

industrious man having even a limited amount of means can at once engage in many profitable enterprises; and in urging by every legitimate means the extension of our limited market, we must not be understood to say that a large amount of capital could not even now be profitably and permanently employed. In countries like England, where capital is abundant and labour cheap, the manufacturer is enabled to compete with the whole world; but as the cost of production increases, the number of profitable markets diminish. Protective tariffs may foster some branches of industry when these could not be established by the natural laws of trade; but while the action of neighbouring countries may force such a tariff upon ourselves, we confess our preference for a free-trade policy, as the surest and safest basis upon which to build up our manufactures, leaving every country to follow those pursuits for which their natural advantages best fit them. We do not allude to that spurious one-sided "free trade" which would open our ports to nations who shut theirs against us, making our trade what a correspondent in our last number very graphically describes as the "mere foot-ball of the foreign trade," but to that more complete system of reciprocal free-trade which we hope soon to see established, if not over the world, at least over the entire North-American Continent.

In Canada the high price of labour enables us to compete successfully with the importer only in articles of which the cost of transportation bears a large proportion to the cost of production. Thus, while a yard of silk worth five shillings can be brought from England for a penny, a common chair worth the same money will scarcely pay the cost of transportation. Canadian manufactures must, for obvious reasons, mainly consist of the latter description.

The proximity of Canada to the United States, however, enables the manufacturers of that country to compete successfully with our own even in articles of this description. We are thus placed in a position of manifest disadvantage. Shut out from distant markets by the nature of our manufactures and the cost of their production, we are excluded by a protective tariff from the only market in which we could compete: we mean that of the United States. We are thus obliged to struggle against competition, with Great Britain in one description of goods, and with the United States in another; while those countries, the one through its position, the other through its tariff, are protected from competition with the Canadian manufacturer. Circumscribed to the narrow limits of our own Province, and exposed to the competition of older and wealthier nations, our manufactures must either struggle through a sickly existence, or speedily obtain a more equitable footing among commercial nations. Against the advantages which wealth and population confer upon England, we can expect no remedy till the same causes confer similar advantages upon us; but the prohibitory tariff of the United States is matter of just complaint while we admit their manufactures on the best terms a regard to our revenue will allow.

There are, in our opinion, only two ways by which this can be remedied: one is to adopt a similar tariff to that of our neighbours, and secure at least our home market for our own trade. But this, with our scanty population and limited wealth, would not afford sufficient room for the disposal of our manufactures, and would not give full scope to that system of division of labour, and improved machinery, which tend so much to lessen the cost of