

constrained to take what he is offered, though far beneath the value of his wheat, considered as a just recompense for his labour and expenses. How different is the case in England.—There are many farmers even there who must sell, no matter how low prices may be; but there are also many who can and do hold on, and wait for better prices when they are low. We knew an English farmer who kept two thousand sheep, and kept their wool by him for three successive years, rather than sell below his price. How much such men can influence markets and regulate prices is evident. But in Canada, farmers have but little or no capital, and therefore are at the mercy of times and speculators, utterly unable to take advantage of the one, or defy the other. A large part of the profits of trade is made by mere management, buying when and where the markets are low, and selling when and where they are high; and a trader who possesses this knowledge, and skill to use it, will realize profits while another without it will barely hold his own. But there can be no such management with the Canadian farmer, for it requires capital as well as skill, and capital he has yet to acquire.

There is this circumstance, then, in Canadian agriculture, one which no legislation can reach or remedy, that the almost total want of capital renders our farmers unable to protect themselves by the ordinary rules of management in business, reserving their produce until it does pay a remunerating price. They are constrained by necessity to sell the produce of each year as fast as it can be brought to market, and the effect of pouring produce on a market already glutted is of course a great depression of prices. Time and the general progress of the country must remove this disadvantage. When the farmer obtains capital, and thereby has a control over the prices of his produce, he will be enabled to suspend his sales until he has a remunerating price. Some other circumstances also make against the farmer, and are beyond control, as the high price of labour, and the length and severity of the Canadian winter.—An English farmer performs a great part of his ploughing during winter. He thus distributes his work over the whole year, is able to put a large breadth of land under crop, and make his servants and working cattle profitable day by day for the entire year. But the Canadian farmer must hurry through his ploughing in the fall and spring, and if he keeps servants by

the year they are of no profit to him during winter. He also depends too much on one crop, instead of providing several. An English farmer pays his midsummer rent and his harvest expenses from the price of his wool. In these and other things there are great differences between agriculture here and in Great Britain. Some of these time will remove, but others will remain as permanent disadvantages to balance many advantages in the general estimate.

But if the Canadian farmer be unable by want of capital to protect himself, it is the more incumbent on the Government to protect him as far as possible, and therefore he requires a duty on United States produce when imported for home consumption. Let us see how far this measure would meet the views of its advocates.

The price of produce in our market is determined by the law of supply and demand.—When the former exceeds the latter, prices fall, and *vice versa*. If the home supply exceed the demand, there are no importations for home consumption through necessity, and if any are made from choice, they merely displace an equal amount of the home supply. If the Province has as much flour of its own as it can use, and 20,000 barrels be imported from the States, those 20,000 barrels cannot be used without displacing or setting free for exportation an equal amount of Canadian flour. The vessel being already full, it can hold no more, and if we pour any in, what is in must run out to make way for it. As the Province has of its own raising a large surplus of bread stuffs above its demands, foreign flour if used here must displace our own to an equal amount. When the supply exceeds the demand, prices are regulated by the English market, to which we export our surplus. Canadian and United States flour being both destined for the English market, and the latter being subject there to a higher duty than the former, it brings a less price here.—American flour was lower last season at Montreal and Quebec by from 1s. 3d. to 2s. 6d. per barrel than Canadian; consequently, it was more profitable to use American flour here and export our own to England. But if the protecting duty were laid on, the case would be instantly reversed; the American flour would be all exported, and none but Canadian used. Thus so far as present benefit to the farmer is concerned the duty would be entirely nugatory. It would not affect prices