

and it is the feeling of Ministers as well as of the country, that the Turkish question is more of interest to Austria, Russia and Germany than to ourselves. It is not likely that we shall pursue an undignified course towards an old ally, but it is out of place to support a tottering state which has, during the last twenty years had great advantages in the way of foreign help in money and advice, but which has been sadly mismanaged and reduced to a state almost of bankruptcy. The capital of the Suez Canal Company is divided into 400,000 shares, of which 177,000 shares are thus to be transferred to the British nation. The payment is to be made at once through Messrs. Rothschild, so that Parliament will have in fact to sanction a purchase which has already been made.

THE ENCROACHMENTS OF AMERICAN COMMERCE.

Business men are now pretty generally waking up to the conviction that our foreign trade is rapidly centering in New York. The gross blunder committed by the present Government in gratuitously giving the Americans the Tea Trade, has so whetted their commercial appetites, that in eighteen short months their trade with us has increased at least ten-fold, whilst in the same period ours with them has diminished more than half what it formerly was. At this ratio we shall be able at the close of the year 1776, to safely affirm that New York is our commercial capital. As trade relations tend rapidly to cement nations together, so it will not require a very laborious calculation to find out how soon our political capital will be transferred to Washington.

The chief spokesmen amongst our rulers bristle up and become indignant when such an issue is even hinted at; but I leave it to the veriest tyro in political economy to deny the probable correctness of the deductions.

In looking into the sugar business lately, I find that in little more than three months about 30,000 barrels have entered the Dominion from Boston and New York, to the detriment of a manufacture that is rightly ours, whilst a little consideration of this subject, and a lessening of a too heavy tariff imposed on raw sugars from West Indian plantations would cause refineries to rise up on all sides and give employment to thousands, and at the same time we could doubtless make reciprocal relations with these islands and supply them with our products.

Sugar refining in every country is always a most extensive business, and employs, directly and indirectly, thousands of artisans and laborers, besides which, what can be more wholesome for general use than the better kinds of Cuba and Demerara sugars, from their purity?

A country cannot do better than cultivate direct foreign trade—not filtered, as it is now becoming, through second hands; it invariably leads to extended commercial relations. Canada never made such a vigorous advance as when, some eight or ten years ago, the Americans refused her a renewal of the expired Reciprocity Treaty. She then threw off her leading strings, and became in a few months, so to speak, an independent country among the nations, and her merchants were acknowledged and quoted in foreign correspondence. It was

from that date that Montreal as a city started into new life, widened her streets, deepened her river, and made progress in commercial life such as her position warranted, situated as she is at the head of navigation of a river unsurpassed in the world. Her shipping doubled many trebled. Property reached high rates, and her palatial warehouses became the admiration of our neighbours. Up to the beginning of 1874 this prosperity was continuing, but suddenly our sapient Finance Minister became surpassingly generous, and without publicly intimating to the trade, inserted a clause at the end of the Tariff Bill at its third reading that in a moment swept from our grasp the direct tea trade of the country, which not only well nigh ruined hundreds, and opened our markets to the onslaught of American traders, but thereby completely turned the current of our whole foreign commerce and brought us to a downhill descent, the velocity of which almost seems beyond our grasp now to check. I have read much, and well studied commercial ethics in a varied mercantile life, yet a parallel to our disastrous condition does not exist, or a more anomalous state of things than ours in any country. Denuded of our foreign trade, and getting into the habit of seeking our supplies from our neighbours, is reducing us rapidly down to a nation of dependent retailers, and our identity abroad will become so much lost, that Canada will soon only be known in the same category as are now the States of Vermont or Ohio. The capital hitherto so largely employed in Montreal, Toronto and other cities will surely leave us for more active fields.

What is the remedy?—Reciprocity, free trade with the United States. But if our neighbours do not wish that, then a discriminatory tariff—dollar for dollar. What they levy on goods sent in by us, we will in return exact a like tax on goods sent in by them. Just simple reciprocity; equal tariffs. Surely none could object to that. What is good for them, must be good for us. But for us to ape Free Trade airs, whilst they build up against us a high protective wall, is but to play a game in which we, the weakest, must inevitably soon be enmeshed. Yet in justification of our anomalous commercial position, some of the supporters of the present theorists maintain that they are legislating for the benefit of the "masses." This is the *theoretical* view of the case—the *actual* state is that the employer loses his business and is ruined, and the "masses" lose their employment and have no money left behind to purchase the cheap and good things that their wise rulers (?) have provided for them. Now that cheapness reigns and the "masses" are considered, it would be well for the advocates of this visionary policy just to walk along the banks of our canal, which two winters ago teemed with active life in scores of busy workshops and factories, and now view them empty, and their former industrious artisans starving and in utter, deplorable destitution. This is "legislating for the masses" and its result. Prosperous countries are those which conserve first of all their home and foreign trade, and regard their own internal interests before sacrificing them for the benefit of foreigners. Do not imagine I am inimical

to Americans or their commerce; undoubtedly they are among the most enterprising of the world, and of them we may learn much; but this I affirm that they have no right to overrun our Dominion and destroy its manufactures and commerce, and deny us equal facilities to sell in their country. And a Government which permits this state of things unchecked is criminal in the highest degree, and is guilty of the certain ruin which is sure to follow. I have no further interest in writing these letters than to publicly lift a warning voice—and to arouse our too indifferent merchants and capitalists from a state of bankruptcy and disaster that the "policy" advocated and pursued by our Government must shortly entail. The *result* of our present course of trade is as indubitable as that two and two makes four. And already our lessened means and the poverty that is gradually creeping over all classes, from the merchant and trader to the artisan, is but the early knell of the commercial deceit of once as prosperous and contented a country as ever the sun shone on—possessing facilities and advantages for manufactures and commerce unequalled in the world. Already notices "To Let" are appearing on many of our best stores, and in some districts empty houses can be counted in rows. Toronto is little better—she owns to 1,400 houses to let. If people cannot make money in trade or can get no employment, property will soon feel it. This is the unerring result of diverted commerce—not over-importation, or over-production—this latter is assuredly not the case.

Our Government seems, as in a late contract, to give an American firm a preference over a Canadian, though our workmen are in want. It cannot be denied that, talk as they may, their leanings are southward—the land that is draining us of our wealth.

I propose yet to give a more detailed statement of the loss of our foreign commerce, so soon as returns are completed.—*Mercator's letter to the Gazette.*

All the iron that comes from Sweden is no doubt Swedish iron; but it would be interesting to know what the Swedes do with the large consignments of pig iron which they take from England. As many as 2,400 tons of Cleveland pig were shipped from Middlesbrough to Sweden during the month of July. Do all the people who buy Swedish iron "see that they get it?" A further reason for suspecting the Swedish brand exists is the fact that finished iron stamped as a product of Sweden has for many years past been produced of altogether English pig iron, in English iron mills.

THE EARLIEST "CORNER" ON RECORD.—An exchange says: "Joseph was the first to get up a corner in corn. During the years of plenty he had his brokers out through the land of Egypt, 'bearing' the corn and buying it all in; but when the famine came, he became a 'bull,' and away went corn sky-high. Then he held it for a better price, because he had put up considerable margin on it, and didn't want to lose his money. The people bought as long as they had money, and then he took their cat-