

goods already manufactured, because they had glutted the market with their foreign manufacture. She had no country that could, at that time, compete with her in machinery. She could manufacture for millions without much competition, whilst we can only manufacture for hundreds in our own country, whilst an older, more powerful, and wealthier power, whose demarcation line runs for hundreds of miles along the most populous and wealthy part of Canada, defies us to compete with her in her own country by her high protected tariff. We are limited to a few thousands of actual purchasers—she has millions. She can afford to build manufactories for special parts of machinery—as in pianos and organs, and bring these portions to the highest perfection at the lowest rate of cost; we, to compete with them, cannot afford to do this and must make every part of a machine in one shop, or else purchase them in the United States, with the extra cost of $17\frac{1}{2}$ per cent. duty, freight, and other charges besides; nor does this difficulty end here, for it is a well-known fact that Americans will invoice certain kinds of goods to Canada far below what they sell them at in their own country, in order to keep their men in their large workshops employed; they are willing to sell at such small profits, and even at cost price, as would ruin similar trades in this country. Over this the custom-house officials appear to have no control, for even if the Government took the goods at their invoiced price, they would soon have an elephant on their hands not easily to get rid of. Now supposing that a Canadian manufacturer went to the expense of refurnishing his workshops with the finest machinery that could be made, by which he could effect a saving in mechanical labor of 30 per cent., and a saving in time besides, of what use would it be to him if, after so doing, he found that he had no market in which to sell his goods; that, although he could turn out machines in three-fourths of the time, he could not sell them, or even if he could sell them, that, owing to the increased facility with which he could manufacture, his outlay for capital for these improvements must lie dormant and unremunerative for a great part of the year. To draw a comparison, therefore, between England in her superiority, competing by free trade with other nations, her inferiors; and that of Canada in her infancy, endeavouring to do so with an adjacent nation with ten times her population, and more than ten times her wealth, shows that those who undertake to instruct us in such matters know very little of the true bearings of the case.

It has been argued by the free trade party that it is to protective duties the United States now suffer from so great a depression in her manufactories and trades. To those who have not studied the international affairs of our neighbours during the past twelve years, and have not travelled through the country and visited its numerous factories, and mingled with her people, such an argument is likely to have great force; they only see a cause, as they suppose it to be, through a clouded atmosphere. This view of the effect of protection on the United States is altogether erroneous. There has been a depression in trade and manufactures, for some years past, in almost every part of the world; it is still apparently increasing, and, therefore, the States are suffering from that general epidemic in trade, which has visited every nation; the argument, therefore, that protective tariffs have especially injured her, will not hold good. But why she suffers more particularly at present

than other countries, and has not got over her difficulties with the quickness of her usual elastic nature, has arisen from over-manufacturing; the production of a supply far beyond the wants of her people; overstocking her markets, speculation, rashness, and dishonesty; and, also, from an extravagance among her people, the outgrowth of the war, which has resulted, to thousands, in absolute ruin, and impoverished the nation: they exhausted their resources without ever dreaming that a dark day was coming, and that their former rapid means of acquiring wealth would cease.

The principal cause, however, of the great lack of employment in that country may be attributed to two sources:—

First—the civil war between the North and South.

Second—to the Trades' Union Societies.

After the commencement of that great civil strife, the demand for recruits became greater each succeeding year, until every one capable of bearing arms was drafted into the ranks of both armies, unless, as in the Northern army, he was wealthy and could find a substitute; but the bulk of the young men, be it spoken to their honor and love of country, enlisted voluntarily. This enormous drain upon the youth, middle-aged men of the country, and upon their resources, became so constant during a period of six years, that women had to occupy the positions previously filled by men only, and the inventive genius of the nation was taxed to the utmost to bring machinery to the greatest degree of perfection to supply the place of manual labor that could no longer be obtained. It was at this time there occurred a great exodus of laborers, mechanics, and young women from this country to the States to become operatives at mills, or to take domestic service. Hundreds of families, at the same time, emigrated to that country, where, in the face of the bloody strife going on, wealth and prosperity seemed to be overflowing. Paper money, although of a most depreciated value, seemed to float through the country; it circulated with the greatest rapidity; the coffers of the merchants, manufacturers and farmers were overflowing; and every article of produce, commerce, manufactures, food and the luxuries of life was increased in value fourfold. Factories rose up like mushrooms in all the New England States, and every mountain stream capable of affording water power, had several small mills erected upon its banks. But it was not the mere necessities required for carrying on that war which alone created this immense demand for all kinds of manufactured goods, for the waste, destruction and robbery—the usual concomitants of civil war—was something enormous. The extravagance of the nation created an immense demand for manufactured and foreign goods to clothe itself in fine raiment, and pamper itself with luxuries, while its best and noblest blood was being shed on the field of battle and the flower and chivalry of the country were miserably perishing of fever, or in Southern prisons; therefore, during the six years' duration of that civil war, the manufactories and trade of the country increased fourfold. These goods were paid for, not out of the natural channel of commercial business, but by an issue of national paper which the nation was pledged to redeem at a future date, and which she is still nobly doing; although, she must now acknowledge, had more prudence, honesty and economy been used, that debt would not have been half so great.

With the sudden termination of the war came the re-