

national defence and subsistence. A country that is more or less self-contained has a great advantage in time of war. Wages are also enhanced under Protection, and at the same time labor itself is increased. As a disadvantage in this particular it should be noticed that the cost of living is increased. The greatest disadvantage of Protection is however that it is very difficult to decide when it should be abolished. When Protection has been in force for a decade or so, the manufacturers of the country use all their influence to prevent any change in the tariff. And their power is often very considerable, seeing that they control a large class of employees, all of whom are dependent on the industry in which they are engaged. Besides wages as a rule are likely to fall when the tariff is removed, so that laborers as a class are opposed to such a change. Thus it is plain that Protection once established is likely to remain in force for a considerable time, perhaps longer than is to the best interests of the country at large.

What has Protection done for us in Canada? Have we received any real advantages from it? Was it a bulwark against the recent depression? Have we reached the point when it should be abolished? Would it be advantageous for us at the present time to change to a Revenue Tariff? These are our most important political questions today. All are awaiting the coming Session to see what the present Government have in store for us in the line of tariff legislation. All admit that the country has advanced under Protection. All see now that it was suited to our conditions when it was introduced. Many now, however, think that it has had its day, and that it has been found wanting under a serious depression in trade. We all agree that we felt the depression very severely. Still many claim that it was more severe in other countries. The Protectionists say that we were saved from it by the Protective Tariff. In the United States, however, where prices were considerably lower, they have a higher protective wall than we have. Perhaps the reason we did not feel the depression as much as some other countries is to be found in the character of the people themselves and not in the tariff. Canadians are very steady, shrewd and careful and not so inclined to run risks as our cousins across the border. Besides we have a banking system that would be a source of strength to any people, and perhaps more to us than to a country inclined to take greater risks. Still it must be admitted that a young country is more secure against competition when a moderate Protective Tariff is in force. In these days, when competition is so keen, it is a very serious question for us to decide, whether we are strong enough to fight against the older countries in the markets of the world. We should never lose sight of the fact that we are more or less the natural competitors of the United States in all that we produce, and that they are much stronger than we. The cost of production is as a rule less in the United States, and so if we wish to follow any line of industry it must be protected against their competition so long as the cost of production with us is greater.

But some one may object and say that this is an agricultural country and we do not need manufactures. Canada is certainly an agricultural country. Our agricultural resources have as yet been only partially developed. Still do we not need manufactures in an agricultural country? Child, the economist, says: "Laud and trade are

twins, and have always and will ever wax and wane together. It cannot be ill with land but trade will feel it, nor ill with trade but land will fall." And Adam Smith gives three ways in which flourishing commercial and manufacturing towns contribute to agricultural advancement. First, these towns afford a close and ready market for agricultural produce. Second, the wealth acquired in the towns goes to aid and advance agriculture. Third, the towns make the country more stable and ensure better government. Thus the encouragement of manufacturers is of vital importance to us as an agricultural country. We need large towns and centres of population if agriculture is to flourish.

What would be the advantages of Reciprocity with the United States? The farmer is inclined to think that if the United States admitted his goods free from duty, he would receive a good price for his commodities. Would this be so in the case of grain at the present time? Is not the market price in the States lower than it is with us, as far as grain is concerned? Even in stock do not our neighbors produce as cheaply as we? A few years ago we had a good market for horses in the United States. But owing to the introduction of electricity and the bicycle, that trade is very much narrowed and confined. Besides, this is only one side of the subject, for if our goods were admitted free into the United States, we would have to allow the same privilege to them. Then our markets would be flooded with the surplus grain of the Western States. We have too much grain in this country at present. What we want is a market in a country that does not export grain. If, on the other hand, we had Reciprocity with the United States our manufactured commodities would be cheaper, and we could import many commodities that we do not produce ourselves. But, as has been mentioned above, the revenue must be raised, and it is extremely probable that a large number of commodities would be taxed. In fact the number taxed might be nearly as much as under Protection. Thus the difference between the present tariff and Reciprocity, which implies a Revenue Tariff would not be so great as many would lead us to believe. There is no doubt, however, that many modifications of the present tariff could be made in favor of the farmer. It would be a boon to him if all agricultural machinery and implements were placed on the free list.

In conclusion, the question may be summed up in a few words. To come to a definite decision it would be necessary to decide if our industries are firmly enough established and can compete with all-comers in the markets of the world. If the answer is in the affirmative, abolish Protection. If in the negative, Protection should still be continued, because without prosperous manufactures, a country cannot advance. A Revenue Tariff has many advantages over a Protection system, but it is not suited to a country that has not well established industries. Of course modifications can be made that would be beneficial to a large class of citizens. But as this savors more or less of class legislation, it is open to serious objection. It is thus plain that the whole subject resolves itself into one of relative advantage. No system is perfect, each has its disadvantages. The subject is an open one and each individual must decide for himself, for opinions differ widely on very elementary parts of the problem.