our timber is as the Baltic timber. It is certainly probable that the North of Europe timber better suited to its own clim the North American timber, and how moist atmosphere of England dispos ards the growth of fungus in American the people of England are certainly judges.

Let us send the best quality of across the Atlantic, and well manufa to suit the market, and there is no our exports of it will always be consi Let us observe, also, that while Great applies the principles of free trade own benefit, she is also willing to app for our benefit, and is under increas gation to do so by the proposal in and the compensation will be foun abundant.

It may also be observed that the tion that seems to subsist between the of Immigration and the shipping eng the lumber trade, is merely adventitio we did not export a single log, would find their way here, as they to the United States to this day.

In a former number we proposed the "What does the Country expect, from the proaching Session of Parliament?" We fer to it with a view of bringing into subject of Education. On this subject, importance is inferior to none, something *done*. One generation passeth away, and cometh—is a serious and emphatic sentim calculated to remind us that the one that should be qualified to fill the place of the ing one, and that if it be not qualified, opportunity for acquiring such qualificatio completely lost, with regard to the present existence as a similar deficiency in the generation must be with regard to its futu The future degradation or elevation of the try depends entirely upon those now in the transition from youth to manhood—and adds its thousands to the number; let us therefore, to be impressed with the neces immediate action in this important affair. not wish it to be understood, that there is sion for further consideration on the best of education to be adopted, or on the best of giving efficient operation to such system believe there is much yet to be understood when it may be necessary to enter more the question, we shall do so. Our object present occasion is chiefly to call public to the subject, and we merely reiterate well known—that education is in a very and degraded condition throughout the All nations who have paid particular the subject, have adapted their system of tion to the three states of the human spect to age—the infantile, the juvenile, adult. Agreeably to this division, we this Province—the elementary or comm for the first class; the grammar schools second; and (in intention if not in fact) ties for the third class. But, O, tell it not In the elementary schools, the place of occupied in general by incompetent who are also ill paid; the grammar schools only be distinguished from the common tary, by the teachers having a larger from the Government; and the univers not in operation. Surely no one will not plenty of room for improvement. The try wants three things. First—*cheap* that is, that the means of education in the orders before mentioned, should not be beyond the reach of any. There should passable barrier between what is ca and what is called the higher clas one of moderate experience knows that former have sprung the brightest ornam tory, in all nations and in all ages: and the of benefit that the world has lost by tion is incalculable, realising the beautiful of Gray—

"Full many a gem of purest ray serene,
The dark unfathom'd caves of ocean bear;
Full *many* a flower is born to blush unseen,
And waste its sweetness in the desert air."

Secondly—Education must be good; we more particularly mean, exactly suita class of persons to be taught. There is fine writing in the present day on the suitable to man, which is all very well only to man; but there is little said and with regard to that which is suitable to To effect this the teachers must be suitab fied. It is asserted with great propriety, cle upon education in the Monthly Revi this month, that it is not merely a schol teacher, that is required. Why should profession of a teacher for all classes, the highest professions? It is superior medicine, which relates only to the not inferior to divinity; and indeed, if pends at all upon teaching, the art of stands first of all professions. The quires qualified teachers from the infant adult state of man.

Thirdly—To have good education with regard to the individual parent, should be well paid.

In estimating the cost of any public as a road or canal, we have never noticed tempt to ascertain how *little* the labourers maintained for. There is a sort of stand for labour so generally acknowledged tle subject to fluctuation, that it invariab its just demands. Why should there not responding standard price for teaching, value in proportion to the service perfor stead of placing a teacher in a lower con a common labourer, which is his present in this Province, and which is even still by the Commissioners appointed by Sir G. in their report.

We conclude by saying,—Let the well paid, whatever the cost. Of all provements it is the best and the first will yield the greatest and most perman fit. What avails the making of roads from east to west and in all there is no road to be made from knowledge.

The travelling has commenced in good a proof of which is the fact, that there tween the 3d and 10th inst., *one hundred ty five* arrivals at the "Royal Exchange kept by Mr. S. A. Irons, on Front Stree

It is now the 11th of May, and there a seed sowed by any of our farmers. have not, for twenty years, had so spring as the present. The weather, been favorable for wheat crops, as it dry and cool, yesterday it commenced still continues, which, of course, will be beneficial at the present time.

The Hon. Robert Baldwin, Solicitor Gen rived in Town on Thursday last and Montreal on Friday morning.

Public Record Office Reference C.O. 47/59

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