

roads and ships take, and if these *should* make a dividend, it goes to the British shareholder. All that is left here besides is a little in wages, paid to employees who under Protection would find much more profitable freight to carry. The produce bought and consumed here yields a profit, of course; but to the U. S. farmer, not to ours.

ADAM SMITH'S INCAPABILITY.

Many people, who have read him, and some who never have, pin their faith to this gentleman's sayings. He was a learned man, and a fairly acute reasoner. But his chief weakness—his utter incapacity for guiding us in trade—is this: He knew nothing about it. A child of ten years now knows more of to-day's trading system than he could. Here is his leading description:

"A broad-wheeled wagon, attended by two men and drawn by eight horses, in about six weeks' time carries and brings back between London and Edinburgh near four tons of goods. In the same time a ship navigated by six or eight men, carries and brings back between London and Edinburgh 200 tons of goods. Therefore by land carriage, two hundred tons would take the labour and wear and tear of 50 wagons, 100 men and 400 horses for three weeks. By water only six or eight men and the wear and tear of a small ship."

This is his weak point—he knew nothing of a railway and therefore argued much to show the advantages of foreign trade—*i. e.*, shipping trade. His idea of home trade was very narrow—close to a town or two. But had he known the valuable possibilities of inland trade as developed by railways—the thousand profitable interchanges it renders possible, he would have written very differently. As it is he writes in the dark, so far as our age is concerned, and grown people should know better than to quote him on such subjects.

THE MARITIME PROVINCES.

It is pitiful to hear the statements made with reference to these. They are far better situated for manufacture than Massachusetts, being much nearer to tide-water, and having coal in any amount, while the other has none. They have the best harbours in the world. When Massachusetts began to manufacture largely, the States had but two millions; we have four. The Maritime Provinces' population is so apt at manufacture that yearly large numbers leave there for the U. S. factories. Yet we are told that they wish to remain merely a poor fishing colony, and fear a tariff which would raise flour $\frac{1}{4}$ cent per pound! The fact is, as the writer is given to understand by residents, they are very willing, as a rule, to adopt protection, provided their bituminous coal has the Ontario market. This coal is used for factory purposes chiefly. The consumption is exclusively in cities and towns. The writer is certain that there is not in Ontario one city or town that would object to this coal tariff, under a general system of protection; and this article alone would return to the Maritime Provinces twenty times what they would pay on flour. But what they would principally gain by would be the rapid increase of workshops among them. Their population in shop and in field would double in five years—their wealth quadruple in the same time.

THE SUGAR AND TEA TRADES.

Our government, in their free trade plan, have thought it wiser that we should buy our tea and sugar in the States. Once we could import the first direct from China, and the other raw from the West Indies, refining it here. A slight change in the tariff would allow us to do so still, but it was not granted, and the result is we can no longer import tea direct; our Canada refineries are closed, and we import both tea and sugar from the States.

From this it follows that as we cannot take a back cargo, we cannot send goods profitably to the West Indies, or to Australia on the route to China. The end is that we have lost the tea trade and the refineries here; it is doubtful whether we got sugar cheaper, it is certain we get worse tea, as the U. S. dealer sends us the poorer and keeps the best for the States; and we have lost (what was the object of the States in the whole affair) the direct trade in each case, which would be very profitable. It is a fact, that if you allow your neighbours to trade with you as they like, they will often be able to prevent you from trading profitably with others. A remarkable instance has just been given. It appears that our trade with the West Indies decreased nearly 9 per cent. from 1864 to 1874, being only about \$6,000,000. The United States trade, in the same time, principally there, but also adding the other South American trade, commenced with \$80,000,000, and increased to \$145,000,000. The writer has not space to give the computation which suggests itself; but he has no hesitation in saying that with proper tariffs our trade to those markets would now yearly be half theirs, or \$70,000,000. Our free trade may have given us for a time, a cent on the sugar, but we have lost our refineries, which are closed; lost the wages paid there, the profits made, and the workmen employed there. The loss of others working for those workmen—principally farmers—will quadruple it. And now they have closed our refineries, the States have changed their drawback, and sugar here now is no cheaper than we could make it ourselves. So that it may fairly be considered Mr. Cartwright's policy may have saved something in the price of sugar, and lost to our farmers and mechanics much more, and to the country the great West Indian and South American trade.

THE ST. LAWRENCE CANALS.

In the enlargement of these lies the whole future of Canada. When they are rendered—as they easily can be—fit to pass a thousand ton vessel, the problem of communication is solved. The transit of all freight will be rendered much cheaper and easier. Coal can be brought up and flour brought down to much greater advantage than now. There will also be a large direct trade from the lake ports to those of the ocean. In other words, there will be a constant passage and re-passage of large vessels between Chicago, Fort William, &c., and Britain, the Mediterranean, Australia, China, &c. We shall then utilize what we have ever neglected—that in which we excel the world—our inland water-ways of 2,000 miles.