A CONTRAST.

THE New York "Shoe and Leather Reporter," has been publishing for some time short biographical sketches of the men noted in the leather and tanning business, and for the last few weeks, an autobiographical sketch of the early life of Jesse Grant, father of the candidate for the Presidency. The letters are readable, as shewing how he persevered almost against all hope of success, and by industry and economy obtained a comfortable independence. In the last number of the "Reporter" to hand, Mr. Grant writing of his early married life, tells us how he was passing rich on what would now a days be looked on as a very moderate income indeed, on which to commence house keeping. He says:—

"For rent of the house, with lot of half an acre of excellent bottom-land for garden, I paid two dollars per month; now, such a house here, would readily bring $25 per month. Flour, $1 50 per barrel, now $'3; hams, 2½c, now 20c per lb; butter, 6½c, now 55c to 60c per lb; eggs, 2c to 4c, now 20c to 40c per doz; potatoes, 12c to 18c, now $2 per bush; oats, 10c to 12c per bush; corn, 12c to 17c per bush, now 75c to $1 per bush; dressed hogs and quarter of beef, 1¼c, now 8c to 15c per lb; cows, $7 to $8, such as will now bring $60 to $80; an extra cow, that would then bring $10 to $12, would now bring $100 to $120; chickens, 37½c to 62½c per doz, now 50c to 60c apiece. Groceries and dry goods were just about as high then as now, and yet it did not cost one-sixth part as much for such articles as it does now, for then we had not learned to be so foolishly extravagant as at present. Leather was about as high then as now, and with such prices for living, paying $6 to $8 per month to a journeyman, working 12 to 14 hours per day, and with chesnut oak bark at $4 per cord, it would be supposed a tanner might live and afford to support a wife, especially one that could do her own work."

The contrast between the cost of living forty-seven years ago and the cost of supporting existence now in the United States is very great, and to thoughtful men ought to teach a very important lesson. What has caused this extraordinary increase in the price of so many articles produced not out of but within the country? Money to-day it is true is not of the same value it was in those days of which Mr. Grant speaks; a dollar now is only worth 69c. in gold, yet this depreciation in the value of the currency is by no means sufficient to fully answer our question. But the solution of the problem seems to us tolerably simple. Taxation to some extent, of course, but we imagine in a much greater degree the absurdly high duties imposed on all foreign goods. This may not be apparent at first, but let us see what the inevitable result of a high protective tariff must be, and compare this to-be-expected result with the actual facts. The immediate result of a tariff which secures to the home manufacturer a large profit is a rapid development of manufacturing enterprise, necessitating the employment of many workmen, skilled and unskilled. The demand for labour for a time is in excess of the supply, and wages at once advance, until more labourers are attracted to the country. Wages should then gradually fall, but meanwhile manufactured goods have become dear, and farmers having to expend more, both for their own wants and for the hire of labourers, are no longer able to produce grain as cheaply as before, so that the labourer now finds it impossible to live on an income formerly sufficient for his wants. High wages are thus perpetuated, and the cost of production of every single article of manufacture becomes very greatly enhanced. The farmer especially feels the weight of the advanced price of everything he uses, but for a while (so long as he is not driven by the growing settlement of the country further and further from the manufacturing centres) he obtains a good profit on his crops and his cattle. When the number of farmers increases largely and new lands are taken up, the production of food is very greatly increased, and prices would again be low, but the distance grain has to be carried to market prevents the consumer from benefitting by the abundance, even as much as he would do were manufactures untaxed. The railways and their rolling stock are more costly than they should be, so in the labour employed in carrying on the daily work of the road, and so if the grain is to be brought to market at all it is only at a very serious expenditure for freight, which tells on every bushel. Of course we are now supposing that no grain is raised beyond what the people themselves are able to consume. If there is a surplus for export, the price will to so some extent be regulated by the wants of foreign consumers, and the prices ruling in their markets.

Now it seems to us that the course of manufactures and production in the United States, has for some years during the existence of a protective tariff been much in the fashion we have shewn would be likely to follow high duties. The average wages paid for labour have increased enormously, the remuneration now paid to many workmen of ordinary skill, being more than equivalent to what can be commanded by well educated young men of a much higher standard of intelligence in stores and offices. No manufactures worth speaking of but those cut off from foreign competition by high duties can possibly exist, while some classes of manufacture—ship-building notably—have almost become obsolete. The statement of Mr. Grant that $318 a year when he commenced house-keeping was equal to $2,000 at the present day, may be a very little exaggerated, but is not very far from the truth, and it is a statement of a kind that should lead those dissatisfied with Canada, to think well before making up their minds to seek their fortunes in the land of high prices.

ONE-SIDED AND UNFAIR.

PRINCE Edward Island has just been doing a little in the Reciprocity business on its own account. General Butler, of New Orleans fame, was the contractor on the opposite side, but whether he was authorised so to act by the American Government may be open to doubt. However this may be, it was given out some time ago, that the renowned General was about to visit the island—some were shabby enough to hint with an idea of annexing or buying it—but professedly, it now appears, to place the commercial relations of the two countries on a better footing. In other words, a sort of Reciprocity Treaty was to be negotiated. Possibly the General thought the negociations regarding trade might lead to proposals of a political and more delicate nature, and that on his return to Washington he would be able to say, like the Roman General of old, *veni, vidi, vici*,—I came, I saw, I conquered. With true American tact, however, he evidently determined to make a good commercial bargain *first*, for we learn from the American press that his proposals to the Prince Edward Government were as follows:—

PRINCE EDWARD "BILL OF FARE."

"That the products of the mines, forests, fields and fisheries of the island, except live stock, salmon, mackerel, herrings cod and canned fish, be admitted free into the United States, and that the duties on the excepted articles shall not exceed $7 per head on horses and mules, and $5 per head on cattle, and 50c per head on calves, sheep and swine, nor exceed 50c per 100 lbs on codfish and mackerel, and 25c per 100 lbs on salmon, herring and shell fish. That all charges for light money, compulsory pilotage, anchorage and Consular fees be abolished, and that certain manufactures of the island, such as ale, beer, boats, casks, &c., should be admitted at duties not to exceed 10 per cent, to be fixed by joint commissions."

UNITED STATES "BILL OF FARE."

"That all the natural productions of the United States, except cane, sugar, molasses and tobacco, be admitted free, and that *all their manufactures also*, ex-except spirits and patent medicines, be admitted at duties not to exceed 10 per cent, to be fixed by a joint commission, and that the same right to *fish within the three-mile line be conceded* to our vessels that is given to the vessels of the island."

Now, my hearties, "you pays your money and takes your choice!" For *our* part, we should greatly prefer to sit down at the American table, for its "bill of fare" far excels that set before the Islanders. In fact, the terms of the general are very much like the handle of a jug—all on one side! There are three main points in this so-called Reciprocity arrangement. First—the material products of both countries are to be admitted free, but then the live stock and fish of the island are excepted the very commodities they particularly require to export; these exceptions are far more important to Prince Edward than "cane, sugar, molasses and tobacco," the exceptions against the United States. Second—all American manufactures (except spirits and medicines) to be admitted into Prince Edward at duties of not more than 10 per cent, whilst only the island's beer, boats and casks, &c., are to enter the States on the same terms! Third—as a *quid* for these great concessions on the part of Uncle Sam, the latter wants to be allowed to fish within three miles of the Prince Edward coast! General Butler may be a poor soldier, as his enemies charge him, but evidently he knows how to ask enough in making a bargain. Our readers need not be astonished to hear that the wide-awake islanders have not jumped like a trout at a fly at this impartial offer of Reciprocity, and that like the general's long-expected capture of Richmond, the bargain "hangs fire." We have a better opinion of the good sense of the Government of Prince Edward than to believe that they will ever agree to terms so one-sided and unfair.

Did Prince Edward Island consent to Gen. Butler's proposals, we hardly think the Imperial Government would give its assent. Besides objections to the arrangement on its own merits, it would become a question whether a treaty should be countenanced which embraced one British Province and left out the others. We hardly think any offer of Reciprocity with the United States which did not include the Dominion of Canada, would be affirmed by Great Britain. The reasons which would favour this course are so obvious that they need not be dwelt upon.

EXTRAVAGANCE IN BUILDING.

CITIZENS of Montreal are proud, and have some reason to be proud, of the handsome appearance which their city is assuming, as gradually old structures are being pulled down, and lofty and ornamental buildings reared in their stead; but while the immediate results from this spirit of improvement are very pleasant to the eye of the dweller in or the visitor to this city, we are not quite sure that evil may not spring from it it allowed to be carried to too great an extent.

There are several reasons which lead us to consider the investment of much money in costly warehouses as unwise.

The first that occurs to us lies in the fact that capital invested in a building to an extent greater than is necessary, is forever lost to the community. The individual may receive a fair or even large profit from his investment, but the capital which previously existed is gone. It can no longer be employed either in commerce, or in giving profitable employment to labour; and it is destroyed without adequate return. Capital may be profitably invested in time and labour-saving machinery, which enable productive work to done more rapidly and economically than by hand; but even in this case, there is usually at first hardship caused to the laborers thrown out of employment, while, at the same time, by the greater demand caused for cheapened productions, the original or even greater number of laborers find employment. For the destruction of capital invested in buildings, there is no such after-compensation, but rather a reverse operation. And this brings us to our second, and perhaps more generally understood objection.

It is this. Every unnecessary expense added to the cost of carrying on business, as, for instance, by increased rents following the erection of expensive stores and warehouses, is so much dead weight carried by the merchant in his competition for trade. Any one will admit that if A pays $4,000 a year rent for the premises in which he places his goods for sale, and B pays only $1,500 a year, B can undersell A, provided they do an equal amount of business with equally safe customers, the difference between the rents alone being a sufficient income to support B, so that he can afford to give his customers their goods lower than A can, at a rate equivalent to whatever percentage $2 500 may be on the year's business. The same argument precisely applies to the erection of costly dwelling houses and living in an extravagant style. Merchant princes, when they have made fortunes, probably conceive they have a right to spend their money as they please, and we suppose they have this right. But their example induces others who have only partially made fortunes in the spirit of emulation to go and do likewise, and it becomes necessary for a merchant to put a very heavy advance on his goods in order to cover his annual expenditure. If business is being carried on on a very extensive scale, this percentage will be less, of course, perhaps trifling; but in the case of one who has not as yet a very large connection, it becomes a serious impediment, and where competition with other cities is close, it helps to reduce the natural advantages of location.

Montreal has not as yet suffered to any extent worth speaking of by the increased expense of carrying on business, but we have some fears that the trade of the city may suffer detriment before very long, unless the spirit of extravagance displayed in the erection of costly buildings—more so, perhaps, this year than during any previous year—be immediately checked. We, as well as others, admire handsome structures, but we may pay too dear for our whistle, and we should be content to see the external progress of the city more gradual, while we knew its trade was increasing, and its means accumulating to a degree that would prevent a liberal expenditure from being any longer a great commercial blunder.