

own home market. Like the United States, our greatest competitor in broadstuffs in foreign markets, Canada has hitherto consumed about nine-tenths of all the agricultural products raised by her farmers (Mr. George Johnson, Dominion Statistician, estimates the entire product of Canadian farms at about \$500,000,000, and the exports thereof at about \$51,000,000,) and that this is so is largely owing to the impetus given to manufacturing industries of all kinds by the present protective policy. When we consider that the city of Toronto and suburbs alone, even before the passage of the McKinley Bill, used more of the products of our Canadian farms than the whole 65,000,000 of people in the United States, it can be readily understood why the supporters of the National Policy contend that it would be utter folly for this country to jeopardise the home market which consumes such a vast proportion of its agricultural products, for the problematical gain which might accrue from the free entry of the one-tenth we have to spare into the markets of our greatest competitor.

We are being told continually that our farmers are on the downgrade to absolute ruin, and that between the upper millstone of the National Policy and the nether millstone of the McKinley Bill, there will soon be nothing left to them but the privilege of paying the interest on the mortgages with which their farms are encumbered. That this statement of the condition of our farmers is absolutely false, has always been maintained by protectionists, who point to the statistics furnished by the Provincial Agricultural Bureaus in proof of the fact that our agricultural population are not retrograding, but actually increasing in wealth in a fairly satisfactory manner. In regard to the free entry to the markets of the United States, offered to our farmers by the advocates of unrestricted reciprocity as a panacea for all their troubles, we hold that as water cannot rise above its own level, so even in the event of unrestricted reciprocity becoming a fact, our farmers could not hope to reach a higher level of prosperity than that enjoyed by the American farmers who are now actually in possession of this much overrated market. If we can believe the official statistics published by the different States, it is evident that even with the possession of that "illimitable" market, the farmers of the United States are not nearly as prosperous or independent as those of our own country. That this view is practically correct, seems also to be the belief of the Hon. Oliver Mowat, who in an open letter recently published, uses the following language: "It is quite certain that the farms of the United States are heavily mortgaged as well as Canadian farms; and we have no solid ground for assuming that they are less heavily mortgaged than our own farms. So our farmers as a class, our mechanics as a class, our laborers as a class, whatever the reasons may be, are not less comfortable on the whole than the farmers, mechanics, and the laborers of the United States appear to be, though these are harassed by no McKinley tariff and by no like obstruction to the dealing of the States with one another."

To sum up this matter we contend that the largest and best market for the Canadian farmer, the one that consumes nine-tenths of all he produces, is the home market right at his own door.

That for the surplus, which has to be exported because it cannot be consumed at home, our best market is not the United

States which produces \$10 to our \$1 of agricultural products and is our most formidable competitor in the European markets, but Great Britain the market to which we both send our surplus, and which in a general way absorbs the surplus agricultural products of the whole world. The foreign markets that Canada should specially cultivate are not, in our opinion, those whose products are exactly the same as our own, and who are our direct competitors in other countries, but those which are consumers of the products we have to dispose of and who in return desire to sell us articles which cannot be produced in Canada. For this reason we heartily commend the efforts which the Government have been, and are now making, to cheapen and facilitate the transport of goods to the British and other European markets, and also to open up closer trade relations with the West Indian Islands, Cuba, South America, Australia, China and Japan.

The United States has practically told us, through the McKinley Bill, that they propose to buy nothing from us that they can possibly be supplied with by their own people, and while we are glad to see our people do all the trade with them that is mutually profitable, we unhesitatingly denounce the doctrine advanced by the advocates of unrestricted reciprocity, that a free entry to the markets of the United States is absolutely necessary to our existence. One of the best replies to such assertions is that made by Sir Richard Cartwright who in a speech delivered at Charlottetown, P.E.I., gave utterance to the following loyal and truthful sentiments:

"They say we must have reciprocity and we cannot live without it. For the Dominion of Canada, I take exception to that statement. While reciprocity is desirable we are not in such a state of subjection to the United States that we cannot live without it. We have men and ships and we will carry the war into Africa. We will find new markets for ourselves and cut them out. There is nothing better calculated to prevent the bringing about of reciprocity than to tell the Americans that we cannot live without them. It would induce them to believe that they had the power to drive us to their own terms!"

Another fallacy assiduously propagated by the advocates of unrestricted reciprocity, is that Canadian manufacturers object to free trade with the United States because they are afraid of *fair* competition with the manufacturers of that country. They assert that were unrestricted reciprocity in force, Canadian manufacturers would have the best of the bargain, because they would then have free entry into a market of 65,000,000, whereas the American manufacturers would only get access to 5,000,000 additional customers. The manufacturers of Canada are not afraid of *fair* competition with the manufacturers of the United States; what they object to is the *unfair* competition to which they would be subjected under such a juggled arrangement.

As Erastus Wiman has pertinently stated, the manufacturers of the United States have a market of 65,000,000 and a manufacturing capacity of 100,000,000 and they want an outlet for the surplus which cannot be consumed at home. They also know that no 5,000,000 foreigners can use so many of these products as the people of Canada, and hence their anxiety to get possession of this market. Their expenses would not be increased, but rather lessened proportionately by manufacturing up to their full capacity and they know that under the