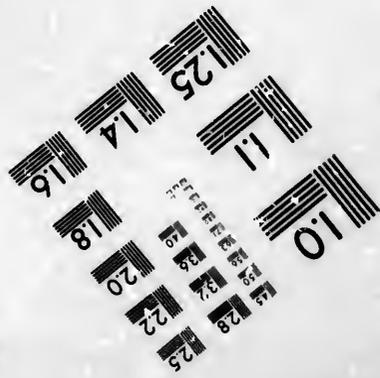
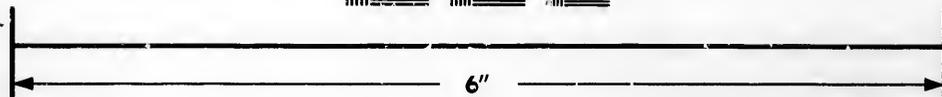
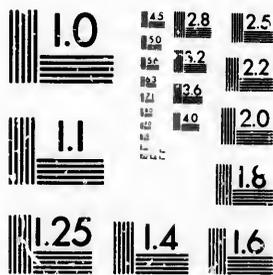


**IMAGE EVALUATION
TEST TARGET (MT-3)**



**Photographic
Sciences
Corporation**

23 WEST MAIN STREET
WEBSTER, N.Y. 14580
(716) 872-4503

24
28
32
36
40
20
18

**CIHM/ICMH
Microfiche
Series.**

**CIHM/ICMH
Collection de
microfiches.**



Canadian Institute for Historical Microreproductions / Institut canadien de microreproductions historiques

10
01

© 1981

Technical and Bibliographic Notes/Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured covers/
Couverture de couleur
- Covers damaged/
Couverture endommagée
- Covers restored and/or laminated/
Couverture restaurée et/ou pelliculée
- Cover title missing/
Le titre de couverture manque
- Coloured maps/
Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black)/
Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations/
Planches et/ou illustrations en couleur
- Bound with other material/
Relié avec d'autres documents
- Tight binding may cause shadows or distortion
along interior margin/
La reliure serrée peut causer de l'ombre ou de la
distortion le long de la marge intérieure
- Blank leaves added during restoration may
appear within the text. Whenever possible, these
have been omitted from filming/
Il se peut que certaines pages blanches ajoutées
lors d'une restauration apparaissent dans le texte,
mais, lorsque cela était possible, ces pages n'ont
pas été filmées.
- Additional comments:/
Commentaires supplémentaires:

- Coloured pages/
Pages de couleur
- Pages damaged/
Pages endommagées
- Pages restored and/or laminated/
Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- Pages detached/
Pages détachées
- Showthrough/
Transparence
- Quality of print varies/
Qualité inégale de l'impression
- Includes supplementary material/
Comprend du matériel supplémentaire
- Only edition available/
Seule édition disponible
- Pages wholly or partially obscured by errata
slips, tissues, etc., have been refilmed to
ensure the best possible image/
Les pages totalement ou partiellement
obscurcies par un feuillet d'errata, une pelure,
etc., ont été filmées à nouveau de façon à
obtenir la meilleure image possible.

This item is filmed at the reduction ratio checked below/
Ce document est filmé au taux de réduction indiqué ci-dessous.

10X	14X	18X	22X	26X	30X
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12X	16X	20X	24X	28X	32X

The copy filmed here has been reproduced thanks to the generosity of:

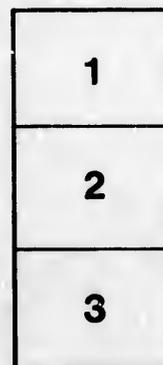
Library of the Public
Archives of Canada

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol \rightarrow (meaning "CONTINUED"), or the symbol ∇ (meaning "END"), whichever applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:



L'exemplaire filmé fut reproduit grâce à la générosité de:

La bibliothèque des Archives
publiques du Canada

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole \rightarrow signifie "A SUIVRE", le symbole ∇ signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

ails
du
diffier
une
page

rata
o

elure,
à

The first section (pp. 1-23)
is a sample ed. of the
complete pamphlet wh.
follows it. (see note on p. 1)

FIELD AND FACTORY.

SIDE BY SIDE:

OR,

HOW TO ESTABLISH AND DEVELOPE NATIVE INDUSTRIES.

BY

J. BEAUFORT HURLBERT, M.A., LL.D., K.C.T.,

Author of "Britain and her Colonies," "Forests of Canada," &c.

Montreal:

PRINTED BY JOHN LOVELL, ST. NICHOLAS STREET.

1870.



To Manufacturers and others interested in Native Industries.

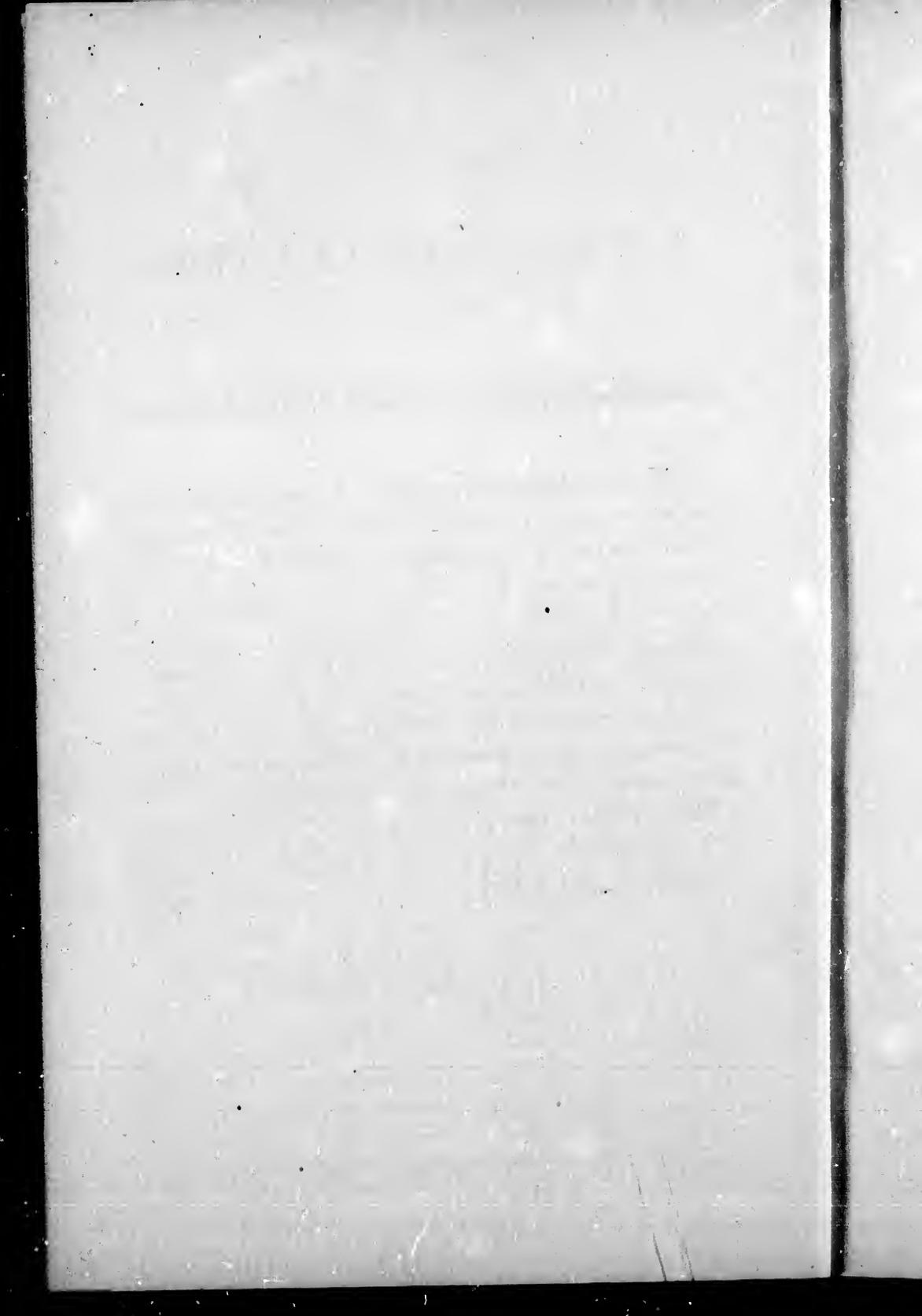
I send you a few sample pages of a small work which I have written on the subject of the best means of developing the industries and resources of the country. The work will be published as soon as a sufficient number of subscribers shall have been obtained to justify it.

Price 25 cts. per copy. Advertisements \$10 per page ; \$6 per half, and \$4 per quarter page.

An early answer, stating the number of copies you will take, and giving your advertisement, will be important, that the matter may at once be brought before Parliament.

Please address JOHN LOVELL, Publisher, or the author, J. B. HURLBERT, at the Office of the Publisher.

MONTREAL, March, 1870.



THE FIELD AND THE FACTORY

SIDE BY SIDE :

OR

HOW TO ESTABLISH AND DEVELOPE NATIVE INDUSTRIES.

THE most urgent want of a nation is profitable employment for the great mass of the people—work for the million. Canada has broad fields and abundant occupation for the robust, for the mere agricultural laborer ; but little for the less hardy, and for those who may prefer mechanical, manufacturing, or mercantile pursuits. Hence these classes of our population leave us, and artizans from the Old World shun our shores, as they can find no employment for their skilled labor.

In a new country, too, like Canada, essentially agricultural, one of the chief wants is markets ; and good markets mean good profits and good wages ; they stimulate production and lead to wealth. Where all are producers of an article there are no markets. If all, or most, as with us, are farmers, the products of the field find no purchasers—or but few ; profits are poor. To have good markets, we must have consumers who are not producers of what is offered for sale. We must have home markets for a hundred products of the garden and the field too bulky or perishable to bear the transit to foreign countries.

Canada has poor markets, little capital and a sparse population ; England good markets, abundance of capital and a dense population. In Canada—the New Dominion—there are but ten souls to the square mile ; in England and Wales nearly four hundred ; in Belgium four hundred and thirty ; in

Massachusetts one hundred ; and in New York ninety. Population we must have, not merely in bulk, but of all those classes necessary for a complete and independent nation, and for a full development of the resources of the country ; and capital for utilizing our vast resources.

How are we to get these ? Wait for centuries, say a modern transcendental school. You are yet young. Time is all that is wanted. But England has grown more in population and wealth in the last one hundred years, than during the previous twenty centuries ; or taking the one thousand years of her history from the establishment of the Saxon Heptarchy, she has advanced more in all the materials of national prosperity in the last one hundred years than she had in the previous nine centuries. Why then should we fold our arms and wait a thousand years. Africa, and Asia, and America, (until her settlement by Europeans) had remained what we know them to have been from time immemorial, under this *laissez faire* doctrine.

What gave Old and New England, Holland and Belgium, the power to outstrip all other people in the race of prosperity, and what is leading France, Russia, the German Zollverein, and the United States to the great development of their wealth, and what is now impoverishing Ireland, India, and Jamaica ? If England has added more to her wealth in fifty years than in the previous twenty times fifty, why may not we prosper in the same ratio ? A century and a-half ago England had a population little more than Canada has to-day. Now she has twenty millions, three-fourths of whom are occupied in manufactures, commerce, and other pursuits unconnected with the soil, giving good home markets, helping to bear the burdens and aid in the defence of the state. We are a young nation, it is said : but the people are the nation, and we are individually as old as other people, and may avail ourselves of all those agencies that have given such sudden riches to other countries. These are chiefly manufactures and

commerce. With them we get that illimitable power—steam—which in England alone is capable of doing more work than the ten thousand millions of fingers of the human family. With this vast creative power we can give employment to our own people who now so largely leave us, and we can draw to our shores others with capital and skill. What then are the means by which we can obtain capital, population, and skilled labor, manufactures and commerce; by which we can keep amongst us our young men and women; call to our shores a greater tide of immigration; secure that power more prolific than all others in the creation of wealth; prepare in peace, by the establishment of manufactures, for the day of trial in war.—What is the policy by which a young country in want of all these can secure them? This is the question of questions with us. An old country, overburdened with all the agencies for the creation of wealth, in active operation, can form but a faint conception of the condition, and, can, therefore, be but a poor counsellor of, a young country in want of all these.

We cannot, therefore, take the *advice* of England in these matters, although we might safely be guided by her *example* running through many centuries, and before she yielded to the teachings of those whom Mr. Gladstone,—himself a free-trader,—called the philosophers of the seventh heavens. English manufactures and commerce were fostered through their whole history by the most rigorous and persistent protection. Under Charles the Second, two centuries ago, the iron, brass, silk, glass, paper and hat manufactures, were introduced from the continent; wool-dyeing from the low countries; and glass and crystal from Venice; all fostered by heavy protection, the customs chiefly, with the small excise duties, amounting to nine-tenths of the whole revenue of the kingdom. Many of these industries, after flourishing for two centuries through protection, have perished under free-trade since 1846. This is true of the silk, woollen and lace of Ireland; and of the glove,

paper and some minor manufactures of England. Other great industries, such as silk, woollen, cutlery, machinery, steam engines even, and the ship-building on the Thames, have been most seriously impaired by foreign competition. In both the Indies, free-trade has wrought a similar ruin. But Russia, since her sad experience of free-trade till 1821, has persistently adhered to protection, and manufactures have sprung up and are flourishing over that vast empire. Her imports indeed have diminished, but her home products have increased immensely, her home markets improved, her people employed, wages better, and the industries of the empire rising to importance.

Belgium, the most thickly peopled country of Europe, and for its extent, the richest, is the very paradise of protection.

France, for two hundred years, since the time of the great Colbert, has adhered rigidly to protection, under all her diversity of opinions and under all her forms of Government, whether Bourbon, Orleanists, Constitutionalists, Red Republicans, the first or second empires. Mr. Cobden's convention of 1861 can in no respect be called a free-trade treaty.

It is not free-trade; for reciprocity is inconsistent with free trade dogmas; nor is it reciprocity, for England is to admit most French manufactures free. France is to receive English manufactures at a duty of 30 per cent., *ad valorem*, to be reduced to 25. But British coal and coke are to be received into France at the low duty of 15 centimes (3 half-pence) for the hundred kilogrammes (250 lbs). There is to be no export duty; and this part of the treaty came into operation fifteen months before the other; French goods were admitted free one year and a quarter before the small reduction was to be made on English manufactures. England sacrificed \$2,000,000 revenue 15 months before she got any benefit from France.

To get coal was, no doubt, Napoleon's object. France cannot get it from her own soil. She has ships but no coal. Sir

Robert Peel, in 1842, put an export duty of 4s. per ton on coal. The French treaty will raise it in England from 15s. to 20s., and from 20s. to 25s. per ton. British coal-beds are not inexhaustible; scientific men give but 250 to 300 years, at the present rate of consumption, before they will be exhausted; but the consumption must increase, as also the expense of obtaining it, and with the exhaustion of this fuel must follow the wane of England's superiority in her peculiar industries and in her shipping. But Cobden was determined to have a treaty, however one-sided, and Napoleon accommodated him.

Dr. List, a distinguished continental writer on economic science, gives this account of free-trade and protection in Russia :

“ Soon after the war of 1815, there arose a teacher of the free-trade theory, a certain Storch, who taught in Russia, what Say did in France, and Dr. Smith in England; Government gave the free-trade system a fair trial, until the chancellor of the Empire, Count Nesselrode, declared in an official circular of 1821 ‘That Russia finds herself compelled by circumstances to adopt an independent system in commerce, as the raw productions of the country find but an indifferent market abroad; the native manufactures are becoming ruined already, money is going abroad, and the most solid mercantile houses are about to break.’ In a few weeks afterwards, the new protective tariff was issued, and the beneficial consequences soon manifested themselves. Capital, talent, and mechanical industry, soon found their way into Russia from all parts of the civilized world, and more especially from England and Germany. Nothing more was heard there of commercial crises, caused by over-trading; the nation has grown prosperous, and the manufactures are flourishing.”*

* This independent system, protection, was established in 1821. In 1820, the manufactures of woollens, silk, cottons and linens, were 26,000,000 rubles in value; in 1824, under three years' protection, they had risen to 58,000,000, and imports diminished to even a greater extent.

English capitalists, too, have always invested their money in the United States under high protection rather than in Canada; and emigration has sought the same destination often through direct British agency. Such is the recompense the freetrade manufacturing and commercial circles of the parent state mete out to us in return for low tariffs.

The same writer thus speaks of the effects of a low tariff in the United States, and the consequent influx of foreign manufactures, the contraction of native industries and the non-employment of her people :

“ There are many who impute the commercial crises of the United States to their paper and banking systems, but there can be no doubt that the evil originated in the compromise (Free-trade) Bill (of 1832) in consequence of which America's imports soon exceeded her exports, and the United States became debtors to England for several hundred millions of dollars, which they were unable to cancel by their exports. The proof that these crises must chiefly be ascribed to the excess of imports lies in the fact that they invariably occurred in times of great influx of foreign manufactures in consequence of a reduced tariff; and that on the contrary they never took place either in time of war, when few imports could take place, or when, by the high import duties, the exports had been brought into just proportion with the imports. In 1789 the first American tariff was framed, imposing a trifling duty on the most important articles; its effect on the prosperity of the country became so manifest that Jefferson, in his message in 1801, congratulated the nation on the flourishing state of manufactures and agriculture. Congress raised, in 1804, the duties to 15 per cent., and in 1815, the manufactures of the United States employed 100,000 hands, and the annual amount of the products was \$60,000,000, while the value of land and the prices of all sorts of goods and wares rose in an extraordinary degree.” The tariff was lowered in 1813, raised in 1824; lowered in 1832 (the Compromise Act)

raised in 1842; and lowered in 1849. A crisis or great depression followed the lowering, and prosperity the raising, the tariff in all these instances.

The history of free-trade and protection in the United States is more instructive to us as a modern example, and in a country having so many points of resemblance to our own. In the language of Dr. Carey, one of their most vigorous writers:—

Protection ceased in 1818, bequeathing to free-trade a commerce that gave an *excess import* of specie, a people among whom there existed great prosperity, a large public revenue, and a rapidly diminishing public debt.

Free-trade ceased in 1824, bequeathing to protection a commerce that gave an *excess export* of specie, an impoverished people, a declining public revenue, and an increased public debt.

Protection ceased in 1834–35, bequeathing to free-trade a commerce that gave an excess import of specie, a people more prosperous than any that had ever then been known, a revenue so great that it had been rendered necessary to emancipate tea, coffee and many other commodities from duty, and a treasury free from all charge on account of public debt.

Free-trade ceased in 1842, bequeathing to protection a commerce that gave an excess export of specie, a people ruined, and their government in a state of repudiation, a treasury bankrupt, and begging everywhere her loans at the highest rate of interest, a revenue collected and disbursed in irredeemable paper money, and a very large foreign debt.

Protection ceased in 1849, bequeathing to free-trade a commerce that gave an excess import of specie, a highly prosperous people, state governments restored to credit, a rapidly-growing commerce, a large public revenue, and a declining foreign debt.

During the free-trade years that followed 1849 California supplied hundreds of millions of dollars in gold, nearly all of which was exported, or locked up in public and private hoards;

the consequences of which were seen in the facts that commerce was paralyzed ; that the price of money in commercial cities ranged for years between ten and thirty per cent., and that the indebtedness to foreign nations increased to such an amount as to require, for the payment of interest alone, a sum equal to the average export of all the countries of the world.

Northern and Central Germany, since the establishment of the Zollverein, has made rapid strides in manufactures ; and even agriculture, through improved home markets, has received a new impetus. Now from Belgium and Germany, as well as from France, come many wares to undersell Birmingham and Leeds ; from the protected countries come goods cheaper and better, to displace those of free-trade England.

While in all these countries manufactures have been established and developed by rigid protection, continued through centuries, no example can be pointed to of the reverse, of manufactures growing up without such protection.

Before the union between England and Ireland, there were not only Irish linen manufactures, but Irish wool-combers, Irish carpet manufacturers, Irish blanket manufacturers, Irish hosiery, Irish broad-silk loom-weavers, Irish calico-printers ; for there existed before the union Irish protection against English manufactures. That protection was, by the act of union, gradually withdrawn. These last industries (except the linen) are now all extinct. Ireland has certainly lost by the change and England as certainly has not gained.

There still remained protection to Irish agriculture up to 1846, and Ireland swarmed with a population of 8,000,000 of souls. Yet those eight millions of people who, seventy years before, had been the best customers of England, had become impoverished and their markets of less value than one million in Massachusetts. Free-trade in 1846 took away their protection for the farm and the dairy ; the famine of 1847 followed, and the population of that unhappy land, by famine and emigration, has been diminished by two and a-half mil-

lions. Their manufactures ruined, their land impoverished, like all lands that export their chief products in raw material, the people, starving at home and without employment, have fled in hundreds of thousands to the manufacturing towns and fields of England, offering their labour for their food. To protect England against these starving myriads, Parliament had to interfere against the new-born creed, the let-alone creed of free-traders, and by Act of Parliament force Irish landlords to retain and feed those to whom they could give no work. Thus the fatal effects of the Manchester theories, only partially put in force, must be restrained by the strong hand of government.

In Ireland, as in India, there has been ruin pure and unrelieved by any of those modifying and saving resources for the displaced laborers so surely predicted by the disciples of free-trade. Neither in India nor in Ireland have the operatives, counted by millions, driven from their old employment, found new ones in their own land.

A member of the British Parliament and a free-trader, Dr. Bowring, gives us this picture :

“I hold, he says, in my hand the correspondence on the subject of the Dacca hand-loom weavers. It is a melancholy story of misery. Some years ago the East India Company annually received of the produce of the looms in India, six or eight millions of pieces of cotton goods. The demand gradually fell, and has now nearly ceased. (A similar result is given as to the trade of the West Indies and Portugal.) Terrible are the accounts of the wretchedness of the poor India weavers, reduced to absolute starvation, and what was the sole cause? The presence of the cheaper English manufactures. Numbers of them died of hunger; the remainder were for the most part transferred (only to a limited extent as appears from the correspondence from India) to other occupations.” In this correspondence the Governor-General says :

“European skill and machinery have superseded the pro-

duce of India. The Court declare that they are at last obliged to abandon the only remaining portion of trade in cotton manufactures in both Bengal and Madras, because the British goods have a decided advantage in quality and price. The Dacca muslins, celebrated over the whole world for their beauty and fineness, are annihilated from the same cause, and the present suffering to numerous classes in India is scarcely to be paralleled in the history of commerce."

A natural result, say free-traders. Let the poor Hindoos seek other employment. This they could not do; but what mattered it so long as Lancashire prospered? It would have been wiser, certainly more humane, to aid or encourage the Hindoos to adopt modern improvements. By impoverishing communities the English freetrader destroys his own markets. He makes a desert in India and calls it freetrade; one hundred thousand well to do Canadians or Australians are better customers of Manchester than one hundred million Hindcos after a twenty years tutelage in the school of Cobden & Bright. The cheaper manufactures of the continent are doing for England's operatives what she did for the Deccan, Jamaica and Ireland. Her million and a-half unemployed cannot be absorbed into other business. They must go abroad or perish.

We don't ask any increase of our taxes, we merely advocate such an adjustment as to encourage those industries for which our country is well adapted, leaning always towards custom duties rather than to excise or income tax.

The most uncompromising protectionist would not advocate the imposition of discriminating duties for the purpose of building up, in the present state of the industrial arts in Canada, manufactures of articles of mere luxury, those in little demand, or requiring vast capital—such, for example, as silks, fabrics of high price, or the finer cutlery. These, besides not being bulky, are of easy and cheap transit.

The question of protection would at first arise as to wares in general use, of simple manufacture, and those for which

we have the raw material, or where it is easily obtainable. Take here but one example : We now send our wool and flax—and until recently all of it—to England, as England sent hers to Flanders two and a-half centuries ago. We pay all the costs and charges on these on land and on the ocean, and on both sides of the Atlantic, from the field to the factory. We send breadstuffs after them to feed the operatives while working up our raw materials ; and agricultural products are heavy and their transit costly. We then pay all the expenses of bringing back the fabricated wares to our doors. But if we were to protect these manufactures, we would draw the capital and labor to our own shores, as formerly Old and more recently New England did, and reap, as they have, the constantly expanding benefits arising from such new industries and increased populations.

Some of the advantages to this country from such an adjustment of our tariff as would secure the establishment of manufactures like those named may be briefly stated. It does not come within the scope of this essay to trace the origin and history of the industrial arts in those nations where they have flourished most ; but we have said enough to show that they have sprung up and grown chiefly, almost exclusively, under the ægis of protection. Successively in Holland, in Belgium, in France, in England, in Russia, in Germany, and in the United States, protection was extended, not only to their industries at home, but in their navigation laws, extremely exclusive, in fostering their commerce and shipping, as well against their own colonies, when they had any, as against foreign nations, on every coast and over every sea. But manufactures in those countries succeeded in spite of protection, not by it, say these *visionaires*, whose theories rest on no facts, but float in the mind, like the mirage in the clouds, unsubstantial and unsupported. We prefer, in questions of economic and political science, at least, to be guided by the teachings of experience, which, in the founding and develop-

ing of manufactures, is all on the side of protection, leaving the free-traders nothing but visions to build their theories upon.

A cursory glance at the development of one of England's great industries will sufficiently illustrate this point. Now, nearly two centuries ago, in 1679, Parliament first imposed a duty of ten shillings a ton on foreign iron; eleven years after the duty was increased to £2 1s. 6d. per ton in English vessels, and £2 10s. in foreign; thus giving a double protection to her interests on land and sea. The duties on foreign iron were increased fifteen times over the long period of 150 years; and in 1819 amounted to £6 10s. in British, and £7 18s. 6d. in foreign ships; iron, less than three-fourths of an inch square, paying £20 per ton. The result of this experiment, with the duties increased fourteen-fold, and in every instance specific, was the reduction in the price of English iron to £10 per ton; while in France it was £25 10s.; in Belgium and Germany £16 14s.; and in Sweden and Russia £13 13s. This long protection gave security to capital invested in the iron works, and it gave time for new generations of operatives to grow up with those facile habits—that second nature—which only long practice can impart, and which had given the British iron workers such pre-eminence over their fellow-artizans in other countries. Then, and not till then, was the cry of free-trade heard. And what is the result in one quarter of a century of this new policy upon the manufactures which the wisdom of our fathers had raised to an excellence and reduced to a cheapness that drove all competitors out of the market? Let the late English papers and periodicals answer the question. Two facts stated tell the whole tale: The Custom-house officers along the Thames, says a writer (a free-trader, too, be it understood,) in *Blackwood*, (Dec., 1869,) will tell you as they told me, that England has become, in the main, a country which exports raw materials, and that the bulk of

manufactured goods consumed by the people of England is of foreign production. The second statement is a necessary consequence of this, that never, within the memory of living men, were there so many of the working classes out of employment. "Sir," was the remark of the Custom-house officer, "we are going down hill as fast as we can. The foreigner not only beats us in the cheapness of his articles, but he imitates our trade marks, and sells in England many a bale of his own cotton cloth." The tale is a very simple and natural one. The foreigner can manufacture cheaper than the Englishman. Free-trade England exports the raw material, imports the manufactured stuffs, ruins her industries, throws her artizans out of employment, and then supports them by alms or drives them abroad. Recent numbers of the London *Times* give accounts of the most heartrending destitution in Manchester, in that great centre of free-trade; as many are now receiving alms as in the worst period of the Lancashire distress during the American war. The ship-building trade,—we quote from *Blackwood*, (Dec., 1869)—once so flourishing on the Thames has almost entirely deserted its banks. Machine-making both in London, and elsewhere, which used to keep so many hearths warm, is passing rapidly to the continent; and in all the iron districts many furnaces are extinguished. In Lancashire the factories are closed, or work at half time; Spitalfields, Coventry and Machlefield swarm with paupers. The great industries of Ireland, linen excepted, have perished under this free-trade policy; for there once flourished in that now unhappy land, not only linen manufactures, but carpet manufactures, blanket manufactures, hosiers, broad-silk loom weavers, calico printers, wool-combers, &c. Free-trade with England gave the first blow to these; but protection still remained to her agriculture till 1846, and the Island teemed with a population of more than eight millions. In less than a quarter of a century it has fallen to a little over five, and that Island, once the

best customer of Britain, has become a pauper, dependent upon English alms.

While referring to the decline of many manufactures in England we do not attempt to prove the failure of free-trade by its history in such a country in twenty-five years. But having quoted it as an example of rigid protection for two centuries, we have but glanced at the effects of free-trade (and that but partial) for a quarter of a century. If anywhere, free-trade ought to succeed in Britain. She had the start of all the world, 1. In the superiority of her iron trade which had attained such excellence under protection; 2. In her steam power and machinery; 3. In her mercantile marine; and in her coal beds, iron mines and vast surplus capital. But our business is chiefly with the establishment of manufactures in a new country like Canada.

What are some of the benefits, which protection, such as we have indicated, might be supposed to bestow upon this as it has upon other countries:

1. It would secure the necessary capital and labor for these new industries. Food being abundant and cheap, taxes light, the raw materials at hand or easily obtainable, and unlimited water power, point to Canada as possessing facilities to make her one of the best manufacturing countries.

2. Competition amongst ourselves is sure to bring prices here, as it has elsewhere, to as low and probably to a lower figure than they were before. As just stated in the case of the iron manufactures in England, the price was constantly falling through a period of 150 years, with gradually increasing duties, and duties multiplied fourteen-fold. So at the present day in France, Belgium and Germany, under protection, mostly high and increasing, prices of a great variety of articles have fallen so low that they can bear the expense of transit and undersell England in her own markets. The multiplication of factories must necessarily reduce prices. If two bales of goods are brought into a market where there was but

one before, prices must fall. In a new country, where there are no home industries, the competition is solely amongst the importers, and they are chary of over-importation. But native workshops, when well established, supply the wants of the community, in whole or in part, and then commences a sharp contest amongst the manufacturers, and between them and the importers, which invariably brings down prices. The cry of the free-trader, that protection is a monopoly—the taxing of the many for the good of the few—finds no support here, for the many are in the end benefited in the reduction of prices. And this is but one of the many advantages flowing from the establishment of native industries.

3. The existence of manufactures in the country would keep amongst us those of the population (never an inconsiderable portion) who, through inclination or in defect of physical strength for more hardy occupations, enter upon manufacturing and commercial pursuits. Every year we lose a large population, mostly young men and women, who cannot find employment in a purely agricultural country; a population, too, more valuable to us than recent immigrants.

4. These manufactures would bring to our shores some portion of the tens of thousands of skilled mechanics who now go to the Republic. If we could estimate the value of such skilled artizans to a new country, we might form some near conception of our irreparable loss. Why is it that our Government and emigrant agents send through Europe every year the warning voice that none should come to Canada but agricultural laborers? In obedience to Manchester, we legislate to keep down manufactures, or at all events we do not encourage them, and then, in obedience to our own suicidal policy, we are forced to warn off those workers, those chief creators of a nation's wealth; while our neighbors protect these industries, and then herald the invitation in every country and town and hamlet of Europe for artizans and skilled labor. The

result is that the fifty colonies of Britain get but two out of five of the emigrants from even the British Islands, the others going to the United States; that during the last seven years three millions of immigrants have landed in New York alone—a number equal to the entire population of Canada before Confederation. These three millions, all of whom bring more or less capital, make a nation in themselves, equalling any one of the forty out of the fifty kingdoms of Europe. This vast increase, and their industry, go to swell the population and wealth of that country instead of being added to the British Provinces. English capital, too, follows her emigrants.

5. Such an increase of population, the result of manufactures, creates local markets for much produce of the garden and field now not saleable. Why are there so few gardens in the country? Near all large towns, near all great workshops, garden produce commands good prices, twice or thrice higher in Old and New England than in Canada. Gardens in even rocky New England have been known to yield \$176 per acre. A century and a-half ago there was not a town in Britain, London excepted, with a population of 30,000. Manchester had but 6,000; Birmingham, Liverpool, Leeds and Glasgow not more than 4,000. Now London has 3,000,000; Manchester, Liverpool and Glasgow, nearly half a million each; thirteen other cities have each from 100,000 to 220,000; and twenty-three others, 40,000 to 100,000. The eight millions of people in these forty cities, and the additional millions in the one hundred large towns throughout the kingdom, are consumers and not producers of agricultural products, and the country for miles around is turned into gardens for their supply, very inadequately indeed, for countries beyond the seas are put under contribution, and even we, 4,000 miles away, feel the pressure of want from those millions of mouths. In want of these hives of industry, our products of the farm and the garden, which are heavy and costly of transit or perishable, have no markets.

6. With such local markets for our now unsaleable products of the garden and field, we could adopt the most approved systems of farming in the rotation of crops. By confining ourselves at first to wheat, which will alone pay for transit abroad, and then to a few of the coarse grains, we rapidly exhaust our soil. Indeed, the great wheat-growing regions of this Continent, have, within twenty or thirty years of their settlement, been, from this cause, rendered useless for the production of that cereal. With markets for roots, vegetables and the coarser grains, such as manufacturing populations would give, we might restore our impoverished soil and do much to save our now virgin lands from a like fate. This one beneficial result would be worth countless millions to Canada; and yet it is only a collateral advantage flowing from the introduction of these home industries.

7. The establishment of a few or even of one manufacture would give rise to others, for the efficient working of one industry demands and creates new ones. These act mutually and favorably upon each other. The beginning is half the battle.

8. They work up much raw material which in this country is thrown away. We can here but indicate the kind of waste we refer to. In Canada gas is from 15s to 30s per thousand cubic feet; in England 4s. From the great demand for dyes in her manufactures, gas companies there extract colouring matter from the refuse of the coal, which here is thrown away. We don't of course forget the higher price of coal in Canada; but the chief cause of the difference in the price of gas is that just stated. In a purely agricultural community materials are allowed to perish, which, in manufacturing countries, are turned into fabrics and wares worth, or sold for, millions. What vast wealth or elements of wealth perish every year in the devastation, in the barbarous hewing and hacking, of our noble forests. Look at the mighty water power throughout the length and breadth of the Dominion, spent for ever for

want of the mill and the wheel to turn it to use. The riches of our mines and forests, of flood and field, are wasted or lie dormant through ignorance of our true interests.

9. Manufactures add another population to the agricultural; and these again give rise to commerce and shipping with their kindred industries, and thus superadd another population. These several classes re-act favorably upon and support each other. These again create and support other classes, professional men, bankers, literary men, miners, brokers, clerks, &c., &c. As England, with her numerous industries, has five men to support and defend the state where, as an agricultural country, she would have but one, so might Canada have five where she now has but one. For England, purely agricultural, could not maintain more than four millions; but by the favorable re-action of the other classes five millions may live by agriculture. Now England, agricultural, manufacturing and commercial, swarms with twenty millions of people. British America has now but four millions; but British America with all those industries, agricultural, manufacturing, mining and commercial, would easily support twenty millions of people.

10. In estimating the productive power of a country we are not to take into the account the population merely. That of England is but twenty millions; yet her machinery is capable of doing more work than the one thousand millions of the human family. Its expansion, its creative power, is practically infinite. This vast power is the growth of the last half century and the great wealth of England has been created wholly within that period. By being mere producers of the raw material, we remain the hewers of wood and the drawers of water to the work-shops of wiser communities. With this vast motive power, fifty years hence might see us equal in population and wealth to the England of to-day. Our vast material resources, our forests and peat beds, the coal of Nova Scotia, New Brunswick and Prince Edward

Island, the fertility of our soil, the salubrity of our climate, the vigor and activity of our people, give us all the natural advantages we could wish. It is for us to improve them.

11. We have only to point to the great prosperity of the United States to show the enormous gains accruing to a young country from the labor and machinery introduced under high protection. This example in a country having so many points of resemblance to our own should have the greater weight with us. If it be said that this prosperity has been at the expense of the West and South, we reply : 1st. That of the positive increase of wealth in the nation there can be no question. 2nd. That from the introduction of free-trade in England, in 1846, to the American Revolution in 1860, the growth in material prosperity and the expansion of trade, were greater in the Republic under protection, high and stringent as it was, than in England under free-trade. 3rd. That the West and South have grown wonderfully in wealth during that period, and at no time have suffered under protection, as Ireland and various parts of England under free-trade have, and do, even at this day.

12. Manufactures would give us the employment of four capitals where now we have but two. We produce, for example, some ten million pounds of wool annually. One capital is expended in the purchase of the pasture, in stock, etc., and every year after in labor ; another capital changes hands on the sale of the wool, which at 2s. per lb. would be £1,000,000. Without manufactures the expenditure of capital ends here—with them we have a third in machinery, in labor, etc., say £1,000,000 ; and fourthly the receipts from the sale of these fabrics. We would have similar results in the growth and manufacture of flax and timber, in iron, copper, lead, gold, silver, marble, salt, coal, oil, leather, sugar, glass, etc. From any one of these raw materials in which our country abounds, there would spring several industries, in all of which similar capital and labor would be expended.

Here would be at least fifty industries, with £1,000,000 invested in each, thus throwing upon the community £50,000,000 annually, changing hands within, and not going out of the country. When these materials are sent abroad we are deprived, in the first place, of the population engaged in those fifty kinds of industries; secondly, we lose the benefit of two out of four capitals in each, which would be spent in a foreign country; thirdly, we must pay 100,000 middlemen, in brokers, boatmen, laborers, etc., in the transit of our raw products, for this expense comes out of us; fourthly, our land is thus impoverished, and in return we get only the lowest benefit—that from the first rude labor; fifthly, we get none of the other collateral benefits, arising from working up the raw material on our own soil. We lose the series of markets growing out of these arts. The manufacturer pays to his artizans, machinists, etc., say £1,000,000; these again disburse it to the baker, butcher, gardener, farmer, draper, hosier, hatter, etc. After running these rounds it gets back to the manufacturer, and through him again to the producer of the raw material.

Look now at Ireland since the introduction of free-trade in 1846, at Lancashire since 1862-3, and at most English industries of the present day, in which the English free-trader finds his ground cut from under him by the Gaul and German protectionists. Markets abroad are taken from him through the too sharp competition of foreigners; there are no home ones to fall back upon—these had already failed. The manufacturer puts his men on short time; then closes his shop. His artizans have not the millions for the tailor, the butcher, the gardener, &c.; the series of markets are broken up; the shopkeeper is ruined; less demand comes back for the manufacturer. He, too, must close. A brief struggle with want and fitful charity ensues; then thousands, if not millions, must flee from their homes and native land.

13. But another consideration, not well defined nor even

expressed, is often present to the minds of the historian and the statesman. War may come to us, as it comes to all countries. Scarcely a generation passes without leaving traces of its devastating effects. War may come to us in our infancy and in our helplessness, as it did to the thirteen old colonies and to the Southern Confederation. We might suddenly find ourselves involved in a life and death struggle with a powerful enemy. Shut out from the sea, without factories to create the materials of war, and without clothing for our soldiers and people in a Canadian winter, laboring at the same time to organize an army and to equip them, to support our people and defend our soil. Suppose it were true, as theoretical free-traders teach, that our attempts to establish manufactures would take money from our productive industries, how small an evil would this be in comparison with what we would suffer in such a war without the manufactures necessary for the emergency.

