

which they have got the start of the Mother Country, they are silent to the actual fact that these improvements introduced into England have only had the effect of being a healthy stimulant, and that in steel and cutlery alone, Sheffield firms have carried the war into the enemy's camp, and are now producing knives which have hitherto been made exclusively in America, *at about half the price of those made in the United States and of a better quality*; in fact, the bugbear of American competition is as yet really only a "bogey."

In considering the *advantages* of protection in some cases, we have much to remark on its *disadvantages* on the other side; that is, so far as such a policy is likely to be beneficial to a country like Canada. We have first to take into consideration what may be the approximate number of persons who are likely to be affected by a tariff in any case.

The great bulk of the French Canadian population will hardly feel it. They manufacture their own sugar, raise their own produce, knit their own stockings, spin their yarn and weave their own grey cloth, and even make many of their agricultural implements. They are strictly economical in their mode of living, careful of their clothes, and will mend and patch and make last for a long time, what Upper Canada farmers would cast aside. There is hardly any restrictive duties on importations that would be felt by them one way or the other; and yet this class amounts to fully one million and a half of people. In fact, the increase of manufactories in this country has had rather a damaging effect upon them than otherwise, by drawing from the agricultural districts, into cities, a large number of men and women who would have been much better off and happier at home as cultivators of the soil, instead of flocking into cities to be at last thrown out of employment, and become demoralized by idleness and a burden to the community. There is another numerous body of our community who likewise would feel little or no benefit from a protective tariff, and that class is one which neither buys nor sells, but lives on the small produce of their small farms, or by fishing, hunting, lumbering, &c.; they are a very poor class, that barely eke out an existence from year to year, but still are so numerous that they probably amount to 500,000 men, women and children. Another class are clerks, travellers, religious communities and domestic servants, who pay nothing out of their own pockets directly for those goods that would be affected in price by a change of tariff, and these classes in all probably amount to 200,000 more; here then we have about 2,200,000 persons out of a population of, say 4,000,000 who will not be affected either by a protective tariff or free trade, leaving then about 1,800,000 whom it will either injure or benefit. Of these last figures only 300,000 would be male adults, the rest, according to the usual mode of calculation, would be women and children; these 300,000 are those then that are to receive the benefit or otherwise of the new policy. This number, of course, includes men of private fortunes, professionals, merchants, manufacturers and mechanics, tradesmen, clerks, &c., &c. This is certainly a very small number, and when thus brought down to actual figures, show pretty conclusively how small an amount of over-manufactured goods and over importations will create a glut in the market, and how small a quantity of imported goods from the United States, when added to an over-production of our own, is sufficient to produce the present troubles under which we now suffer.

Another important point to be considered is the impossibility of granting protection to one trade or manufacture, without seriously injuring another class of the community. If a protective duty on coals—that prime mover of steam works and machine shops, and most necessary article of comfort to all during a long Canadian winter—should raise the price to \$2 a ton extra, then every manufacturer in the country would feel that the benefit he received on one hand was taken away by the other; the tax would be considered an oppression by all classes of the community, and like a bonus given to a few proprietors of coal mines who merely employed a few thousand labourers, and for whose benefit so large a body would have to pay. To many families, living on a salary of from \$800 to \$1000 a year, such a tax would be equal to a loss annually of from six to ten to twenty dollars. Again, on the article of sugar, if for the benefit of a single one industry in the hands of one, or even two or three individuals, and which, at best, only employs about 500 to 1000 men annually, the price is raised again to 12½ cents per lb., when we have only been paying 10 cents for the last 5 years, it will be considered by the public as an unjust tax, particularly to the poorer classes, for sugar is an article which, from the force of habit, has become one of the necessaries of life. Whatever protection may do for our manufacturers and unemployed, a high protective duty cannot be imposed without affecting the pockets of a very numerous class who receive no benefit from it in any way. So long as protection will enable us to compete with other countries and to be able to sell equally as good articles with a profit in our own country, at the same price as is paid for them in another, all will hail it with satisfaction; but if, through high protection, the bulk of the people find that they are paying higher for an inferior article, for the benefit of a few individuals, comparatively speaking, then, at the next general election, as great a revolution will occur in public sentiment as has been recently exhibited.

That many of our industries, and particularly new ones just starting into life, should be permitted to be swamped by another country having all the advantage of capital, machinery, experience and population on her side, is neither just nor politic; such industries should be protected until they have matured.

There are two great difficulties under which we labour in Canada: one is that there is but a small number of our population, as before remarked, who are directly affected by the question on either side, and therefore our manufacturers have, in fact, not four millions of people to manufacture for, but a little over one million and a half, so that too much home competition soon brings trouble to ourselves. It has been argued by the advocates of protection that when one manufacturer begins to take advantage of a high tariff in his favor, and raises his prices, that another will start up in competition and keep them down; but here is just where a calamity is likely to occur; for, although one party may raise his prices, it is no criterion that there is trade enough for two, and so one or both are likely to be bankrupted. The greatest safeguard we have in such cases is that when prices get too high, the Americans will enter into competition to the extent that the tariff will admit. We have too many factories already to supply the demand; and we have too many mechanics, of an inferior class, and laborers, who should be cultivating the soil; who should be producers and not idle consumers. These are