and a national policy would be a curse to the country; and, therefore, as stated by Mr. Cartwright, they were prepared to fight it to the death, which they did, but the death was their own and not that of their adversaries' policy.

The Re-Adjustment of the Tariff.

To show how impotent to secure us prosperity that proposed increase of the tariff will be, we have only to remember that we are, through excessive cost of government and interest on over importations, annually decreasing our wealth $25,000,000, and then calculate the profit to the country if that proposed tariff gives full employment to the 60,000 souls who are said to be out of work.

In Vol. 1, No. 2 we proved that leaving out the cost of government and interest on over importations, that the average surplus earnings of each family in Canada is only $36 annually. That sum multiplied by the 60,000 workers gives us only $2,100,000 wherewith to balance the $25,000,000 of annual deficiency. It can thus be seen how impotent Sir John's policy will be in securing a return to national prosperity. And if we divide that $25,000,000 by $36 it will show that to pay the whole it will require the annual surplus earnings of an army of 694,000 more families than is now in the country.

That exhibit is so incredible that we consider it necessary to show its correctness by pointing out that the surplus earnings of any our present 800,000 families is only $28,000,000, and the cost of all our governments $38,000,000, which, as proved in previous numbers, shows the cost of all our governments to be $10,000,000 more annually than all we earn after feeding and clothing ourselves, and the general condition of the whole country amply verifies the data we have furnished.

Sir John's Worthless Assurances.

In the light of the information thus given it is clear that all Sir John's assurances of ability to restore the people to prosperity were given in his utter ignorance of the real position of the country, for he is too astute a man to knowingly place himself in the false position he has. And all his followers who place entire confidence in his promises have a faith not of knowledge; they have clearly put their trust in an arm that knoweth not how to deliver. Therefore, it is important that they should speedily inform themselves of the real financial position of the country, to carefully consider the suggestion we have made in Vol. 2, No. 4 for cheaper government, cheaper money, and the prohibition of fraudulent goods, and an efficient tariff, or to sanction any other suggested that will be more efficient; and by petition to the government and the Legislature endeavor to secure its adoption, and to use the ability and prestige of Sir John and every other man favorable thereto to speedily secure the relief it will surely afford, and if Sir John will not sanction them find others who will.

Communism in a New Robe.

The Communism of the old world embraces the idea that the wealth of the rich should be divided amongst the poor. There are probably few aware that a similar process of division is through misgovernment rapidly progressing in the United States and Canada. Any process or method by which one class of the community, and especially the non-producing, consumes the *accumulated* wealth of the producing classes is inately communistic. A cost for government that does not exceed the surplus earnings of the people would not be embraced in such communistic process, but so soon as it exceeds the earnings and begins to consume the previous accruals of national wealth, it at once practically becomes communistic, or a division of the savings of the producers among the non-producers. Through such excessive cost of government the property owners are compelled by the tax gatherers to contribute and gradually divide out their property to the tax eaters, to the companies, regiments and battalions of the locust host of government officials that are thus root and branch consuming every green thing.

In the United States Emigrant Report for 1872 it is estimated that the amount, at the then high rate of wages, annually contributed for cost of all their governments was $10 per head, the balance of the wages being all spent for food, firewood, raiment and shelter. The exhibit can be found in Vol. 1, No. 2 of the WATCHMAN.

The population was then 39,000,000, which gave the annual revenue from earnings as $390,000,000, while the cost of all their governments in 1871 was $623,591,521, showing a deficiency of $223,784,520 which did not come out of earnings but out of the previous accruals of wealth. If we take that sum as the average annual deficiency for the thirteen and a half years from the close of the war in April, 1875, we have a total of $3,105,000,000 of the property of the people in excess of their annual earnings divided out through the tax gatherers to those who are living on the spoils of office. But the amount, as shown in former numbers of the WATCHMAN, has been about $4,000,000,000, for the cost of all their governments in 1866 was in round numbers $800,000,000, in place of the figures above given for 1871. During the past seven years the expenditure for the Federal Government has been decreased $47,376,713, but the annual interest on the increased municipal debt of one hundred and twenty cities, at ten per cent., up to 1875 was $42,300,000, and if we add to that the increase in all other municipalities it shows a large increased cost of government in the past seven years, which shows the deceptive character of President Hayes' late statement in regard to the financial condition of the country.

It is thus plain that the whole consumption of national wealth, of the property of the people, for all their various governments, as given through the emigrant and census reports, has at least been from three to four thousands of millions of dollars in excess of the earnings of the people. And it should be remembered that data is founded upon the high rates for wages in 1871 and makes no account of the vast amount that has in various ways been contributed for the support of those out of work, all of which was divided to them as out of a common communistic fund that was the previously accrued wealth of the property owners. And this latter day communism is the fruits of the ignorance and corruption of those who are deemed to be great statesmen. That $4,000,000,000 thus divided out under the communistic system is equivalent to an average of $500 per family; and it may be safely said that to the property holders that furnished the money it has averaged about $700 per family. We ask how long will the people of the United States stand the communistic system of government through which rich and poor are thus rapidly being reduced to the one common level of a worse than Egyptian slavery.

Canadian Communism.

If we come home to Canada and examine the effect of this communistic division of the wealth of the property owners, we find that between interest on over importations and cost of government we are now going behind at the rate of $25,000,000 annually; that that is the annual decrease in the *net* assessable wealth of the property owners, and that during the last ten years the sum total will approximate to $200,000,000. It is seen in the losses written off by the banks, in the bad debts of the business men, in the chattel and real estate gone under mortgage to make up the deficiency in earnings.

Canadian Feudalism.

By the system of loan associations established in Canada a vast portion of the country is practically becoming the property of such money lenders and loan associations, and the occupiers simply their retainers to earn tribute to support them in comparative idleness, and are practically feudal lords holding the soil, while the nominal owners are their impoverished slaves. Thus fair Canada is immersed in the mouldy system of the dark ages and smothered in the folds of the interest dragon which crushes out all true enterprise and envelops in final ruin those who put trust in it. Canada and the United States are in the same boat with dearer government and its attendant communisms, with dear money and its feudalism. And our ignorant rulers who are so glorified as great statesmen are the men who have brought us into this deplorable position; and the conclusion we have come to is that to sit down and wait for them to prove themselves deliverers, is trusting to ignorance that will only day by day keep us sinking deeper and deeper in the waters of depression, bankruptcy and ruin in which we are immersed.

The New Minister of Finance.

The Hon. Mr. Tilley is likely to be the new Minister of Finance. His unfitness for the position he made amply manifest in his last budget speech, April 1st, 1873, when to prove the prosperity of the country under the statesmanship of the ministry of which he was the financial head, he stated: "Looking at the history of the country for the past five "years, in reference to its trade and commerce, its "navigation, its banking institutions, its tonnage "and its exports and imports, and from every aspect in which I view it I rise from the enquiry "feeling the greatest possible encouragement, not "only with reference to the past, but with reference to the present and the future. (Loud cheers). "I desire to call attention to the steady progress "made."—*Budget speech, p. 3.* He then added together the imports and exports for 1868, and then those for the first half of 1873, and showed that for the last half year they were within $3,000,000 as much as the whole of 1868.

That is the free trade method of estimating national prosperity. But in what way can the aggregate imports and exports of a country prove that it is really prosperous? It cannot; and the full figures Mr. Tilley gave prove the fact, for in four and a half years of that period we over imported or run in debt $64,331,754, and in that last half year we thus run in debt $19,398,700; yet in his financial insanity he beheld in that increase of debt increase of prosperity which gave him "the greatest "possible encouragement not only in reference to "the past but with reference to the present and "the future." If that is the class of financial ability best adapted for administering the finance of Canada Mr. Tilley is able to supply the demand.

And he also said "Nothing could more satisfac-"torily show the increase in wealth, and the won-"derful progress of our people, than the increase of "paid up capital and deposits in our banks for the "first five years of our confederation." The increase in capital was $20,487,000, and the increase in deposits $37,000,000, or in all, $57,487,000.

To show how little he knew of the position of Canadian Banks, it is only necessary to state that that while there was the increase which he gives,—every dollar of it—and $3,752 more had in that time been consumed for government and over importations, for, as stated in the last number, the cost of government in the last three years of their term was $16,000,000 in excess of all the earnings of the people. His own figures sufficiently disprove his conclusions, and yet his statements were responded to in Parliment in "loud and prolonged cheers." It was on the first day of April, 1873. Any one having an intelligent understanding of the question would have supposed he was April fooling the House; but as the speaker and audience were on a dead level in financial intelligence, the fun of the folly was lost, and unless he has during his absence from office acquired a more correct knowledge of national finance, he cannot be considered qualified for the position of Finance Minister for Canada or any other country.

Sir J. A. Macdonald's Plank and the Full Rigged National Ark.

Sir John's very weak and inefficient policy for restoring the country to prosperity is but an untried plank launched upon to him an unknown sea, whereas the National Policy with the precedent therefor furnished in Vol. 2, No. 4 of the WATCHMAN is a full rigged ship of State on board of which every true national interest will be protected by the walls and bulwarks of true principles. It is furnished with light through which those who trust in it can have a clear view of the whole ocean of the past, the present and the future, a clear view of the evil road whereby we came into this ruinous national condition, the present unfathomable character of it, and in what way we can alone be delivered from high taxes or dear government, from high rates of interest, from misgovernment and from fraudulent goods, from land monopolists, and the various other rings and combinations whereby the people are now both directly and indirectly fleeced of the fruits of their earnings by unwise rulers and unprincipled schemers. But weak as Sir John's plank is there is a certain amount of