

growth of the home market in Canada has given to the Canadian farmer privileges which he had no mind to forego.

Still less did the compact please the Canadian manufacturer. His industry live, upon Protection: the high wages which he pays demand in the interests of himself and his men the exclusion of goods made with cheaper labour. He was not immediately affected by the compact, but he had the sense to see that if the farmer suffered under it, inevitably his own protection must go down. Reciprocity, in other words, was a breach in the national tariff system under which both farmer and manufacturer have lived for thirty years. The danger to manufacturers carried with it a menace to the great number of factory towns of Canada, scattered from Halifax to the head of the Lakes and rising already in the West; more than all, this danger threatened the belt of towns that runs through Central Ontario, which have grown up, however wicked it may sound, under the shelter of the tariff.

Still less did the compact please the transportation interests of a country whose railroads have been built up east and west in defiance of geography, and which represents an initial economic sacrifice for the sake of a final economic unity.

Behind these arguments lay the greater question of the disposal of our natural resources. The British reader is here on unfamiliar ground, for his national economy offers but little parallel. Yet the case is simple enough. It is best illustrated by considering the future use to be made of the enormous national wealth represented by our forests. Two policies are open to us. We may, under the purest teaching of Ricardian Free Trade, cut down the trees and sell them out of the country to the highest bidder. We sell the pulp-wood: the foreigner, with better immediate advantages makes the paper. The woodcutters live on our side of the line: the paper makers live on the other. As a means of getting as rich as possible in twelve months this system cannot be beaten. Under the other method, the hostile tariff of the foreign nation, or, what is the same thing, an export prohibition like that of the Canadian provinces, prevents the wood from being taken out of the country and forces the foreign manufacturer to move in with his capital and men and swell the wealth