

the following table of duties imposed by the United States upon specified Canadian products and those imposed by Canada upon American products will reveal the situation at a glance :

	CANADIAN DUTY.	AMERICAN DUTY.
Wheat.....	Free.	20c. per bush.
Rye and barley.....	Free.	15c. per bush.
Indian corn and oats..	Free.	10c. per bush.
Wheat flour.....	Free.	20 per cent.
Rye flour, cornmeal..	Free.	10 per cent.
Oatmeal.....	Free.	½c. per lb.
Potatoes.....	10 per ct.	15c. per bush.
Live animals.....	10 per ct.	10 per cent.
Coal.....	Free.	75c. per ton.
Salt.....	Free.	In packages 12c per 100 lbs.; in bulk 8c. per 100 lbs.
Wool.....	Free.	25 to 50 per cent.
Pig iron.....	Free.	\$7 per ton.
Bar iron.....	5 per ct.	25 to 75 per cent.
Plate and boiler iron..	5 per ct.	\$25 and \$30 per ton
Iron rails.....	Free.	\$14 per ton.
Steel rails.....	Free.	\$25 per ton.
Bricks.....	Free.	20 per cent.
Trees, plants, shrubs..	10 per ct.	20 per cent.
Flax, dressed.....	Free.	\$40 per ton.
Flax, undressed.....	Free.	\$20 per ton.
Flax seed.....	Free.	20c. per bush.
Starch.....	2c per lb.	1c. per lb. and 20 per cent. ad. val.

And a more grossly unfair picture it would be hard to find in the fiscal history of the world. Whatever the value of the United States market was—it was much more valuable to us then than now—Canadians had no power of entering it, while American manufacturers and producers had the full and free sweep of ours. And they made good use of their privileges. American goods were steadily “slaughtered” here until home-made products were utterly discouraged and even the importation of British goods reduced from \$68,492,000 in 1873 to \$37,314,000 in 1878. There was little money in the country and little enterprise or progress evident amongst these classes which have since become the bone and sinew of its industrial development. As with manufacturers so with the farmers. In 1878 the Dominion actually imported \$17,909,000 worth of flour, grain, animals and general agricultural products from the United States in competition with home-grown productions. Nor was the situation unrecognized. The Conservative party after their re-organization from an almost overwhelming defeat, were unanimous in demanding remedial action; the *Hamilton Times* then, as now, a pronounced supporter of the Liberal party, demanded reform in the direction of protection; Mr. John Charlton made a most

able plea for the same policy in 1876, though he repudiated it the next year; Mr. Laurier and Mr. Joly both expressed a belief in the advantages of moderate protection; Mr. Patterson, of Brant, declared himself in favour of a defensive policy against the United States, and finally on February 16th, 1876, Mr. David Mills, who became Minister of the Interior six months afterwards, was put up to move in the House of Commons for the appointment of a “Select Committee to enquire into the causes of the present financial depression.” Mr. Mills spoke strongly as to the necessity of his motion, and his remarks throw a light which will not be considered partisan upon the condition of the country at that time. The following sentence may therefore be quoted :

“I assume that there exists at the present time a very considerable extent of financial stringency in the country. When we notice in the newspapers from day to day, the failure of men engaged in manufacturing or commercial pursuits in various parts of the country—when we observe statements that a very large number of men formerly employed in the lumber trade and in other pursuits, are out of employment—I think that it is unnecessary to bring before the House any array of facts for the purpose of establishing a proposition which, I suppose, will meet with general assent.”

Mr. Cartwright referred to the “commercial tornado” by which the country was being assailed, and the Committee was duly appointed. Its proceedings were keenly discussed, and an examination of many interests was entered into, but with a result which might have been expected. The conclusions arrived at, and no doubt honestly arrived at, were profoundly hostile to protection, and have recently been summarised practically as follows :

1. A protective system might diminish the consumption of foreign goods.
2. It would diminish the revenue by \$9,000,000.
3. Its object would be to increase the price of home manufactured goods.
4. The consumer would have to pay a heavy tax.
5. It was a proposition to relieve general distress by a redistribution of property.

This Report had the anticipated effect of preventing the ministry from doing anything, though it is not likely that Messrs. Mackenzie and Cartwright could have been persuaded in any event to move in the direction which now appeared to be necessary. But the Opposition did not hesitate. The year 1876 had seen the be-