

THE WEEK.

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CONTENTS OF CURRENT NUMBER.

CONTRIBUTED ARTICLES—	PAGE
Commercial Union.....	Goldwin Smith 131
The Latest Phase of State Interference.....	M. J. G. 132
The Irish Question in Parliament.....	Goldwin Smith 132
The Examiner.....	M. J. G. 133
Party Government in the United States.....	B. 134
The British Elections.....	135
SUNDAY, JANUARY 24, 1886 (<i>Poem</i>).....	Charles Sheard, M.D. 135
CORRESPONDENCE.....	135
TOPICS OF THE WEEK—	
The Lieutenant-Governorship of Ontario.....	136
Socialism.....	136
The Proper Treatment of Indians.....	136
The Monroe Doctrine.....	136
French-Canadian Loyalty.....	136
The Fishery Question in the Senate.....	136
Possibility of New Markets for Nova Scotia Fish.....	137
Failure of the Scott Act in Iowa.....	137
The President and the Senate.....	137
NOTES.....	137
POETRY—	
To John Henry Cardinal Newman.....	F. W. G. F. 139
Ludlow Chief's Death-Lament.....	W. Kay. 139
MY CONTESTED ELECTION.....	139
DAWN OF CREATION AND WORSHIP.....	140
DAWINISM.....	140
MUSIC.....	141
PUBLIC OPINION.....	141
OUR LIBRARY TABLE.....	142
LITERARY GOSSIP.....	142

COMMERCIAL UNION.

FROM party platforms, combinations, and intrigues, the only object of which is to lift one set of politicians or the other into power, it is a relief to turn to any question which really concerns the welfare of the people. Such a question is raised by a "Memorandum concerning Canada," drawn up by Mr. Wharton Barker, of Philadelphia, which may safely be taken as indicative of the views entertained in one of the greatest centres of American commerce. The writer begins by remarking that with the Fisheries question is reopened the larger question of the commercial relations between Canada and the United States; that President Cleveland is in favour of a closer connection, and that there is a pressure in the same sense from New England and northern New York. He notes the imperfections and drawbacks of Reciprocity Treaties, which leave in existence the Custom House line with all its annoyances, and form the subject of constant jealousies and disputes between the parties, each side always fancying itself overreached by the other. He might add that such treaty arrangements are always unstable; that when one of the political parties in a country has made them, the other is always decrying them; and that upon the first interruption of good feeling between the nations they are overturned, as ours was, with all the industries that have been built upon them.

In place of a Reciprocity Treaty, Mr. Wharton Barker proposes the larger and more stable measure of Commercial Union on the footing of a common tariff for both countries, and the division of the receipts from customs on the basis of population, or any other basis that might be deemed equitable. Should the arrangement seem likely to be attended with loss of revenue to Canada, he would propose to guarantee to her a sum equal to her present receipts for a certain number of years. Entire freedom of trade with mutual services and benefits would then prevail through this northern continent. The Fisheries question, now the puzzle and the plague of diplomacy, would be at once and for ever solved. The admission of Canadian shipping to the American coasting trade would, as Mr. Barker suggests, naturally follow; and as the people of the Southern States do not take much to the sea, the Maritime Provinces of Canada would be likely to supply shipping both for the coasting trade and for that trade with the West Indies which is now largely transacted in European bottoms. To the special industry of the Maritime Provinces a great stimulus could not fail to be given.

Commercial union would, of course, involve equalization of tariffs; but in this there would be no great difficulty, the Canadian tariff being what it now is, and the disposition in the United States, as the necessity for revenue decreases with the national debt, being toward gradual reduction. It would also be necessary to equalize the excise; otherwise, the Custom House line being removed, there would be a contraband exportation from the country in which the excise was lower to the country in which it was higher. But the difference between the Canadian and American excise, again, is not so great as to present a serious obstacle to adjustment.

That it would be an immense benefit to the people of Canada to be freely admitted to the markets of their own continent, freely to share its

resources, to have its capital freely circulating among them, and freely to participate in its commercial life, will hardly be denied by anybody who has not some personal interest, real or fancied, in maintaining the contrary. Certainly it cannot be denied by any Canadian statesman who has had a hand in Reciprocity. In their present state of commercial isolation the people of Canada can never enjoy the fair earnings of their labour, any more than could the people of any other territory destined by nature to form part of an economical whole with the adjacent territory, if it were cut off by a Customs line from the rest. As a district of England or France, with a population of four millions and a half, would be if severed from the country to which it belongs, so is Canada commercially severed from her own continent. We have already a monetary union with the States: for every purpose except payments to Government the American currency passes here as freely as it does on the other side of the line. The image and superscription on the coin were appealed to as the test of political jurisdiction, and they are a proof not less conclusive of economical connection.

There are those who, not perhaps without a political bias, contend that our natural trade is with England; that its direction is "lateral," or along the parallels of latitude. Whether they are right or not will be seen when both courses are alike open. Freedom of trade with the United States will not prevent our exportation of grain and cattle to England. If the best price for the wheat of the North-West is to be got by sending it to England along the North Shore of Lake Superior, to England and along the North Shore of Lake Superior it will continue to be sent.

Between the different Provinces of the Dominion there is scarcely any natural trade. All hopes of commercial advantage to be derived from Confederation by the people of the Maritime Provinces have been disappointed. The attempt to force Ontario to burn Nova Scotian coal by laying a tax on her supply from the States has failed. Between Old Canada and the North-West such trade as exists is not natural, but forced by means of a tariff constructed like everything else connected with the administration of the North-West for a political purpose and not for the material benefit of the people; nor is this artificial arrangement likely to endure beyond the political nonage of the Provinces which are its victims. That political railroads, run through a line of territories which have no interest in common, fail to produce commercial unity, the Intercolonial road bears melancholy witness. Troops may be conveyed along such lines, or munitions may be forwarded for Imperial wars on the Pacific, but commerce takes little heed of their existence. Of the four entirely separate territories of which the Dominion is made up,—that is to say, the Maritime Provinces, Canada French and British, the North-West, and British Columbia,—each is commercially connected, not with its political partners, but with the adjoining States of the Union; and squander the earnings of the people in resisting Nature as you will, her ordinance will at last prevail.

It is unnecessary here to debate the question between Free Trade and Protection. There may be a rational difference of opinion as to the respective advantages of the two systems in the case of a country like the United States, which is in fact a continent, reaching from regions almost arctic to regions almost tropical, embracing in itself almost every variety of production, and inhabited by fifty or sixty millions. There can be no rational difference of opinion as to the inexpediency of applying Protection to a country situated entirely in a high latitude, with a very limited range of production, and a population under five millions. Forcing manufactures into existence in a district devoid of coal, within easy range of districts abounding in coal and provided with all industrial advantages, was a policy the results of which might have been easily foreseen. We know now that it was pressed upon the Government by the political influence of the manufacturing interest, rather than adopted on commercial grounds. The effect is manifest. Canada, instead of being a cheap, is fast becoming a dear, country to live in, and will presently be shunned by people of moderate means. That there is a perpetual exodus into the States is certain, whether the statistics have been accurately taken or not.

Some things there are, such as first-rate printing presses, which a country affording but a small market for very expensive articles is actually unable to produce for itself. It is, perhaps, not a matter of first-rate importance, but it is indicative of our false commercial position, that a good bookstore can with difficulty exist in this country, the bookseller