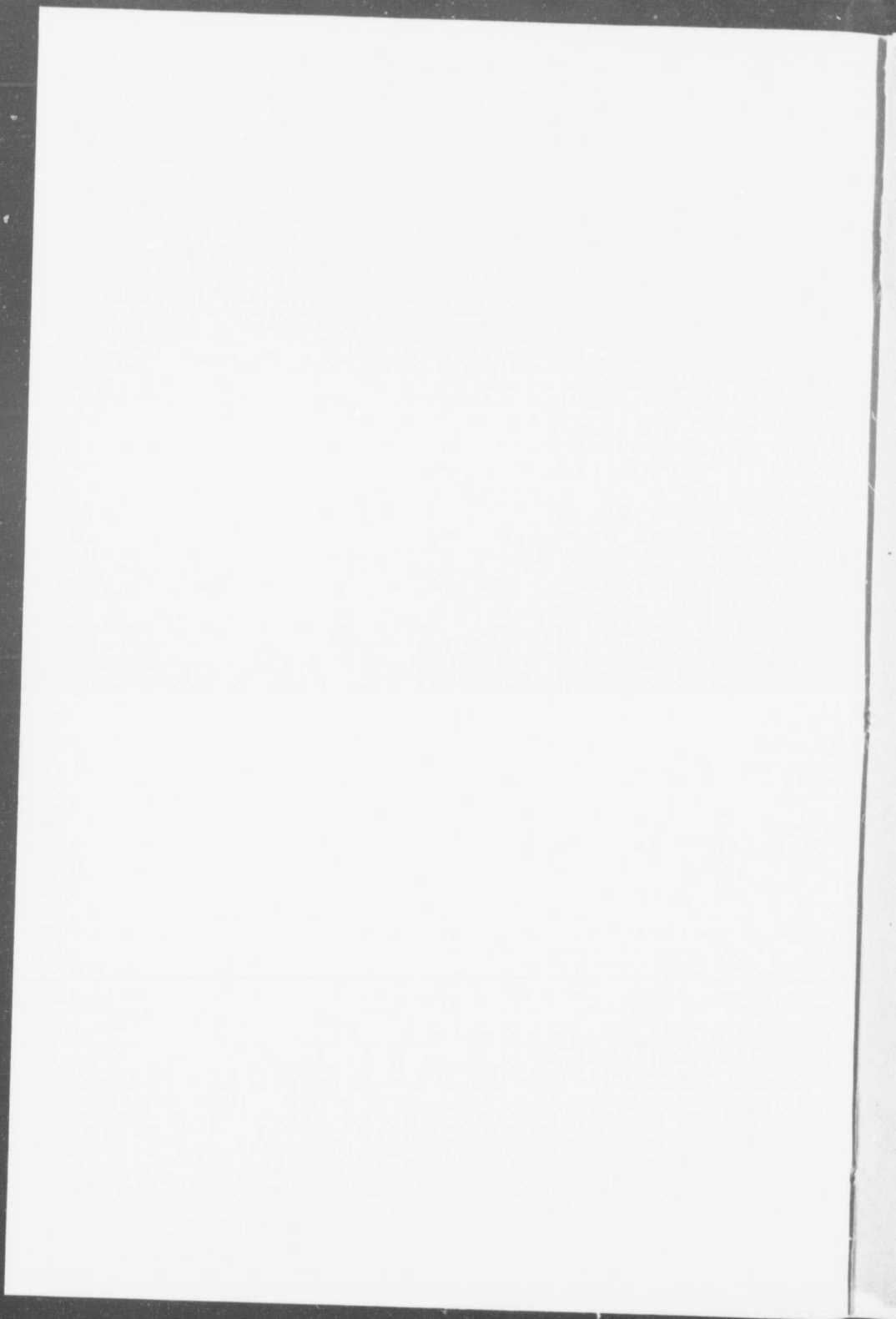


BIGGER MARKETS,
BETTER CONDITIONS

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BIGGER MARKETS BETTER CONDITIONS

Are Creators of Contentment
Not Breeders of Disloyalty.



Canada's Greatest Men of Both Political
Parties Have Always Favored Better Trade
Relations With the United States.

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BIGGER MARKETS BETTER CONDITIONS

That Canadian loyalty and patriotism will be destroyed or weakened by reciprocity with the United States is a favorite argument of the opponents of enlarged trade. The fairer and more sensible of them do not charge the friends of reciprocity with traitorous designs; but they say that reciprocity will naturally lead toward political union. Beginning as loyal and patriotic men, our farmers will go on quite innocently buying American ploughs and selling barley to American buyers; until suddenly, one fine morning, they will wake up and find themselves annexationists.

The argument is flatly denied by experience. Half our trade is done, and for many years has been done, with the United States. If our hearts had gone with our trade we should have been annexed sixty years ago. The simple fact is that our hearts do not go with our trade. A man no more thinks of becoming a Yankee because he trades with a Yankee than he thinks of changing his religion or his party politics for the same reason. How ridiculous it would sound to say that a Methodist must not sell to a Presbyterian for fear of turning Presbyterian; or that a Tory must not buy from a Grit for fear of turning Grit.

Study the teaching of experience. Between 1854 and 1866 we had reciprocity with the United States. A very large proportion of our trade was done with that country, and we were largely dependent on that trade, for we had not the grip on the home market or the English market that we have to-day. But reciprocity and American trade did not turn us into annexationists. There was an annexation movement in Canada in 1849, five years before the treaty, but there is no record of any such movement between 1854 and 1866.

Opponents of reciprocity talk of trade with the United States as if it were some new and dangerous experiment. American trade is not an experiment but an experience. There never has been a time in the history of Canada when a large part of our trade was not with the United States.

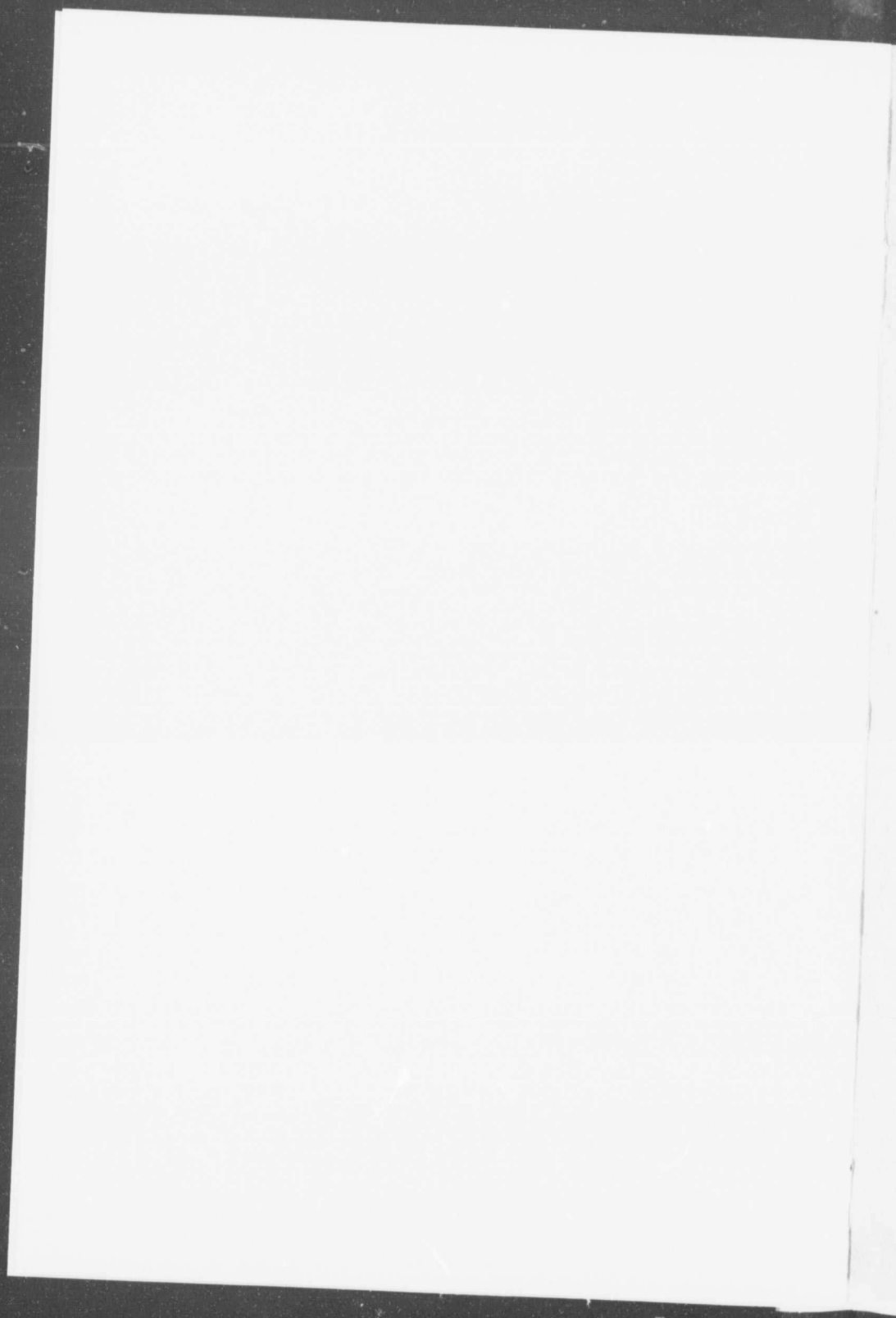
In 1879 the National Policy was established, with the design of making Canada commercially and industrially independent. In 1888, long after that policy had been in operation our trade with the United States was twelve millions more than our trade with Great Britain. In 1896, the last year of the Conservative regime, our trade with the United States was three and a half millions more than our trade with Great Britain.

To do them justice, the authors of the N. P. had no such foolish notion as to shut off our trade with the United States. Their idea was that by increasing our own tariff, we could force our neighbors to give us better terms. Sir John Macdonald's resolution moved in 1878, declared that the N. P. would "greatly tend to procure for this country, eventually a reciprocity of trade." The National Policy tariff contained an offer of reciprocity in farm products. Its authors hoped to be able to make a reciprocity agreement with the United States such as Mr. Fielding and Mr. Paterson have made.

The Conservatives, the authors of the N. P. had no intention of turning their backs on American trade. The Liberals, the authors of the British preference, had no such intention. What the Liberals said in 1897 to the United States was not "we will not trade with you," but "we are not dependent upon your trade." As a matter of fact, our trade with the United States has gone on increasing along with our British trade. To-day it is \$336,000,000—half our trade with the world, and three times more than it was in 1897. Has annexation sentiment increased during that time? Quite the contrary. It is a matter of common experience that annexation sentiment has declined and almost disappeared in the last fifteen or twenty years. Our hearts do not go with our trade.

If we examine the trade returns we find that all classes of the community trade freely with the United States, except the farmer and the fishermen; all but the farmer and the fishermen sell a large proportion of their products in the





United States. The miners of Canada last year sold 85 per cent. of their surplus products in the American market. The lumbermen last year sold sixty-seven per cent. of their surplus products in the United States. The manufacturers sell nearly one-half their surplus product in the United States.

Farmers and fishermen are the only two classes of producers who do not sell half or more of their products in the United States. The miners sell in that market 33½ millions out of a total export of 40 millions; in forest products, the exports to the United States are 32 millions out of 47½ millions; in manufactures, the proportion is 15 1-3 millions out of 31½ millions. In everything except the products of the sea and the farms, the exports to the United States are 81 millions out of 119 millions. But the fishermen send only a quarter of their product to the United States; and the farmers send there less than 19 millions out of a total of 144 1-3 millions.

None of these people who trade freely with the United States have suffered a loss of loyalty. Manufacturers buy and sell in the United States and are still loyal. Bankers invest in the United States, at high rates of interest, money which they borrow in Canada at low rates. Far from becoming disloyal, some of the bankers are able to take care of the farmers' loyalty as well as their own. If merchants, manufacturers and bankers can do business with the United States without becoming disloyal, why not farmers? Is there anything in the farmer's occupation that makes him peculiarly liable to be converted into an annexationist by trade?

Many years ago it was argued that if Canada were allowed to govern herself, she would be separated from the Empire. That fear was dispelled by experience. Even those who opposed responsible government for Canada were more reasonable than those who oppose freedom of trade for fear of annexation. For we are more likely to be politically influenced by political institutions than by sales of wheat and purchases of boots.

The teaching of the most loyal and eminent men in Canadian politics is against the opinion that trade with the United States is disloyal or tends toward disloyalty. Sir John Macdonald said in 1891 that he was negotiating for reci-

procuity with the United States, and that all the measures of reciprocity enjoyed by Canada had been obtained by Conservatives. He favored limited reciprocity, such as the Fielding agreement provides for. He was opposed to unrestricted reciprocity, because he believed it meant a common tariff with the United States, and discrimination against Great Britain. Edward Blake took the same position. In his famous West Durham letter, while he opposed unrestricted reciprocity, he declared that a revenue tariff, with liberal reciprocity arrangements, would be the best possible policy for Canada. George Brown, a Britisher of Britishers, negotiated an agreement with the United States, providing for reciprocity not only in farm products but in a large list of manufactures. His treaty was killed by the Senate of the United States.

Sir Oliver Mowat was a man of the strongest British sympathies. His staunch loyalty is vouched for by that most ardent of Imperialists, Col. Denison, in his book "The Struggle for Imperial Unity." It was Sir Oliver Mowat who dismissed a Crown Attorney for being an annexationist. Yet Sir Oliver Mowat was a champion of reciprocity; not only of reciprocity in natural products, but of unrestricted reciprocity, as it was proposed by the Liberals in 1891. He was the author of the resolution adopted by the Provincial Conference in 1887. This resolution declared that unrestricted reciprocity would be of advantage to all the Provinces of the Dominion, and that it would not lessen, but would strengthen, the sentiment in favor of British connection. Just before the election of 1891, Sir Oliver Mowat, addressing a Liberal meeting in Toronto, quoted this resolution and said, "That, I apprehend, is a sound idea. That, I apprehend, expresses the sentiment of the whole Liberal party of the country, and the sentiment, too—the secret if not the expressed sentiment—of a large section of the Conservative party." In the same speech he said: "It is a fallacy to assert that unrestricted reciprocity will have any injurious effect upon British connection." Again, he said: "Our opponents are afraid of being Yankeeified if they get unrestricted reciprocity. We are not afraid of being Yankeeified by any such thing. I am quite sure that the Reformers will not be Yankeeified by unrestricted reciprocity; and I hope Conservatives will not be Yankeeified by any such means."

Sir John Thompson, one of the most distinguished and

upright of Conservative statesmen, said in 1891 : "The Government of which I am a member is appealing to the country with a policy which we believe will be heartily endorsed by a great majority of the electors. We have made to the Government of the United States, through the Government of Great Britain, proposals for reciprocity in trade which we have good reason to believe, will result in an arrangement by which the markets of the United States will be re-opened to the products which our people desire most to send there. A fair measure of reciprocity is what we desire, and we have no doubt that that can be obtained without undue sacrifice."

The London Times, the leading exponent of Imperialism in Great Britain said, referring to the Fielding agreement : "We cannot tell how far the sporadically raised cry of annexation is influencing Canadian opinion, but there is no reason that the reciprocity agreement would produce any tendency in that direction. On the contrary, bargaining on equal terms with the United States might tend to foster rather than diminish the self-reliance and importance of the Canadian people."

When one thinks it over, how could the people of the United Kingdom object to reciprocal trade with the United States as disloyal ? They trade freely with the whole world. Does any one suppose that they would refuse to make an agreement for the free admission of their manufactures into the United States ? Not only British free traders but British protectionists, would jump at the chance of obtaining such an agreement. Mr. Balfour, leader of the Unionist party, and Mr. Chaplin, a well known British protectionist, have expressed the view that Great Britain ought to have a protective tariff in order to be able to make terms with other countries—to have something to offer in return for freer access to foreign markets. This is exactly what the authors of the N. P. said in 1878.

The theory that trade will weaken loyalty does not bear examination. Experience is against it, the teaching of such men as Sir Oliver Mowat is against it, common sense is against it.

The way to keep Canada loyal and patriotic is not to maintain a lot of petty, peddling, tyrannical restrictions against trade, but to preserve and improve British institu-

tions, and to foster pride in our great country. Make Canada a land of justice and freedom, and her people will be ready to live and die for her. Make Canadian citizenship a valuable privilege, and remember that no privilege is higher than freedom. Then we need not fear that we shall be Americanized. On the contrary we will make good Canadians out of Americans and all others who come to dwell among us.

