

quantities and at small profits on account of their tariffs, because their sugar is a fraction cheaper. This pennywise, pound foolish policy is making the manufacturers and working people pay very dear for their sugar. True, British merchants are endeavoring to get all the benefit they can out of their cheap sugar by buying Continental fruit and starting large preserve works, but they will very soon find that their exports of jeliles and jams will be met by such protective tariffs as will close those factories up in the same manner as their sugar works. Another Free Trade fallacy is, that the amount of the duty makes the price of the article upon which the duty is placed, although the article is home-made and not imported. It has already been shown that in the States when the duty on steel rails was increased to \$33.60 per ton it did not increase the price but lowered it until they are now selling at \$25.00 per ton.

A great amount of sympathy is now expressed for the Canadian farmer because there is a duty of 35 per cent. on self-binders, and we are told that the farmer is being robbed by the implement men, and that the farmer can never prosper with this iniquitous duty grinding him down to the lowest depths of poverty. Let us examine into this and see what truth there is in it. The manufacturers' wholesale price in the States for self-binders is \$100; freight to Winnipeg \$10; duty \$35; for handling, setting up, and starting \$10 is no more than a fair allowance, — total \$155; a dealer's reasonable profit would be 20 per cent. — \$31. Cost to the farmer of an American binder \$186 cash. The actual selling price in Winnipeg is \$190. Now as the duty makes the price of the binder, therefore the price of the Canadian binder must be at least \$185 cash. But the Massey-Harris Co. sell their binder for \$140 cash; then how can the Canadian farmer be paying the enhanced price on account of the duty. It may be said that the American binder is a better article than the Canadian. That may have been the case some years ago, but if it were so now, how do the Canadian implement men compete and sell their machines in foreign markets against the Americans and at the same prices. Thus we see that the duty does not make the price of the home-made article, and that the Canadian self-binders are sold as cheaply as if there was no duty. Actual facts and free trade theories are here again in conflict.

A pamphlet has been published by Earl Grey advising Canada to meet the McKim bill by the adoption of Free Trade. Let us examine the proposition and see how it will work out. Canadian products are met at the American border by a high tariff; the adoption of Free Trade would not do away with that tariff, because the States tell us we must discriminate against British goods and adopt their tariff, — therefore Free Trade will not give us an entrance into the American market and we would still receive the American price less the American duty, the same as we now do. We would get no better market in Britain as that is free to the world. But the Americans would get all the benefit of our market without cost. Possibly Earl Grey thinks that Britain would sell us more goods if we were free traders, if so, then he labours under a wrong impression. The only increase in trade with

Britain would be in woollen goods which would displace the woollens made in Canada, as the Americans do not raise enough of wool for their own necessities and as they put a duty on wool, they cannot compete against British manufacturers, as their style of goods is more adapted to the wants of the country. The class of goods now manufactured in Canada, with the exception of woollen goods, are just such as the States manufacture and can sell to us to the best advantage while at the same time they are as good value. This is clearly shown as at the present time the greater half of our importations are from the States. In 1892 imports from the States were 53,137,572; from Great Britain 41,348,435. Now what would be the effect on Canada. As we have only a population of five millions against sixty millions in the States; and as the Canadian manufacturers are unable to ship their products into the States, while the American manufacturers could sacrifice their surplus stocks here, and by curtailing the market for Canadian made goods, every factory would be forced to shut up, the employees would have to go to the States in order to find the employment to which they have been accustomed, the capital representing machinery and buildings would be destroyed, and Canada would become only a producer of lumber and agricultural products, a hewer of wood and a drawer of water for the States who refuse us any benefit that their market may confer. Then where would be our revenue to pay the interest on our debt. Direct taxation must follow, which with a lessened population would be the harder to bear.

Canadians have not forgotten the hard times under the McKenzie regime; when with a low tariff gold was drained off to pay for goods brought from the States; when every year the Dominion finances showed a deficit; and when soup kitchens were opened in the cities for the unemployed artisans while the Canadian market was flooded with the products of American labour. The fiscal policy of the Government and the effect of the low tariff was such that Canada at the earliest opportunity threw them overboard and adopted the more rational policy of incidental protection to home industries, which has been repeatedly endorsed by the people since its inception. If the effects of a seventeen and one-half per cent. tariff were so direful what would be the effect of a free trade tariff?

Far better Commercial Union, Annexation or any other kind of an arrangement with the States, then we would be on an equality with them instead of being their serfs. I am aware that the second hand ideas of Earl Grey and other old country doctrinaires who have their heads so filled with Free Trade that they cannot understand anything else; and who imbibed the teachings of a past generation, have been picked up by some declamatory individuals who proclaim that Canada is going backward, her population not increasing, and her fiscal policy is a failure. I would ask that such persons compare the position of Canada in 1877 under the McKenzie government with the Canada of 1890.

From the above figures we see that our imports and exports have largely increased, our merchants have done a larger business as shown by bank deposits and discounts. Our working people must be much better off, as their bank—the Dominion

Savings Dept.— shows a total increase in their savings of nearly 19 millions and an annual increase of about a million and three quarters. Our insurable property has increased fifty per cent. while life insurance is more than three times as much now as it was in 1877. The increase of population in the States has been contrasted with the increase of population in Canada, but if we examine the United States' statistics we find that the increase is not in the rural population but in mechanics, mill operatives, and in industries nursed by their tariff. The proportion in fifty principal cities in 1880 of foreign born population in occupations was 40.07; in professional and personal services 44.28; in trade and transportation 34.33; in manufacturing, mechanical and mining industries 41.38, while the proportion of foreign born population was only 13.32. Agricultural labourers only show 04.85; farmers and planters 14.69; but boot and shoe makers 35.75; iron and steel workers 37.19; miners 53.88; brewers and maltsters 75.08; leather workers and tanners 45.30; silk mill operatives 36.93 and woollen mill operatives 39.05 of foreign born population.

From this we see that the States has not increased her rural population in any greater proportion than Canada while the great immigration has been of a class which Canada does not need, and is better without. In fact the States are now beginning to think that it is more of a curse than a blessing, as although the foreign born in population to the native population is one to eight yet there is one foreign born pauper to two native born, and among criminals there is one foreign born to three and three-fourths of the native; the great question of how to stop this undesirable immigration is the problem now being studied by the public men in the States. If our population is no greater than in 1877 then it must be much more wealthy than it was at that time, and the National policy must have been much more successful than the low tariff which existed up to 1878.

If we have not increased in population we must not ascribe it to the fiscal policy but to the sociological causes which have been operating all over the civilized world, the drifting of people from rural communities to the cities. Canada we may say has only two cities, Montreal and Toronto, but as all who would could not find employment there, many Canadians no doubt to the disadvantage of some of them, went to the States. Would Free Trade have stopped it? No, but it would have greatly increased it. Canada has seen that Great Britain with Free Trade has lost her sugar; her paper; her plush; her glassware and is now losing her cotton trade. Her markets are filled with goods of foreign manufacture, while her unemployed are constantly increasing and her manufacturers are cutting down wages.

If Great Britain with all her shipping and banking facilities, her enormous wealth, labour and business arrangements is unable to sell her manufactures at a profit, and with all her advantages is unable to stand against the drift of commercial evolution, it would be utter madness for Canada to attempt it.

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There is a dwarf in Switzerland who is said to be 110 years old, and can still climb the highest tree in the neighbourhood.