

We have said that we might gain a trifle as sellers, under Commercial Union, but the nation which exports five hundred millions of dollars worth of agricultural products cannot be the ideal customers we are in want of. Except a few things, including barley, eggs and poultry, the United States has no consumptive demand for our agricultural produce. Of eggs it is scarcely an exporter at all, and of poultry which is bracketed with game in the official returns, its exports are little more than nominal: between twenty and thirty thousand dollars in value: facts of which Commercial Unionists have made the most. But it is sheer delusion to tell our farmers that they can produce chickens for February consumption, in New York; practically the thing is impossible; if it were not impossible, American ingenuity would have supplied the want long ago. The increase in the importation of Canadian eggs, since the duty was taken off, is easily understood. Eggs were among the few things of which the Americans were in need; the States had none to export, and if a few were exported the fact was due to accidental circumstances. When the duty came off, eggs went in in large quantities; but the same rule would not work in the case of hogs, the products of which are yearly exported to the value of seventy millions; it would not apply to agricultural products generally, of which the States have a yearly surplus of five hundred millions. Still we admit that Commercial Union would somewhat increase our sales of agricultural products in the States; but a demand for American consumption could not increase them to any great extent, for no such demand exists. The supposed demand has been built up largely on a false assumption that Canadian hens would consent to be more industrious, if their offspring could be more easily handed over to New York consumers in February. But what we gained as sellers would be more than counterbalanced as buyers; the freedom of trade in one direction, would be dearly purchased by restriction against trading with all the world except the United States.

The American farmer, President Cleveland tells us, pays the increased price which the tariff imposes upon almost all he wears and upon all he owns. This tariff may be lowered by the action of Congress; but there is no probability that it will be reduced to the level with ours. And so long as there is a difference in this direction between the two, so long would Commercial Union lay a great burthen upon Canada by restricting its intercourse with Great Britain, in the way and with the results which have been pointed out.

There is an agitation to form a grain and provision exchange in Winnipeg. The *Commercial*, of 28th ult. says that at a meeting, when a good representation of these trades was present an organization was formed with Mr. D. H. McMillan as president, G. F. Galt as vice-president and C. N. Bell as secretary-treasurer. Messrs. Atchison, Bawlf, McBean, Spink, Mitchell, Hastings, and Mackenzie were appointed a general committee. A special committee was appointed to take steps for the legal organization of the exchange either in connection with the board of trade or by special charter.

THE COMMERCIAL UNION QUESTION.

The following correspondence, between Hon. James Young and the New York State Chamber of Commerce, speaks for itself. The resolutions here printed accompanied Mr. Thurber's letter:—

CHAMBER OF COMMERCE OF THE STATE OF NEW YORK,

NEW YORK, November 5, 1887.

HON. JAMES YOUNG,
Galt, Ont., Canada.

DEAR SIR,—The Chamber of Commerce of the State of New York has appointed a special committee in accordance with the enclosed resolution. Our committee desire to hear all that may be said for and against commercial union between the United States and Canada, and we would be pleased to have an expression of views from your good self upon this subject.

Very truly yours,

F. B. THURBER,

Chairman of Committee.

PREAMBLE AND RESOLUTION SUBMITTED TO THE NEW YORK CHAMBER OF COMMERCE, AT ITS REGULAR MEETING, 3RD NOVEMBER, 1887.

Whereas, the Right Honorable Joseph Chamberlain, the representative of the government of Great Britain on the Fishery Commission, in a speech delivered before he left England, is reported to have said as follows: "The arrangement between the colonies and Great Britain is essentially a temporary one. It cannot remain as it is....Already you have in Canada—the greatest of all the colonies—an agitation for what is called Commercial Union with the United States. Commercial Union with the United States means free trade between America and the Dominion and a protective tariff against the mother country. If Canada desires that, Canada can have it;" and,

Whereas, on a subsequent occasion, the right honorable gentleman further said, that "Commercial Union with the United States meant that Canada was to give preference to every article of manufacture from the United States over the manufactures from Great Britain. If the people of Canada desired an arrangement of that kind, he did not doubt that they would be able to secure it. He did not think anybody in England would prevent such an arrangement by force; but he remarked that in that case all the advantages of the slender tie that bound Canada to England would disappear, so far as England was concerned; and it was not likely that the people of Great Britain would continue much longer to sustain the obligations and responsibilities of a relationship, all the reciprocal benefits of which had been withdrawn;" and,

Whereas, The foregoing expression of opinion by an eminent public man, in a high official position, is an important contribution to the knowledge of the members of this Chamber, and as it is supplemented with information from Canada, that a strong movement is in progress there favoring the closest possible commercial relations with the United States, it would seem to be the duty of this Chamber, without any regard whatever to political or territorial considerations, to investigate the possibility of a greatly enlarged extension of the commerce of this city and country into the northern half of this Continent; and

Whereas, It is most desirable that the Canadian Fishery question, which for over a hundred years has periodically threatened to disturb the peaceful relations existing between Great Britain and this country, should be settled on the broad and enduring basis of a mutual interest, resulting from an enlarged commercial relation between Canada and the United States; therefore, be it

Resolved, That a committee of five members of this Chamber be appointed by the president to investigate the possibility of a material expansion of our commerce in this direction, by inviting arguments for and against Commercial Union with Canada, and documentary evidence as to the extent and prospects of the

trade between the two countries; and to report to this Chamber such recommendations for its action as will enable it to contribute its influence, not only to the early adjustment of the Fishery question, but to aid in procuring such legislation as will promote the interests of the commerce of this country, should such action be deemed desirable.

GALT, Nov. 10th, 1887.

F. B. THURBER, Esq.,

New York City.

MY DEAR SIR,—I beg respectfully to acknowledge your letter, as chairman of a special committee of the New York Chamber of Commerce, asking for "an expression of my views" on Commercial Union between the United States and Canada. In reply thereto, I think I cannot better meet your views than by sending to you, which I do to-day, copies of a pamphlet containing four letters recently written by me, to the *Toronto Globe*, chiefly on that subject. These letters are sufficiently full to render it unnecessary for me to take up the valuable time of your committee by a re-statement of my opinions, and I will, therefore, add only a very few observations.

There exists almost universally throughout Canada not only the most friendly feelings towards the United States, but an ardent desire for freer commercial relations between the two countries. Not that we cannot prosper otherwise. On the contrary, notwithstanding some grievous misgovernment, Canada never developed nor prospered more than during the twenty years since the Reciprocity Treaty expired. But our people have always recognized that both countries would be benefitted by more freedom of trade, and much regretted that your government, acting doubtless in its discretion, abrogated Reciprocity in 1866, and has not seen its way to entertain favorably the advances which the Dominion has since made in that direction.

Whilst these views generally prevail, very strong objections exist to the Zollverein or Commercial Union, proposed by Mr. Butterworth, of Ohio. Its friends here have held a number of meetings, mostly unopposed, which have passed conditional resolutions in its favor, the condition being that the proposed measure should not interfere with our relations with Great Britain. But the subject is new to the great mass of Canadians, and they have, as yet, not given any general expression of their opinions upon it.

As far as I can judge the trend of public opinion, the principal features of Mr. Butterworth's scheme, discrimination against British trade, pooling revenues with the United States, and withdrawing our tariff and taxation from the control of our own representatives, would not be consented to by a majority of the people of Canada. These conditions are political rather than commercial, are justly regarded as inconsistent with the continuance of British connection, and, calculated from their interference with our British markets and trade, to injure our material interests as much, if not more, than other features of the scheme would do them good.

If the question ever came to be thoroughly discussed at the polls, the public would speedily discover that direct Annexation would be preferable for Canada to