

production. The other, and what appears to us the true remedy, is *free trade in manufactures with the United States*; or, if that is impracticable, a reciprocal tariff. The vast western territory of the United States is rapidly filling up with an immense and enterprising population, requiring many articles of manufacture which Canada could furnish on terms as favourable as the Eastern States, from which they are now supplied; furnishing a vast amount of business to their railroads and canals, while our forwarders complain that *one* railway alone has proved most disastrous to their interests, and almost annihilated their property.

Let us suppose for a moment that Montreal manufactures were to find a market west of Chicago, say to the extent of one million pounds per annum, what an impetus it would give to every branch of business! Locomotives for the western railroads, thrashing-mills for the western prairies, Perry's engines to extinguish their fires, leather and rubber manufactures, and many other kinds of goods would freight our shipping to its utmost capacity, and contribute much to the success of that great railway in which every Canadian is now deeply interested.

But how is this to be effected? Clearly the Americans, who have the advantage, will not move in the matter; let us, then, seek admission into their markets on the same terms as they are admitted to ours, and be prepared to take the necessary steps to gain this object, by adopting, if necessary, a tariff similar to their own. The United States would not easily relinquish the trade of Canada, which last year reached over twenty millions of dollars, much of which would undoubtedly be lost by the introduction of a high protective tariff; and would prove much more injurious to their interests than the admission of Canadian manufactures at a reduced rate of duty. We yield to none in our respect for the great enterprise, ability, and high-mindedness of American merchants and statesmen, and we rejoice at the increasing intercourse between the two countries; but the best interests of the country should not be sacrificed to any feelings of this kind, nor does the United States expect that they should be.

It may be necessary for that country to protect its manufactures from the ruinous competition which countries like England might bring against them, but there is nothing of that kind to fear from Canada, where labour and living are equally high; nay, we believe that any stimulus given to Canadian industry would only make us better customers to the United States under a properly adjusted tariff.

We have thus glanced at the two principal obstacles to our success in manufactures, namely—our limited market, and foreign competition. We might dwell more at length upon the effects of the latter,—draining our coffers and retarding our prosperity. But we trust enough has been said to call particular attention to this important subject, and induce our legislators to study thoroughly, and with a single eye to the public good, the effects of the present anomalous system, with a view to provide an efficient remedy.

The other obstacles alluded to by us—we mean the high price of labour and the absence of coal—are such as cannot be remedied by direct legislation. Labour must remain high while living is high, and living will be high till every branch of our industry is more fully developed, and capital and labour more abundant.

The absence of coal is an obstacle which cannot be completely remedied,