

home, but it is equally true that, with a more advanced system of manufacturing, a great many imported articles should have been made in Canada.

The natural conditions of Canada and the United States are very similar, and there were but very few articles produced in the United States and imported into Canada but what could have been produced here. But our imports of American products last year amounted to \$52,291,973, which was \$11,769,163 more than what we sold there: and these latter figures indicate the balance of trade against us with that country. While international trade is desirable, it required all we sold to the United States, and \$11,769,163 in cold cash besides, to pay for what we bought from them. Now it is evident that if Canada could have manufactured the millions of dollars' worth of merchandise we bought from the Americans last year—and our imports of manufactured goods from there amounted to \$18,652,610—instead of having to pay out over eleven millions of money to settle the account, there would have been more than \$18,000,000 distributed to Canadians, and Canada would have been that much better off in our trading with the United States. In other words, if much of the energy that was expended in Canada last year in producing things that Canada could not consume and did not want, and which had to be sent to foreign markets for sale, competing in the open markets of the world had been directed to the production of things that Canada needed but did not produce, the profit made by foreign capital and labor would have been saved upon what we really bought, and diverted into the pockets of Canadians.

The *Globe* says: "Let the workmen unite in pulling down the barrier that keeps out cheap goods." This idea of "cheap goods" is an unmitigated mistake. Cheap goods are a curse to the country that produces them. Cheap goods means cheap men. Of what avail would it be to Canadian workmen to have cheap goods, the product of cheap labor in foreign countries, if by the importation of these goods Canadian manufacturing industries are closed up, and the workmen thrown out of employment? Of what avail would it be to Canadian workmen to know that goods can be bought cheap if he, being out of employment, had no money with which to buy? Britain is a land of cheap goods, and no doubt the man who has the money could buy cheap goods there. But the workingman is far worse off there than in Canada, where goods are dearer. According to General Booth in his book "Darkest England," in a population there of 37,000,000 there are at least 2,000,000 out and out paupers, and probably half that number little less than starving beggars. Mr. Joseph Chamberlain says that in England there is a population of paupers equal to the population of London—4,000,000. Of what avail is cheap goods in England to these millions of starving wretches?

Canada wants no free trade.

### SUPERFICIAL TRADE THEORIES.

THE two arguments most frequently urged against the policy of protection are:

1. That it incapacitates the manufacturers of the country where it is in operation from manufacturing at prices enabling them to compete with free trade countries for exports to foreign countries.

2. That it enables manufacturers to exact, and that in fact they do exact from consumers prices for their products equal to the cost delivered of similar articles imported, plus the amount of duty levied.

With regard of the first argument, its advocates overlook the fact that in the United States at any rate manufacturers are allowed a rebate on all their manufactured goods exported equal to ninety per cent. of the customs duty which had been paid on any of the imported materials used in their manufacture. The amount so refunded in 1890 was \$2,771,225, and in the two preceding years this sum was exceeded.

With respect of the second argument, the following figures show that protection does not necessarily mean high prices to the consumer. On the contrary, American manufacturers sell their most highly protected products at such low prices that a foreign nation, like Canada is, finds them quite as cheap and in many cases cheaper than similar goods in free trade Britain.

According to the Trade and Navigation Returns, the value of manufactured merchandise imported into Canada from the United States during 1890 was as follows:

Dutiable.....	\$18,652,610
Free of duty.....	4,300,887
Total.....	\$22,953,497

Of this merchandise the following proportions were protected in the United States by Customs duties as follows:

Varying from 45 per cent. upwards.....	\$8,026,000
" " 35 " " but under 45%.....	2,547,450
" " 25 " " " 35%.....	1,783,600
" " 20 " " " 25%.....	5,529,470
Free of duty or under 20%.....	5,066,977
Total.....	\$22,953,497

This statement may seem surprising in view of the greater abundance of capital and the much lower rates of interest and wages in Great Britain than in the United States. Several causes seem to combine to produce this result. There appears to be greater inventive capacity in the latter country; more effective machinery for the production of many classes of goods, and, of greater importance than all other considerations, a more thorough acquaintance and compliance with the tastes and requirements of consumers.

It is an easy matter to propound plausible but superficial trade theories, based upon generally entertained ideas, but if these theories prove to be at variance with actual business experience, what are they worth?

These facts regarding the export trade of protected products of the United States to Canada should be borne in mind; of these articles upon which the American tariff imposes duties ranging from 35 per cent. to above 45 per cent., the imports into Canada amounted to over 46 per cent.; those upon which the American duty is from 25 per cent. to 35 per cent., our imports were 32 per cent., while those which are free of duty or the duty is less than 20 per cent., our imports were only 22 per cent.

This shows that while Canada is but a limited purchaser of raw materials from the United States, it is a fine market for their manufactured products, particularly those of the more valuable and highly finished descriptions.

And it is against these goods that Canada needs further protection.