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HARD TIMES—THE CAUSE AND CURE.

The *times* are hard! Go where you will, meet whom you may, you hear the same complaint, "Little business doing, and Money scarce." We would in all seriousness ask "how can it be otherwise, managing our business the way we do?" Our clothing, food, drink, and almost every object that can please our various tastes, whether as desirable comforts or mere luxuries, are of foreign production, and are purchased by us without any regard to the ultimate effect upon our prosperity. Let an individual with an income of one thousand dollars a year, habitually spend twelve hundred, and he will very soon have to cry *hard times*, and resort to borrowing to keep up his credit. As it would be with such an individual, so is it with us at present. We annually spend much more than we earn, or, in other words, we import each year on an average, as per table hereto appended, goods amounting to something like \$7,000,000 more than we export, and the difference has to be made up by borrowing from other and wealthier countries, and by investments made here by foreign Capitalists in Bank Stocks, Landed Credit Companies, Trust Loan Companies, &c., &c.; the result being that we regularly and immediately spend the money so introduced for imported articles of luxury or comfort, that, in our peculiar circumstances, we ought to do without; and the borrowed capital is sent away to pay for the goods so imported, while we have to continue sending home exchange, or produce, to meet interest on capital expended for what has been of no abiding good to us, but, in too many cases, positive evil.

Of the latter class of articles we may instance the following, as shown in the trade and navigation returns of the Province for the half year ending 30th June 1864:—

Ales, Wines and Intoxicating Drinks...	\$266,408
Tobacco, Cigars and Snuffs	541,599
Total	\$808,007

We remember hearing, about two years ago, a gentleman who stands perhaps second to no other in the Province as an authority in such matters,

state; in the presence of several hundred persons, that "it annually takes the whole value of the large quantity of wheat we export, to pay interest on our borrowed capital." If that is so, how can we realise anything but hard times?

Some of our readers will perhaps remark that times are not always *hard*, that occasionally "business is thriving and money plentiful." We admit that it is so, but it does not generally arise from a healthy state of things. Occasionally we are blessed with an abundant harvest of what, in times past, was the staple product of Canada; but owing to the scourge of the Midge, Weevil, Rust, &c., arising principally from inferior, unscientific, and improvident modes of farming, this does not very often occur. The cause for *good times* have to be sought for elsewhere. The merchant will tell you that the times are good when he has a ready sale for his wares at remunerative prices; the financial statesman when imports are large, and the revenues derived from duties thereon leave him a surplus in the Exchequer at the end of the year, but these things often tend to impoverish and not to increase.

A few years ago the Great Western and Northern Railways were being constructed, and subsequently the Grand Trunk Railway. In connection with these enterprises money was introduced not by *thousands* but by *millions* of dollars. Business was brisk enough then, and money was plentiful; mechanics were well paid, and the farmers got good prices and ready sale for their various products; but in course of time these large undertakings were completed, and but little more money was to be expended upon them. What was the result of the large expenditure that had been made of foreign Capital? Why, as it came unsparingly into the Province, unsparingly it went out. The merchants imported largely of everything that we could eat, drink, wear, or feast our eyes upon; the people freely purchased the goods so introduced, and the money left us almost before we fully realised the fact that we had it; the interest thereon, however, remaining a permanent drain upon the country.

We have not the tables of the years referred to before us, so we cannot tell what amount of luxuries we then consumed; but during the first half of last year we imported of

Fancy Goods	\$280,079
Jewellery and Watches	118,626
Silks, Satins and Velvets	448,806
Unenumerated articles and small wares, of which say one half belongs to this class, \$724,129	362,064

Total..... \$1,209,575