

A NEW POLICY NEEDED.

WE understand that Mr. Brydges, the Managing Director of the Grand Trunk Railway Company, has been to Washington, accompanied by Mr. Watkin, M.P., the President of the Company. While there they had an interview with the President, members of the Government, and other influential gentlemen. It is said that Mr. Brydges has returned with two important conclusions thoroughly impressed upon his mind. The first is, that there will be no war between England and America arising out of the *Alabama* claims; the second is, that there is no doubt that the present Reciprocity Treaty will not only be abrogated in March next, but that some time must elapse before a new one can be procured. That he is right in both impressions there can be hardly any doubt; and it is not improbable that the authorities at Washington, finding it inexpedient and dangerous to go to war, may become more than ever opposed to the Treaty, with the belief that they can thus spite England by attempting to injure Canada. It is an obvious conclusion that the question of Reciprocity would be much more certain of a fair discussion and an impartial decision if there were no such difference existing between the mother country and the United States, as those involved in the *Alabama* claims.

We are glad to hear that Mr. Brydges is convinced of the hopelessness of Reciprocity. It is essentially important that he should thoroughly appreciate the fact for on him, more than on any other man in the Province, will depend the ability with which the people will bear the loss of that Treaty. In a week or two more, navigation will be closed, and the great volume of produce seeking a market will find outlet only by railways. For three and a half months the American markets will be open and free to Canadian products. In that time, with proper management on the part of the railway authorities, a great deal ought to be effected. There is yet a vast quantity of wheat, peas, oats, and other produce in the country; in many of the remoter localities only a very small portion of the last crop has yet found a market, and beyond question there yet remains in the country fully one-half of the great yield of last wonderful harvest with which we were blessed. If every facility is afforded for the rapid movement of this grain, the great bulk of it can be emptied into the United States before March next, and before it is chargeable with a duty of twenty per cent. by the abrogation of the treaty. Mr. Brydges, with the immense Grand Trunk system under his control, holds therefore an important place in the next few months. If he is desirous of seeing the country prosper, if he is anxious that the failure of Reciprocity should be as lightly felt as possible; if he cares to secure the good will of the people; and if he is willing the great work over which he presides should deserve well of the community, he will endeavour to afford every facility for the local traffic on the road. If he is thus inclined, he will reverse the policy which has been pursued until very lately in the present and previous seasons. He will cease to carry "through" Western States produce over his road for less than paying rates, while every storehouse and station on the line is crammed full of Canadian grain waiting shipment. If he is really in earnest in his desire to serve the country, he will not permit two-thirds of his rolling stock to be employed in carrying foreign freight almost at a loss, while he can employ it in getting our own produce to a free market, and receive double rates therefor. In the past few months, in the past and previous years, there has been the greatest dissatisfaction among produce dealers in all sections of the country, on account of the impossibility of getting their property forwarded for want of cars, while two-thirds of the entire stock was being employed in carrying through foreign produce. Local rates of freight have been high, flour has been carried cheaper from Chicago to Boston than from Stratford to the same city, yet even these rates would be paid, if only the ordinary facilities were afforded. Canadian farmers, though taxed on every pound of tea and sugar, and on every yard of cotton they used, to help build the Grand Trunk Railway, have had to hold their grain throughout the winter, while Western States produce has been carried forward at rates less than half these which farmers were willing and were compelled to pay. So grievous has this abuse become, that grain buyers have absolutely in some localities been compelled to build their own cars; and the condition of all local markets has been seriously depress-

ed by the poor facilities for shipment. Embarrassment, anxiety and annoyance have been the universal experience along the line.

Whatever may have been the policy of the Grand Trunk in the past, we earnestly hope a change will take place this winter. There is a great abundance of produce seeking a market; it can realize a high price, and will readily sell, if it can be carried forward. If the railways are but equal to the occasion, they will earn the gratitude of the people, and benefit immensely, indirectly, by benefit to the country. But if the policy is pursued of neglecting local or Canadian produce, and employing the road in carrying foreign property, we are certain the greatest injustice will be done to the country, and the managers of the railways deserve nothing but the condemnation and reproach of the people.

We believe Mr. Brydges is actuated by the strongest desire to meet the requirements of the trade; he has many difficulties to encounter, and a great many interests to consider. But he never occupied a position of greater responsibility than now; to a large extent he holds the prosperity of the country in his hands. The policy which he will pursue in the next few months will influence more than anything else the price which every farmer will realize for his grain. It he acts but wisely and well for the country's interest, the goods which have been so largely purchased this fall will be readily and easily paid for in the spring. The commerce of 1866—its health and extent—will be largely influenced by him, and we trust he will cease making contracts for Chicago and other Western cities, and bend all his powerful energies to aid Canada and Canadians.

OUR FOREIGN COMMERCE.

IT would be difficult to choose three better men to place in the Commission for the extending of Canadian Trade than the Hon. Wm. Macdougall, the Hon. Thos. Ryan, and Mr. Duncombe. Were we disposed to carp, we might object that none of its members hail from any of the Lower Provinces, but under the circumstances, this being an Imperial Commission, and the Lower Provinces not yet having given in their adhesion to the policy of the Empire, concerning Federation, the maritime colonies have no claim to be represented, and certainly we need not complain.

As far as locality then is concerned we have Mr. Macdougall, who is identified with the interests of Toronto and the Western Peninsula, Mr. Ryan, a Montrealer, and Mr. Duncombe, who is in every sense a thorough Quebecker.

As far as experience goes we have Mr. Duncombe, who, as Collector of Customs at Quebec, has had the best of opportunities for learning the condition of our present foreign trade, and who, we know, has always taken a deep and intelligent interest in the matters that have come before him. We have Mr. Ryan, one of the working Directors of the Bank of Montreal, well versed in all things appertaining to the financial state of the Province, himself a merchant not long retired from an extensive business, well posted in what concerns the resources of this country and the Lower Provinces, as his conduct as chairman of the provincial delegates to the Detroit Convention showed. And we have Mr. Macdougall, who has been quietly but earnestly devoting special attention to fiscal and commercial matters ever since his accession to office as a minister of the Crown, and on the score of acquaintance with trade, is probably the best qualified to act in the commission of any of the ministry—with the exception of Mr. Galt, and perhaps of Mr. Howland.

The Commission, we are informed, will proceed to England in about a week, where they will receive their credentials, and be placed in complete possession of the views of Her Majesty's Imperial Government. They will then visit the principal islands in the West Indies, and proceed to Mexico, if not even to the Brazils. They expect to be absent about three months, but we think that even this time may be too short for the most important task they have on hand.

This task—that of opening up new trade relations between these northern countries, so rich in cereals, in fish and animal food—and those equatorial regions, with their abundant supplies of sugar, coffee, and all other kinds of tropical produce, is a difficult and delicate task, but if successfully performed it may lead to the most glorious results.

SMUGGLING ON THE FRONTIER.

HIGH Tariffs are the most fruitful source of smuggling. There is nearly the same connection between the two things as between cause and effect. You might as well expect to plant thistles and reap flax, as that very high duties will not be followed by attempts to evade their payment. This has been the experience in Great Britain, and in fact throughout the whole world. And just as the tariff of a country is high, very high, or exorbitantly high, in the same degree will smugglers abound, and their efforts become daring and determined.

The Government of the United States is just now realizing the truth of these remarks. The immense expenditure caused by the internecine war, through which they have passed, has rendered necessary the imposition of an exceedingly high tariff. On some articles the duty almost amounts to prohibition. Smuggling has followed as a natural result. Before the war began, the office of Revenue Inspector along our frontier lines had almost become a sinecure. But as the American tariff increased, smuggling began to make itself felt, and there can be no doubt that it is now carried on to an extent which few have any idea of. Many Canadian dealers living within a stone's throw of the American shore, are evidently selling largely to American customers, and doubtless a large part of such purchases reach the other side of the lines, despite all the vigilance of the Customs officials. Whiskey, Tobaccos, Cigars, Teas, Silks, &c., are said to be the principal "contraband" articles, and as the highest duties are levied upon them, this is extremely probable. The American journals announce that several seizures have recently been made at points both east and west; and even ladies of good standing in society—who ought to know better—are reported to have been found among the delinquents.

The increase of smuggling is attracting the serious attention of the Washington Cabinet, and also of the American people. A large meeting was recently held in Detroit to take the subject into consideration, and to devise the best means of checking the evil. The Government is also taking every means within its power to prevent illicit trading. A considerable increase to the staff of Customs officers has been made and to meet the case of females who may be suspected, female detectives have been appointed.

It is much to be feared, however, that smuggling cannot be wholly put down, so long as the American tariff remains as at present. During the era of high duties in Great Britain, although almost encircled with Custom-house officials, dutiable goods were frequently landed under cover of the night. How much more this is likely to be the case with the United States, any person may foretell who understands the relative positions of that country and Canada. Should smuggling not increase beyond its present proportions, strict vigilance will no doubt decrease the evil. But should the American Congress persist in abolishing the Reciprocity Treaty, the inducements to smuggle will be so great that hardly any amount of surveillance will suffice to put it down. At the present time the great bulk of the articles we exchange with the Americans pass duty free. Should these judicious trade regulations be disturbed, and a heavy tariff enacted on such articles, it requires no prophetic vision to foresee the danger of the banks of the St. Lawrence, Niagara, Detroit, and St. Clair rivers, as well as other parts of our frontier lines, becoming alive with contraband traders. We trust, however, that the efforts being put forth to secure a renewal of the Reciprocity Treaty will yet succeed; and that smuggling will receive no impetus from this source.

In speaking on this subject, we are gratified to believe that few, if any Canadians, are engaged in these violations of the American Revenue laws. It is said that as many as sixty indictments for smuggling have been found by the Grand Jury at Detroit, and we believe that in all these cases American citizens were to blame. We hope that our people will continue to shun connection with so dishonourable and hazardous a trade. It is a singular fact that many regard smuggling as not so heinous as many other breaches of law. Not a few respectable people think it "no harm" to bring in a few purchases without paying duty. Whatever popular opinion may be, such conduct is dishonest, and should be avoided by all classes of the community. Those who evade the Revenue laws of a country are as justly liable to the penalty as those who break any of the other statutes of the land.