

the other's welfare. We are glad, however, to have the question discussed, as we think that its thorough ventilation, while it can do no harm, may produce beneficial results.

COMMERCIAL UNION.

It is a singular thing that at the present time both political parties in Canada are looking anxiously around for some new cry with which to catch the popular fancy and lead their party to victory at the next general election. What the rallying cry of the party in power will be, no one at present knows, and the present premier is too astute a politician to give himself away before he has everything ready to suit his purpose. The Liberal party has apparently been looking around for a policy for some time, and, while they have half a dozen in view, they do not seem to have settled definitely upon any of them. If the utterances of *The Globe*, the heretofore leader of political thought in the Liberal party, is any criterion, the probability is that one of the planks in their platform at the next general election will be that of free trade with the United States. "Commercial Union" its friends dignify it with, but "National Suicide" would, we think, be a more appropriate name for it. If so, they may as well take a permanent lease of the Opposition benches at Ottawa, for we feel certain that the good common sense of the people of Canada will not jump from the frying pan of commercial depression into the fire of commercial extinction, which such a measure would undoubtedly effect. In discussing the question of Commercial Union with the United States, we propose doing so purely from a mercantile point of view. We don't give a solitary cent whether it is the policy of the Liberal or Conservative party, we consider that it is detrimental to the best interests of the country, and shall, therefore, oppose it with all our might, and advise everyone of our readers to do likewise. If our destiny is to become a part of the United States, then it does not matter how soon Commercial Union comes, for it will prove a most effective means of forcing us into the Union, but if on the other hand, we aim some day in the perhaps distant future, at setting up a separate nationality of our own in Canada, then such a measure should be nipped in the bud, and any

political party who, for the sake of place, may venture to propose such a thing, should be kept in the cold shades of opposition, where they can do no harm. If Commercial Union simply meant a reciprocal trade in natural products between Canada and the United States, we would wish it God-speed, but such an arrangement would be vastly different from the one now discussed so favorably by *The Globe*, which is to do away with Custom Houses altogether and make Canada simply the same as any state in the Union so far as trade is concerned.

We hear a good deal of talk nowadays about Free Trade and the National Policy, much of which is downright nonsense. Free Trade is utterly impracticable in Canada for the simple reason that the government cannot be carried on without money, and this money can only be raised as at present, by levying duties on our imports, thus affording incidental protection to our manufacturers, or, failing this, by direct taxation. As both political parties are agreed that direct taxation is impracticable, it follows, as a matter of course, that nine-tenths of the talk of *The Globe* and papers of that ilk are so much bosh, which they do not believe in themselves, and which is only indulged in with the hope that they can convert enough unthinking voters to carry their party back into power again. As we cannot (being simply a colony) negotiate our own treaties, and any such arrangement must be made through the Imperial Government, we hardly think that, even if such an arrangement as Commercial Union with the United States was seriously proposed to the home Government, they would be disposed to acquiesce in it unless they were convinced that the change would be beneficial to themselves, a thing utterly impossible unless they were put on an equal footing with their American competitors. We have not the least doubt but that England would be only too glad to negotiate such a treaty for us if equal concessions were given to her, but she would never of her own free will sanction a discrimination against her own trade in favor of a foreign country, and we would be fools to expect such a thing.

As a matter of fact, nearly one half of our revenue from Customs' duties is derived from goods of American manufacture. If, therefore, this source of income were entirely swept away, as it

would assuredly be were this *Globe* bantling to be nursed into life, from what source would the deficiency in revenue be made up? Then, again, if we should succeed in making such a treaty with the United States, we could not either in loyalty or fairness, refuse to make a similar arrangement with Great Britain, even if her legislators were foolish enough not to insist on it as the price of their complaisance. It would not only be unpatriotic, but ungrateful in us to allow the products of American factories to come into Canada free of duty and levy a tax upon the manufactures of the mother country. It would be impossible for us to refuse such a concession, and then we would find our Customs' revenue practically gone, and the Government obliged to resort to direct taxation in order to carry on the work of the country. This is a state of things that we think not even *The Globe* would like to face, especially if its own party were in power.

Leaving the question of loyalty aside altogether and looking at this question from a dollar-and-cent point of view, we are further of the opinion that such a union would ruin not only the manufacturers, but also the wholesale trade of Canada, and, if this were the case, we can scarcely see how the country, as a whole, could be made more prosperous, while two such large classes as those above mentioned were suffering severely from the effect of it. While it may be true that some of our factories, whose output is of goods that are used in their own immediate vicinity, or of goods which we now export to the United States, might not suffer, it is no less true that those factories, whose output comes into direct competition with those of United States manufacturers would either have to go to the wall or continue operations under very disadvantageous circumstances. Our factories are principally reproductions of United States industries, and in many cases, on account of the goods they manufacture being patented in that country, even free trade in the abstract would not enable our manufacturers to sell in a country where their productions are in very many cases protected by patents. The effect of the United States patent laws alone would be to drain our country of capital, for who would care to invest capital in manufactories in a country which could as easily be supplied from