

these cattle back to their origin in this country. Meanwhile pressure is being brought on the Imperial Government to have Canadian cattle scheduled. Of course, if the authorities be convinced that the disease is pleuro-pneumonia, this will be done. This decision will be of great importance to Canada.

An obstacle has been unexpectedly interposed to the carrying out of the arrangement by which the vessels of the two countries, in shipwreck or disasters, could be relieved by those of the other. The American Government contends that this reciprocity is to extend to the Canadian canals as well as to the lakes, while that of Canada takes the opposite view, and insists that it must have the full control of its own canals. This difference of opinion is unfortunate, for as we near the close of the season's navigation, the necessity for that mutual succour which was believed to have been secured is greatly increased.

TRADE WITH THE UNITED STATES.

At Halifax, one day last week, Mr. Erasmus Wiman undertook the role of an interpreter of Nature and Geography, to both of which he ascribed the intention that Canada and the United States should be one commercially. If you allow statements of this kind to take the place of sober argument, all that a speaker on questions of economic importance has to do is to make broad asserctions of a kind to fit into his plans. In sober earnest, let us ask what is meant by the intentions of Nature? And what in confidence has Geography given to Mr. Wiman that any observing person cannot extract from her? If the statement be in any sense true, in what respect does that truth differ from a like statement applied to almost any two other contiguous countries? Here are two countries whose territories are co-terminous: a geographical fact which applies equally to most other countries. If Nature and Geography intended anything with respect to the mode of conducting trade, it would be as reasonable to say that they intended that all nations should trade freely with one another. This formula is preferable, because promising better results than Mr. Wiman's.

But in truth Nature and Geography co-exist with many separate nationalities and politics. The problems of their economic relations are full of complexity. Mr. Wiman's plan is to exchange with mutual freedom all the products, natural and industrial, of the two countries; a plan which is to bring untold wealth both to Canada and the United States. And what is more, Great Britain, though her trade would be discriminated against, is to benefit in a great, if not an equal, degree. He leaves out of the account that this plan would ruin many Canadian manufactories and cause an enormous sacrifice of capital, wisely or unwisely invested in them.

Mr. Wiman's terminology will bear a little correction. Ore in the mine does not, as he assumes, constitute riches, and a market in which to sell is not an asset. Ore in the mine is simply a potentiality;

the working of it is not always profitable, does not always repay even the money expended on getting it out. An asset is something to pay debts with, and the word was originally so applied because it represented that there was sufficient (*assez*) for that purpose; it is always now properly put in the scale against debts. Of debts, indeed, Mr. Wiman tells us Canada has no scarcity; the annual interest thereon he estimates at thirty-five millions of dollars; but if we may rely on the report of his speech, he does not justify that statement by marshalling the figures. If the estimate of interest be correct, which we do not assert, it would still not be true, as Mr. Wiman states, that "every farmer who ploughs a furrow ploughs it for the English capitalist; every lamb that bleats upon the hill-side, every horse that trots up the lane is raised for the benefit of the money lender."

The land our farmers plough produces, in addition to the exports, what feeds the whole population of Canada; and of the horses that disport themselves in the lane, by far the greatest proportion remain to do service in the country. The debts owing by Canadians, in various forms, do not all represent merely a burthen, by any means. It is not true that all these debts leave nothing for the debtor. Take the national point of view. The public debt has given us the finest system of ship canals in the world, the Intercolonial, the Canadian Pacific, and many other railways. Without the conveniences which this debt has purchased, exportation would be impossible, and little or no real progress could have been made. Municipal debts have rendered our towns and cities habitable and healthy. Private debts have vastly added to the productive capacity of the country. If, on the whole, the capital borrowed has more than earned its own interest, the borrower is so much the better, not the worse, for his indebtedness. A speaker who asserts that the farmer is working only for the mortgagee, is bound to do something to make good his statement; if he cannot do so, he ought to withdraw it. The whole question is whether the borrowed capital applied to the land is earning its own interest and something more. At a time when exceptional rates were obtained it may have been true that the money borrowed did not earn its own interest, and in that case the borrower started on the road to ruin the day he obtained the loan by which he was doomed to lose. At present rates of interest are not high, though Mr. Wiman may, if he likes, raise the question whether any margin is left for the agricultural borrower after he has paid the interest. To establish the truth on this point, whatever it may be, would be a real service to the country. But random and rhetorical statements about the farmer working only for the British mortgagee can have no justification. The question is one of fact, and its treatment should be unembellished by rhetoric or rhapsody.

Unrestricted reciprocity, Mr. Wiman assures us, would make Canadians rich, "and they would be visiting in larger numbers the old country." According to Mr. Van Horne, a good authority, ten Canadians

visit England for one American, in proportion to the population of the two countries. The prediction that this panacea of unrestricted reciprocity would enormously benefit Great Britain, is a bold bit of prophecy of the imaginative order. What is certain, to begin with, is that discrimination against the British manufacturer would injure him, and the compensation he would get by an increased number of Canadian buyers is something outside the region of certainty.

There is no certainty that Canada could get unrestricted reciprocity if she wanted it; and she does not want it if she could get it. She could not be induced to accept it, no matter how much persuasive eloquence might be expended on the effort to induce her. The bye elections prove this so demonstratively, that not the least room for doubt remains. Reciprocity with the United States, on fair terms, Canada would welcome, but she is not prepared to make a treaty on terms which no other nation has so much as been asked or expected to make.

Mr. Wiman tells us that under unrestricted reciprocity "the same relative amount of importation [from England] would take place in Canada as is now taking place in the United States." No doubt. But what is the inference to be drawn from the fact? That this change would benefit England is Mr. Wiman's innuendo; the fact is that it would be greatly to her disadvantage, for Canada now buys from England much more in proportion to her population than the United States buys; if she bought no more in proportion than the Republic, her purchases would be only a fraction of what they are now. And even if the population of Canada increased as fast as that of the United States, the increase would come largely from a transfer of population from the United States, and in numbers would not make up for the loss in purchases.

CHEAP WHEAT.

That the United States farmer is unable to find a remunerative market for his wheat, and that he is growing it at a loss, is just now a common remark in commercial circles there. The *New York Commercial Bulletin*, an authority of the first rank, points out that wheat reached 74 cents a bushel in that city one day last week, and that the country has raised "more wheat than it can be expected to market in a year of ordinary yield elsewhere." A surplus of 50,000,000 bushels last year had to be carried over, not finding a demand for consumption. And this year western receipts from August 1 to October 22 were "no less than 97,416,150 bushels, against 82,520,820 bushels during the same weeks last year, when the crop was the largest ever grown." The export demand has been feeble, only 16,250,161 bushels going out of the country between the 1st September and the 22nd October. The *Bulletin* thinks that 120,000,000 of bushels is being carried on commercial account: a heavy load, and an unencouraging outlook, for "nobody seems to be able to judge how much lower the price may yet be forced by the avalanche of grain that comes continually into all the markets." In the face of these facts, Mr.