

## Letter 11.

## ENGLAND'S FOREIGN TRADE.

*From the CANADIAN ILLUSTRATED NEWS.*

The bad effects of Free-Trade on England's commerce is past concealment. The harvest of her foreign trade is evidently over. Free-traders can no longer mislead public opinion with regard to the present depression. The Board of Trade returns for October are about the worst ever issued. England has deluged the world with her manufactures, and the cause of her depression is that the demand for them is on the decline. This decline is not a temporary thing, either. English capital and labour have been largely diverted into unproductive channels by the advocacy of Free-Trade principles. England will, in the end, pay dear for any temporary advantages derived from it. Free-Trade in England is not only the cause of depression there, but of the depression which now exists in many other countries. The *London Telegraph* says the case is "of a nature to make the most determined optimist admit the fact of declining commerce and industry." Her exports were less in 1874 than 1873, and less in 1875 than 1874.

England has invested enormous sums in ships and factories, but the factories are nearly idle and the ships have little to do; but the people want bread, and those who have bread want meat, if any, of her manufactures, so the bread has to be paid for with gold. The product of English capital and labour is depreciating. This is what is the matter with England. *She has been producing articles for which an effective profitable demand has nearly ceased.* England gained a temporary advantage by having these things in advance of other nations, but the advantage is ceasing. The silk manufacturers were ruined by Free-Trade, and the machinery for that purpose became of little value. The manufacture of glass is also nearly driven from the country. American cotton manufacturers are even now sending cotton to England. English manufacturers cannot continue to import raw cotton and export manufactured cotton back to compete with American manufacturers in their own market. Hence a great part of the fixed capital of English manufacturers will be rendered unproductive.

England has great facilities for manufacturing, but trade being gone, the capital expended in creating these will be partially wasted. The time is coming when English manufacturers will be able to do no more than hold their home market in cotton goods. This will render a great deal of machinery unproductive; and many ships now employed in the cotton trade will have to find other employment. Her woollen manufactures will probably hold out longer. She is a great wool producing country; but other countries are also becoming great wool producers, and so soon as they become able to manufacture their own wool they will need English goods no longer. Canada is importing less woollen goods every year. Our own manufacturers are rapidly superseding all others, notwithstanding all the disadvantages under which they are placed. The one thing which gives them the advantage is their better judgment regarding the class of goods required. Great fears are entertained about the coal mines of England becoming exhausted; but there is a much more immediate danger than this. The foreign demand for English goods will cease long before her supply of coal.

The abolition of the Corn Laws was part of the Free-Trade policy. It was opposed by the nobility, though it was the one thing which has prevented reforms in the tenure of land. *Had the Corn Laws not been abolished, all or nearly all the large estates would have been divided up, sold, and under cultivation now. This is what would have been done to keep down the price of food.* Laws would have been passed allowing the partition and sale of entailed estates. Food might not have risen much in price, for more land would have been cultivated.