

protective policy undoubtedly brings in its train, and the great loss inflicted on the general community by its adoption. It rarely happens that the objects sought by the Protectionists themselves are attained, or if attained are only preserved for a time. The reason for this is sufficiently obvious, there exists a very old saying that "competition is the life of trade," and it seems to be absolutely necessary, for the full development and the attainment of perfection in any branch of manufacture, that it should be subjected to the influences of free competition, without which improvement flags and enterprise is deadened. Besides this the inevitable result of protection is to enhance the cost of production, and thus lessen the area of consumption, and though all may apparently go well for a time, yet sooner or later the point must be reached when a wider market is required, and then it is found that the protected article cannot be produced at a price which will enable it to compete in the markets of the world. In conclusion, it may be remarked that every one of the arguments used by the Protectionists in support of their cause were used by the English Protectionists, and that every one of them has been disproven in the most marked and unanswerable manner, by the course of events.

The consideration of the applicability of Free Trade principles to the present circumstances of British America must be reserved for a future communication.

N. B.

Since the above was written, the writer has seen the letter of Mr. Whitney the secretary of the Association for promoting Canadian Industry, published in the *Trade Review* of Jan 11th. The arguments brought forward by this gentleman in the first part of his communication, are for the most part capital arguments in favour of Free Trade, and may be safely let alone, but in the latter part there appear one or two statements of so strange a character that they merit some notice. One of them runs thus:

"Free Trade England is not ashamed to take from the hard earnings of our millers, a sum that would be to them a handsome income for each, for if a miller who makes his 25,000 barrels of flour per annum, sends his very perishable and bulky manufacture 3000 miles away to Liverpool market, he is called upon, after paying heavy expenses and running all risks to relinquish over £1000 of our money to the custom house. (It should a commission house ship 100,000 bushels of wheat, the British government will demand before the grain can be sold in its dominions, the sum of £2000 of the money earned by the sweat of our farmers' brows."

No earnest or consistent advocate of Free Trade would wish to be understood as defending the imposition of a duty of even a shilling a barrel on so great a necessary of life as flour, but surely Mr. Whitney must be fully aware that the duty in question is so nearly nominal, as not to interfere in any material way with the trade, and that it was retained more as a means of registering and obtaining proper statistical information, than as a measure of either protection or revenue, for either of which purposes it is too insignificant to be of value one way or the other. But Mr. Whitney would make it appear (at least by inference) that England does something very wicked in retaining this duty of a shilling a barrel, which according to Mr. Whitney comes out of the "hard earnings of our millers," and "the sweat of our farmers' brows," although it is precisely the same thing which he is trying to persuade Canadians it would be right and proper for them to do in a far greater degree. Suppose we reverse the case and say "Canada is not ashamed to take from the poor, ill paid, and ill fed makers of clothing in England, 15 per cent. of their hard earnings, and so on through the whole tariff. This is so manifestly absurd that it carries with it its own refutation. Mr. Whitney forgets that it is the "consumer who pays the duty." Again, in answer to the question, do the manufactures of Canada cost her nothing?

Mr. Whitney says: "They cost the country the value of the material, and the price of labour expended on them, if the sum of these fall below the entire value of the imported article, the country gains the difference irrespective of what the selling price of the domestic manufacture may be."

But suppose we again carry the matter a little further, and find that the cost of the home manufactured article exceeds the total cost at which a similar article could be imported. By the same rule, would not the country lose the difference?

Boots and Leather in St. John, N. B.

We see it is stated in a *Lower Province* paper, that there are five tanneries, and four boot and shoe factories, in St. John, N. B., which were recently doing a very profitable business, and altogether furnished employment to about 600 persons. The tanneries annually consumed about 11,000 domestic hides, besides many sheep and calf skins, and a large quantity of imported hides, turning out material to the value of \$150,000; while the factories used upwards of 32,000 sides of sole leather, and a proportionably large amount of upper leather, kip and calf skins, the value of the manufactured stock turned out by them in a year amounting in value to \$250,000. A large portion of their stock is exported to Nova Scotia, and Prince Edward Island, which were heretofore exclusively supplied by the Boston shippers, but they have since been forced to retire from competition.

Two Iron Manufactures of St. John, N. B.

St. John contains two saw factories, two edge tool factories, a tack factory, and four nail factories, some of which are on an extensive scale and capable of turning out 12,000 to 18,000 kegs a year. They all seem to be doing a very prosperous business, and although protected by a duty of 12½ per cent, claim that they can undersell the American manufacturer fully 25 per cent. Within the last few years some West India buyers have made their appearance in the market, and during the past six months took five or six thousand kegs. Shipments were also made to Portland after the late rate, and notwithstanding the high tariff, seem to have been sold at a profit. The edge tool factories between them employ about 40 hands, and have filled orders for Connecticut, Rockland in Maine, Liverpool, England, and Prince Edward Island. Before they went into operation all the axes and tools in the Province had to be imported, but in 1865 the value of the goods entered only amounted to \$745, and the two principle factories were selling goods to the amount of \$40,000 and \$45,000 annually.

The New Chinese Wall.

The *St. Croix Courier* says that the effect of the high U. S. tariff was curiously illustrated sometime ago in this wise: A farmer residing in Charlotte County arranged with a prominent firm in Calais for the purchase of a barrel of flour at \$18, which he agreed to pay in potatoes at fifty cents a bushel, delivered duty paid in Calais. On enquiring of the Custom House officials he found that the duty for potatoes was 25 cents a bushel in gold, which at the time was at 60 per cent premium, making the duty equal to 37½ cents in currency. The countryman finding that the payment of the duty would thus reduce the price of his potatoes to 12½ cents per bushel, and that it would take 144 bushels to pay for his barrel of flour, came to the conclusion that it would not be a paying transaction, and wisely abandoned the contract.

THE GOOD TIME COMING.—The *St. Andrews Standard* is now employed in writing up the latter day glory of St. Andrews. We hope his prophetic visions will be realized, and more too. "But it is as a place of business that we would especially speak just now. Its harbour is open all the year round, which gives us a decided advantage over St. Stephen, Calais, and other places on the St. Croix. The N. B. & C. Railway brings it into communication with some of the richest parts of the Province, and when the Houlton Branch is completed, will throw open to us the trade of the Aroostook country. Sooner or later we must and will have railway communication with Canada, when the trade of the great West, seeking the nearest outlet to the ocean, will increase the importance of this port a thousand fold. Once confederated, and the Intercolonial built, either by central or southern route, St. Andrews will at once take her proper position as one of the principal seaports of the Confederacy, and second only to St. John."

HURRY UP GENTLEMEN.—There are numerous complaints about the delay in getting patents from the Crown Lands Department, in cases where there is no good reason for retaining them. Surely in a department where there are at least ten men to do one man's work, there should be no delay.

BY ATLANTIC TELEGRAPH.

OPENING OF THE IMPERIAL PARLIAMENT.

THE QUEEN'S SPEECH.

LONDON, 6th.—The following is the speech made by the Queen at the re-opening of the Imperial Parliament to-day:

MY LORDS,—In again recurring to your advice and assurance, I am happy to inform you that my relations with foreign powers are on a friendly and satisfactory footing. I hope that the war in which Prussia, Austria and Italy have been engaged, may lead to the establishment of a durable peace in Europe.

I have suggested to the Government of the United States a mode by which the questions pending between the two countries, arising out of the civil war, may receive an amicable solution, and which, if met, as I trust it will be in a corresponding spirit, will remove all grounds of possible misunderstanding, and promote relations of cordial friendship.

The war between Spain and the Republics of Chili and Peru still continues, the good offices of my government, in conjunction with that of the Emperor of the French, having failed to effect a reconciliation. If either by agreement between the parties themselves or by the mediation of any other friendly Power, peace should be restored the objects which I have had in view will be equally attained.

The discontent prevailing in some of the provinces of the Turkish Empire has broken out in actual insurrection in Crete. In common with my allies, the Emperor of the French and the Emperor of Russia, I have abstained from any active interference in these internal disturbances; but joint efforts have been directed to bring about improved relations between the Porte and its Christian subjects not inconsistent with the Sovereign rights of the Sultan.

The protracted negotiations which arose out of the acceptance by Prince Charles of Hohenzollern of the governorship of the Danubian Principalities, have been happily terminated by an arrangement which has been sanctioned by the concurrence of all the Powers, signatories of the treaty of 1856.

Resolutions in favor of a more intimate union of the Provinces of Canada, Nova Scotia and New Brunswick, have been passed by their several legislatures, and the delegates, duly authorized, and representing all classes of colonial party and opinion, have concurred in the conditions upon which such an union may be so effected. In accordance with their wishes a bill will be submitted to you, which, by the consolidation of colonial interests and resources, will give strength to the sovereign provinces, members of the same empire and animated by feelings of loyalty to the same Sovereign.

I have heard with sorrow that the calamity of famine pressed heavily on subjects in some part of India. Instructions were issued to my Government in that country, to make the utmost exertion to allay the distress which prevailed during the autumn of last year. The blessing of an abundant harvest has since that time improved the condition of the suffering districts.

The persevering efforts, and unscrupulous associations of treasonable conspirators have during the last autumn excited the hopes of some disaffected persons in Ireland, and the apprehensions of the loyal population. But the firm and temperate exercise of the powers entrusted to the Executive, and the hostility manifested against the conspiracy by men of all classes and creeds, have greatly tended to restore public confidence, and have rendered hopeless any attempt to disturb the general tranquillity. I trust that you will consequently be enabled to dispense with the continuance of any exceptional legislation for that part of my dominions.

I acknowledge with deep thankfulness to Almighty God the great decrease which has taken place in the cholera and in the pest which has attacked our cattle, but the continued prevalence of the latter in some foreign countries and its occasional reappearance in this, will render necessary some special measures of precaution, and I trust that the vigilance of the former will lead to increased attention to those sanitary measures which experience has shown to be the best preventive.

Estimating as of the highest importance an adequate supply of pure and wholesome water, I have directed the issue of a commission to enquire into the best means of permanently providing such a supply for the metropolis and for the principal towns in the densely peopled districts of the Kingdom.

GENTLEMEN OF THE HOUSE OF COMMONS.—I have directed the estimates for the ensuing year to be laid before you. They have been prepared with a due regard to economy and the requirements of the public service. You will, I am assured, give your ready assent to a moderate expenditure, calculated to improve the state of my soldiers and to lay the foundation of an efficient army of reserve.

MY LORDS AND GENTLEMEN.—Your attention will again be called to the state of the representation of the population in Parliament, and I trust that your deliberations, conducted in a spirit of moderation and mutual forbearance may lead to the adoption of measures which, without undue disturbance of the balance of political power, shall freely extend the elective franchise.

The frequent occurrence of disagreement between the employers of labour and their workmen, causing much private suffering and public loss, and occasionally leading, as is alleged, to acts of outrage and violence, has induced me to issue a commission to enquire into and report upon the organization of trades unions and other societies, whether of workmen or employers with power to suggest any improvement of the laws for their own benefit. Application will be made to you for parliamentary powers, which will be necessary to make this enquiry effective.

I have directed bills to be laid before you for the