

# The Commercial

WINNIPEG, NOVEMBER 20, 1883.

## RECIPROCITY WITH THE UNITED STATES.

The article upon the above subject in last issue of *THE COMMERCIAL* seems to have awakened the ire of our local morning paper, the *Free Press*, and in its issue of Saturday last protectionists in general, and *THE COMMERCIAL* which the writer of the article ranks among them, come in for the full measure of wrath. While accusing this journal of producing an anomalous article the *Free Press* has itself produced a maze of anomaly that is impossible of explanation, unless we rank our contemporary with the Irishman who was unable to define his political opinions, but could state, without doubt, that he was "agin the government."

The *Press*, while belaboring protection with a right good will, lets its readers clearly understand that it is only the protection enforced by the present Dominion Government that it has to complain of, and protection applied by any other Government, and particularly the Government of the United States, although more prohibitory in its provisions than our own, is what the Northwest wants at present. Our contemporary has adopted the "*Similia similibus curantur*" of the homoeopathist, and in its endeavors to kick the whole Canadian tariff of some twenty-five per cent. to smash, adopts the method of advocating reciprocity that would practically place the country under a sixty per cent. tariff. Regarding a system of reciprocity that would open Canada to American imports, and close them against those of Europe, the *Press* says, "and why not, since the United States are willing to open their markets to us while closing them against Europeans?" and further on, in apparent surprise, asks, "will *THE COMMERCIAL* explain why such a system would not prove profitable for Canada?" To explain such a matter to the satisfaction of a journal which clings to free trade with one hand, and grasps with the other a sixty per cent. tariff in preference to a twenty-five per cent., is certainly beyond the power of *THE COMMERCIAL* or any other journal which reasons trade questions upon a purely trade basis, and is an undertaking which must be left to the manipulators of political legerdemain, who are so useful to journals like the *Press*. But to the student of commercial economy

there is no difficulty in exposing the absurdity of the course advocated by the *Press*. While the United States may contain fifty millions of people and be a great industrial nation, it is still too small for the five millions of Canada to bury all their trade hopes in to the exclusion of all other fields. We in the Northwest may require the agricultural machinery of the United States free of duty, and we can obtain these without losing ourselves in United States trade interests, but we require the textile fabrics and other manufactures of Britain, France, Germany and other countries of Europe free of duty also. The days of clothing in skin costumes are over, and we require more than fuel to warm us, houses to cover us and implements to till our soil. To-day not ten per cent. of our imported articles of clothing comes from the United States, the other ninety per cent. coming almost entirely from European markets, and these we must shut out to secure a reduction in the price of farm and other machinery.

As an advocate of the agricultural classes of the Northwest the *Press* might with some show of reason advocate reciprocity of this kind at present, if we were certain that the means would produce the end wished. But it is a notorious fact that, with scarcely an exception, United States machinery is exported to England and there sold to the consumer at lower figures than he (the consumer) can purchase it where it is manufactured. It does not require a very close scrutiny into the reasons for this anomaly of prices to show what a helpless state the five millions of Canada would be in once they were swallowed up in the trade whirl of the United States and its fifty millions, and shut out from trade relations with other industrial nations. Already the Northwest suffers much from prices of machinery cooked in eastern provinces, and it is not likely that we would fare any better under a combination of American and Canadian manufacturers, which would assuredly be formed under a system of reciprocity such as the *Press* advocates.

That the present Canadian tariffs are in many ways oppressive upon the Northwest there is no denying, but the sensible way of rectifying that evil is by reduction or abolition of these tariffs, and not by burying ourselves by reciprocity under tariffs double their weight. Tariffs seldom

produce any benefit, even of a temporary nature, to a new and undeveloped country, and the Northwest is no exception to this rule. The present Canadian tariff in this country we only tolerate, but we are better to tolerate it than assume a greater burden of the same description, and in so doing combine with a neighboring country in a system of trade isolation from all the balance of the world.

The United States is no doubt a great nation with perhaps a more brilliant future before it than any other in our universe but still it is too limited a field to which to limit the future trade of Canada. When we can secure reciprocity with that country on terms that will leave us free to trade with other nations, by all means let us have reciprocity, but we are not yet reduced to unitarianism in our commercial ambition.

## THE HUDSON BAY ROUTE.

Recent developments in the grain business have brought prominently to the front the necessity that exists for a more immediate communication with Europe than is now obtained. The rates by rail fluctuate so much that it is almost an impossibility to give correct rates. As regards the dealers we cannot say a word against them. They have to work on a margin, and recently, so far as we can understand the margin has not been sufficient. It may not be known to the public generally, but it is a fact all the same, that the freight charges on wheat, from Winnipeg to Montreal amounts to from 45 to 50c per bushel. How to surmount this barrier to progress is a question which every one connected with the Northwest should seriously consider. The opening of the Hudson Bay Route seems to be the only escape from the present difficulty. Engineers who have been over the route and become familiarly acquainted with it say that there are no special hindrances in the way, and that a road could be constructed at very little expense from Winnipeg to the mouth of the Nelson River. All energies should be bent at the present time towards securing the development of that route, and when the country is rid of the oppression of gigantic railroad monopoly it will begin to progress in that steady and satisfactory manner which we all desire and hope for. Therefore, we say to those who are interested in the Hudson Bay railway scheme, go on, and may your endeavors bring about practical results.