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CANADIAN POLITICS, 1882.

IN response to an invitation from the Canadian Government the writer was delegated to see this country, and to say frankly what he thought of it, especially as a place of settlement for British farmers of skill and capital. At first sight, his opinion, in common with that of almost all the delegates similarly appointed, was favourable—so much so that he could hardly understand why so attractive a country should want any such advertizing. It seemed, in fact, as clear as noon-day that farmers able and willing to put their produce into the most cheaply transportable forms, would find it far more profitable to carry on their business in Canada than in England. Thus, if we put an acre's produce into the form of, say, cheese, we shall find that the cost of transporting it to England will not exceed a dollar, while the difference in the yearly cost, or rent, of the land producing it, may probably be five dollars. Consequently, other things being equal, there might clearly be a great profit in producing the whole of the cheese wanted by England in Canada, rather than at home, and the present cheese makers of England might thus find it greatly to their advantage to transfer their skill and capital to this side, leaving their lands in England available for the raising of the less easily transportable kinds of produce. But, unfortunately, all other things are *not* equally favourable to the farmer in the two countries. Circumstances in England and Canada are indeed so far from being equally favourable to the farmer, that, in the writer's humble opinion (and barring the last half dozen unprecedentedly bad seasons) an ordinary farmer may make far more out of his capital in England than in Canada. The writer was in duty bound to draw attention to the circumstances which thus seemed to neutralize the undeniably fine natural attractions of Canadian agriculture; and the accompanying remarks are offered as a contribution towards encouraging some reconsideration of the circumstances apparently so inimical to the prosperity of Canadian Agriculture, in the hope that a better state of things may be brought about, and that Canada may even yet become agriculturally as great as Nature has fitted her to be.

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HALIFAX, N. S.,
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THE NATIONAL POLICY.

I.

The so-called National Policy of Canada is simply a policy of national impoverishment. Thus, for example, if men can make five hundred dollars a year at farming, this National Policy ordains that large numbers of them shall not do so, but that, instead, they shall employ themselves at weaving, whereat they may make, say, only three hundred dollars, and the farmers are taxed, more or less indirectly, to the extent of say a hundred dollars each, to make up the difference to the weavers. Would it not be clearly better and more profitable to the nation as a whole, that there should be none of this interference with the people, who, if left perfectly free in the matter, would naturally engage in the lines of business most profitable alike to themselves and the country?

In discussing the merits of this Policy, it is misleading to draw comparisons (as its advocates often do) with *other* times, and *other* circumstances, than our own. Thus, if a Protectionist says he finds the country more prosperous now than in the days of Free Trade, I reply that that proves nothing, because there may be many other reasons for the improvement. Capital may have been imported; the people may have taken to working harder, or to consuming more sparingly; other parts of the world may have suffered from deficient harvests, and thereby been forced to spend liberally in Canada to buy bread. For these and many other reasons, I submit that it says little for a cause when it is sought to support it by any such beggarly argument. The same may be said of arguments drawn from references to the progress of other Protectionist communities. It is no doubt true, for example, that France and the United States have done pretty well under a Protectionist Policy. But that is no argument in favor of Protection, as their prosperity can be otherwise accounted for. Thus, France has a population whose industry, and thrift, and defective fecundity, should suffice to keep them from poverty under almost any circumstances whatever. And as for the States, they may well prosper, inasmuch as they have been receiving an annual present from the rest of the world of hundreds of millions of dollars, in the shape of able-bodied immigrants. That is a fact which is not adequately considered. The cost of rearing a child in Europe till he is ready to emigrate,

cannot be much under a thousand dollars on an average, and the States then get him *for nothing!* They got about 700,000 of them within the last twelve months, so that, taking them at \$1000 each, we find that in one year the States have reaped seven hundred million dollars clear gain from this gratuitous source—to say nothing of the moneys which the immigrants may have had in their pockets. The States have also extraordinary mineral wealth, a virgin soil, and a large share of sunshine. While reaping all these enormous advantages, the States simply cannot avoid being prosperous, no matter how imprudent they may be in their Fiscal Policy. It is therefore simply absurd to attribute their prosperity to the Protective Tariff. It would probably be more correct to say that they have thriven in spite of Protection, rather than by means of it. Old England, on the other hand, has had no such advantages as the States have had. On the contrary she has had many misfortunes to contend against—many fearful losses to bear—many ungrateful colonies to set agoing—deficient harvests—unremunerative wars—still more ruinous strikes—and a continual heavy drain of emigration. These things must have left her thousands of millions poorer than she would otherwise have been. But, withal, she still lives. Yea, she not only lives, she is also really far richer and far more prosperous than either France or the States; and, according to the best authorities, could pay off a French Indemnity, or a Yankee National Debt, every other year, out of her peoples' surpluses merely, and without trenching at all on their previous investments. Neither the States nor France ever did, or could do, anything like so well as that. I would therefore venture to say that, on the whole, any argument on the subject of Protective duties, drawn from references to other countries, is very much more likely to tell against such duties than in favor of them.

But I do not see that any such argument should be employed at all. The question is one which admits of being reasoned out upon its own abstract merits. Reasoning from analogy (unsatisfactory under *all* circumstances) is, under these circumstances, totally uncalled for and inexcusable. The United States may, in fact, have prospered under Protection. They could hardly have failed to *prosper more without it*. England may be suffering somewhat under Free Trade. She could hardly have failed to suffer more without it. So also with Canada. She has prospered, and (now that the tide of immigration is setting in in her direction) she may probably continue to prosper, in spite of half a dozen N. P.'s, or other shortsighted enactments. I argue against the N. P., not as if it were an essentially disastrous sort of policy, but merely as it entails a much less solid sort of progress than would naturally result from leaving the country's resources to be developed, and her manufactures established, strictly in their natural order. If farming be the most profitable trade in Canada, then, by all means, let us all be farmers, until it becomes evident that some of us may do better as scribes, or weavers, or miners, or something else.

So long as a farmer can buy his boots cheaper than he can make them, it would be intolerable tyranny to forbid him to buy them, or to compel him to make them. And yet, that is precisely what the N. P. does to the country as a whole. The time it takes the farmer to make one pair of boots, he might earn enough at his own trade to buy two pairs. Just in the same way, the time it takes ten men in Canada to produce a hundred pieces of cotton cloth, they might produce enough wheat, or fish, or lumber, to buy a hundred and forty pieces; clearly therefore the country as a whole is forty pieces of cloth the poorer through the operation of the miserable National Policy which interferes so tyrannically with the pursuits of the people.

Look at the mother country—the most prosperous of all nations. She is content to buy much of her bread abroad, simply because it is cheaper to do so than to produce it at home, although it is well known that a moderate protective duty would lead to her own farmers finding her all she wants. No doubt, if she were to adopt such a policy of protection, she would increase and strengthen her agricultural class immensely; but then she knows that she would to a still greater extent, weaken and kill her manufacturing and exporting industries, and thus, *on the whole*, become vastly less wealthy. In her wisdom, therefore, she gives a fair field and no favor to *all* classes, so that every trade is conducted only to such extent as it may prove profitable *on its own merits*. England has thus no unprofitable trades weighing down upon those that are profitable; and as every unit of the nation is thus occupied profitably (or as near it as possibly may be) the whole is essentially prosperous. The Canadian N. P. forbids this healthy state of things; and ordains that only a *portion* of the people may work at the essentially profitable trades. The country may, and probably will, grow rich in spite of this sort of thing; but to say that it may grow rich *by means of it* (as is often audaciously done) bespeaks either a very low order of intellect, or a very low order of morality surely.

And yet, such is the National Policy of Canada! a daughter of the wisest nation the world has yet seen! Poor Canada! She is the victim of one of the irregular passions of youth. She dotes on isolation. She is enamoured of weavers and hermits. She will not allow all her sons to labour to the best advantage, although, in her case, by the favour of nature, the most profitable trades are also the most healthy and the most manly. This is all wrong. This policy of isolation is not only financially a mistake: it is also morally a misfortune, for is not commercial intercourse favourable to peace and goodwill among men? Let Canada then cease to abandon the well reasoned and well tried policy of the mother country, and cease to agree with those who prefer to adopt the discarded isolationist policy of the "Heathen Chinese."

I venture to predict, indeed, that the time is coming when nations so silly as to adopt such pernicious practices will have their ports bom-

barded, and their liberties taken from them, for they are essentially a curse upon the earth. If they are to have their way, and if all nations are to be self-supporting, we may as well sink all our ships, and let our civilization drift back again to the dingy condition of the middle ages, each several zone and hemisphere destitute of all the several products of the others. This would be the N. P. carried out to its logical result; for, of course, as no man will export gratuitously, but only in exchange for imports, the restriction of imports necessarily means also restriction of exports. The opponents of free trade ought to bear in mind that their policy not only hurts their own nation, but also hurts others; for it is a natural condition of every free transaction that *both* buyer and seller are benefitted. The nation which restricts commercial transactions is thus a nuisance, and an obstacle to the common good of mankind, and is therefore clearly deserving of such punishment at the hands of the civilized nations of the earth as may speedily bring her to a less self-improverishing and a less world-improverishing style of existence.

II.

Let us descend to a few points in detail, to see how the supporters of the present National Policy of Canada are in the habit of relying upon irrelevant circumstances to recommend that policy. When such arguments come from the responsible ministers of the Crown, they are hardly excusable, surely. But still they come. For example, quite recently, the Minister of Finance praised the National Policy, on the ground that it had increased our trade with England, and diminished it with the United States. A moment's reflection might have sufficed to satisfy him that the only reason for the transfer of our purchases to England is that we find the English market the most favorable. No really intelligent and honest man can say that *our* N. P. has had anything to do with making the U. S. market worse, or the English one better, than formerly. Certainly not. The real cause of the change lies, in fact, in the existence of these abominable protective duties *in the States*, and in nothing else. Protection in the States has made living so very dear there that they cannot sustain the competition with England to the same extent as formerly. Protection in the States, in fact, is gradually killing the export trade of that country, and compelling Canadians to transfer their purchases to the more economical markets of free-trading England.

Again, Sir Charles Tupper says American coal is sold as cheaply in Toronto (duty paid) as it is in the States, and infers therefrom that the N. P. does not affect the price to the consumer. This statement has since been denied on apparently good authority, but, even if it had been true, it would only have proved that the people of the States were being made to pay 50 cents a ton too much,—a not at all improbable occurrence in any country, like the States, where free trade is

not allowed. In short, both Sir Charles Tupper and Sir L. Tilley were in these cases using the misfortunes befalling the States, *through Protection there*, in a way fitted to make Canada seem, to the superficial observer, to suffer nothing from the operation of the same unfortunate policy. As a matter of fact, however, while intending to shew that Protection was not hurting Canada, these gentleman really only showed that a similar policy was proving seriously hurtful in the United States,—a very damnifying argument with respect to the N. P. surely! In short, Sir L. Tilley ought to have said, not that Canada's protective tariff was leading her to transfer her trade from the United States to England, but that the U. S. protective tariff was driving that trade away from the States to free-trading England. So also it is the want of competition in the States which admits of the Pennsylvania producer selling his coal as high at home as he does in Toronto, duty paid. These poor Yankees are still blind to the injustice they thus suffer from restricted competition, and their misfortunes are utilised by responsible Canadian Ministers to persuade their constituents that they, the Candians, have nothing to complain of! The spectacle is wholly humiliating.

Again we hear a great deal made of the fact that many of the persons engaged in our pampered industries are prosperous. But, indeed, they well may be so.

Suppose, for a moment, dear reader, that you were empowered, by Act of Parliament, to scrape half the butter from the bread of every farmer, fisher, lumberer and laborer, in the Dominion. The men would not miss it very strikingly, while the result to you would be very striking indeed. You would grow rich at that sort of trade, dear reader, and might subscribe largely towards the election expenses of the party which granted you your butter-scraping privileges. That is how the N. P. works. It is simply a policy of butter-scraping—a handy way in fact of getting some of the wealth of the country into lumps, from which sufficient may be obtained to grease the palms of the party favouring the trick. For the moment it must be admitted that a certain measure of success attends the favored few who are benefitted by this sort of thing, and they have been only too successful also in their efforts to hoodwink the wronged classes into believing that they are not being wronged at all. Consequently, these classes, the farmers, fishers, etc., etc,—whose power would be absolutely overwhelming *if they were united*—are for the moment divided sufficiently to admit of these Protectionist robberies being committed with impunity.

In connection with this subject, it is very common for the supporters of the N. P. to tell the farmers that they will be compensated by the possession of "*local markets*," and that these will be *better than the foreign*. This latter statement is simply absurd, because the moment the local market proves better than the foreign, exports will cease until the local becomes glutted, when the prices there will

naturally fall to a level with those obtainable abroad. So long as there is any surplus for export, in fact, the one market is necessarily equally as good on the average as the other—no better and no worse.

Then, again, it is attempted frequently to throw dust in the farmer's eyes by telling him that he will make money by growing "*garden stuffs*" for all the new towns that are to arise under the N. P. at his door. In a word *cabbage gardening* is the Governmental panacea for the ills inflicted on agriculture by the N. P. How very absurd! At best, the cabbage garden business is necessarily a very limited one, and I never yet knew it to prove in the long run a particularly profitable one, even in the neighbourhood of the largest cities. For a moment it may pay exceptionally well, if the supply of such stuff happens to be under the demand; but that state of things never continues long in the case of cabbages; and, on the whole, I feel safe to say that cabbage gardening is a less profitable and a less pleasant trade than ordinary farming. No, no, dear reader, that cabbaging proposal of the supporters of the N. P. will not do. The farmers of Canada must, for many a generation, have a surplus for export, and must therefore make up their minds to have their prices regulated by foreign markets. I say from personal knowledge that hardly any of the farmers in the immediate vicinity of the largest city in Scotland ever think of growing an ounce of garden stuffs for sale. They can do better with other things. In fact they are now looking on New York (as they have long looked on London, though 400 miles distant) as a legitimate market for large portions of their produce. What then is the use of any Minister, or any Government supporter, dangling a prospective city at the door of every farmer in the country, and telling him he is to grow rich by growing garden stuffs? Really, there is quite too much stuff in that idea, dear reader! It is sheer quackery! It is of a piece with the favorite trick of crediting the National Policy with all the good that has been reaped during its existence, whether it has had anything to do with it or not. How long can an idea, or a policy, or a government, live that is supported by such rubbish? How long? How long?

III.

While admitting that a few of the fanciful industries which have been fostered by the National Policy are yielding handsome profits, we may find, on looking a little below the surface, that investments in these favored industries are more than ordinarily *unsafe*. These favored industries are, in fact, beset by two very great, and exceptional, and utterly inevitable dangers—one from *without* and one from *within*—which cannot fail to overwhelm them sooner or later. The danger from without is the very patent one arising from the fact that, as all protection accorded to one set of industries is necessarily accorded at

the expense of others, it must, therefore, naturally fall to be withdrawn so soon as these others become fully alive to the injustice of the thing. When that time comes, as it certainly must, the farmers, fishers, lumberers, laborers, etc., etc., of Canada, will no doubt throw off the very unnecessary burden which the Protective Policy imposes upon them, and, in doing so, they will of course *cause great loss to those who have invested in the protected industries*. But that danger, great as it certainly is, is only one of the dangers to which these abnormally favored industries are exposed. Investors in these favored industries are exposed to yet another extraordinary risk. The danger already referred to is from *without*. What I now wish more particularly to draw attention to is the fact that the protected trades also contain a great and exceptional element of decay *within* themselves. I refer to the impossibility of their counteracting the naturally ruinous effects of *over production*.

No National Policy, nor any other known law, can possibly save us from the occurrence of periods of over production. These periods are probably the most trying of all the experiences of the ordinary manufacturer; and as their advent, in Canada as elsewhere, cannot possibly be averted, our only prudent course is to provide as many ways of escape as possible from the attendant evils. Now, that is just what the National Policy does *not* do, and it is just what free trade *does* do. Let us look into this weakness of the National Policy a little more particularly.

The object of the National Policy, as we all know, is to give certain favored trades an artificial command of the Home market. It is admitted that, unless favored with such artificial support, these trades could not be carried on in Canada. In other words, it is admitted that they can be more profitably carried on elsewhere. Consequently the Canadian producer of these things cannot hope to find a market *anywhere else* than in Canada. In the long run, therefore, *i. e.* as soon as the protected trades produce more than Canada wants, it is easy to see that this inability to compete in outside markets will be such a misfortune as will more than counter balance any advantage there may be to the favored producer in having the Canadian market secured to him. Competition among themselves will assuredly force down the profits of these favored producers to the ordinary living point, while over production will force them below that point altogether, owing to the fact that, as the outer world can produce the same things still more cheaply, the unfortunate Canadian producer will be unable there to find any tolerable outlet for his surplusage. He will, in fact, require to "slaughter" his surplusage at the least. Our neighbors in the States have already had a taste of this mischief; and our first experience of over production will, no doubt, give us a taste of it too. The producers of protected goods will *then* realize that, although it may be a good thing for them to have the Home market secured, it is an intolerably awkward and ruinous thing to produce an article with which

they cannot compete also in the open markets of the world. They will *then* see how much better it would have been for them to have invested their capital in the naturally profitable trades of the country, which need no protection to give them the command of the Home market, and which, in a time of over production, can spread their surplusage over all the open markets of the world, and thus greatly mitigate their losses. They will *then* see, in fact, that to produce an article which cannot compete in these markets, is a huge misfortune, for which a monopoly of our own little Home market is no sort of adequate compensation, and they will curse the "*policy*" which induced them to do it. The thing is inevitable, though of course it cannot be practically realized until times of over production set in.

Even the favored few who momentarily flourish under the artificial protection of the National Policy, and at the expense of all who are engaged in the naturally profitable industries of the country, will thus one day find that the National Policy is really a wretched delusion—a piece of gross quackery. These favorites will then find that they have been like workmen fed on whiskey, which may have rendered them very happy and vigorous for a time, but which must soon undermine their constitutions, and leave them very miserable and poor. The National Policy is thus essentially a bad policy, even to those whom it favors. It only lures them on to ruin. It is in fact just like all the blessings of Satan. It is like *robbing* one man, to *bribe* another to enter upon a course of *self-destruction*. Truly, the mere possibility of such a policy is enough to make one feel as if the country were Godforgotten. However, it is to be hoped we may look for a better state of things bye and bye. Quackery and Corruption may be our chief Ministers of State for the moment; but it is simply impossible to believe that they may manage to keep themselves in power for any length of time; for, as we have seen, even their present favorites must become their enemies, so soon as the true tendency of their operations becomes manifest. In the meantime, of course, the country suffers. Capital largely shuns even the favored industries on account of the exceptional dangers to which we have seen such investments to be exposed; and it equally tends to shun the naturally profitable trades (especially farming) both because of the actual abnormal burdens to which they are now being subjected, and the probability that these burdens will be added to from time to time, so long as this vile National Policy may continue, and so long as the patient burden bearers may be able to stand an additional impost. The National Policy thus tends to keep capital out of the country. Especially does it drive it away from agriculture, which, but for these most unnatural and unwarrantable burdens, ought to be a far better trade here than in England, instead of, as it assuredly is, an incomparably worse one. It is of course a great pity that such a state of things should continue even for a moment. But it is at least some comfort to know, that even if it be impossible for the agricultural classes to comprehend their own

interests and the interests of the country in this matter, we may still hope that the inherent weakness of the doctrine of Protective Tariffs will doom it to destruction at the hands even of its own favorites, so soon as they shall have been made to feel the *strains and miseries of over production*.

IV.

Those engaged in the agricultural and fishing trades, being comparatively hard to reach, and proverbially slow to discern the far reaching effects of political principles, and the government having apparently decided to seek a renewal of their powers before the ill effects of their National Policy can become fully developed, I would humbly venture to suggest that the opponents of that shallow and prejudicial policy should *decline to join issue on it all*; and should endeavour to put an end to the present unfortunate ascendancy of quackery and corruption on the ground of the sacrifices of the peoples' interests, which have been made in the matter of the Railway properties of the country.

The expediency of thus leaving the free trade question *in abeyance*, for, say, the duration of one Parliament, must seem manifest from a few moments reflection. The duration of such period of abeyance may, of course, be anything under five years. The occasion for it is to be found in the fact that the government certainly deserves to be displaced on the railway question, independently of the N. P. altogether, without a moment's delay. To this necessity the country can hardly fail to be fully alive, whereas many still labour under the delusion that the N. P. is a good thing. On this account, these might incline to support the government, notwithstanding their want of confidence in it in relation to the railways. Consequently, unless the question of the N. P. be placed in abeyance for a short time (as indeed the government promised it would be) it may be the means of securing for that government another lease of power, and for the country a period of railroad tyranny and spoliation, with all the ill effects which such misfortunes must bring to bear upon immigration, and upon the development of the country generally. Let us therefore, in order to make sure of putting an end to the *greater evil*, agree to postpone for a fixed period every attempt to deal with the lesser evil involved in the so-called N. P. In adopting this course, let it not be supposed for a moment that our views of the N. P. have undergone any change. The terrible decline in the trade of other Protectionist countries—notably in that of the United States, during the last four months of the year—while free trading England continues to reap the fullest benefit from every wave of commercial activity, must render any such change of opinion utterly impossible. In suggesting that the opposition to the N. P. should remain for one Parliament in abeyance, we merely realize the fact that the country has not yet had time to study the question in all its bearings. Farmers, fishers, and lumberers have had

good times, both as to seasons and markets, so that the ill effects of the McDonald nostrum have been neutralized. In these circumstances it is in no degree to the discredit of these worthy people that the real tendency of the N. P. should not yet have become manifest. In England it took ten long years to educate the public mind on the same question; and that too notwithstanding all the eloquence and assiduity of Bright and Cobden, and a host of others, equally zealous, and little less talented. It is hard to arouse people to any sense of injustice when their stomachs are full. It was so in England, and it is so in Nova Scotia to-day. But the injustice is there, all the same. It is there, and its baneful effects would have been felt 'ere now, but for the bounteousness of providence, coupled with experiences of an opposite character in many other lands.

If all the people of these Provinces were students of Political Economy, actual experience of the bad results which Protection is fitted to bring about would, of course, not be necessary, in order to convince them of the essentially unnatural and unprofitable character of the doctrine. But such universal mastery of Political Economy is not to be found in Canada, nor in any other country; and so, it would only bespeak us imprudent if we were to trust to anything but *actual experience*, to convey the necessary lesson to the people generally.

In coming to that conclusion, we have also to take account of the plausible mistakes, or possibly misstatements, by which the advocates of the N. P. have unfortunately ventured to crave support for it. In a manner bold enough to make an honest listener weep, they have claimed credit to that miserable policy for prosperity in trades which it necessarily taxes. They have also seemed to wish us to believe that the opinion of England is wavering with respect to the beneficial effects of free trade, although the idea is unmistakably scouted by every statesman in that country with any pretensions to authority on economical questions, as well as by every writer on Political Economy, and in fact, by every disinterested person whatsoever. Then again there are many shameless men who advocate the N. P., and who, when driven into a corner, are wont to make a very ingenious pretence to the effect that they only want this policy for 20 years or so, until their "*infant industries*" get nursed. Now, I would venture to submit that that plea is sheer rubbish. Ask any factory owner in England, and he will tell you that if a mill is *ever* going to pay, it will be in its "*infancy*," when its machinery is equal to the best, and when depreciation has not yet begun to set in. It is not in "*infancy*" that these industries want nursing: it is rather in *old age*, when many repairs become necessary, and when newer appliances have rendered competition difficult.

But, hollow as all these plausible pleas may be, they have been so industriously circulated that I fear it would be hopeless to expect to eradicate their effects within the very short space of time which is to elapse before the General Election. I would therefore, on that

additional ground, venture to suggest again that the opponents of the N. P. should decide to place the question of Protection *absolutely in abeyance, for the space of one Parliament*, so as not to jeopardize their chances of destroying a government which seems bent upon inflicting still more serious and irremediable ills upon the country, in connection with the Railway building and the development of the Great North West.

Probably no man in Canada is more firmly attached to the principles of Free Trade than the writer. But he also happens to have had exceptional opportunities of familiarizing himself with the capabilities of the North-West; and would now humbly endeavor to show that the railway monopoly inflicted upon that vast territory by Sir John McDonald's Government, is so gigantic a misfortune that the ill effects of the National Policy sink into insignificance in comparison with it; and that, therefore, all Liberals, and all well meaning Canadians whatsoever, should for a season agree to leave the National Policy as it is, so that they may unite to save the North-West, (as far as it may yet be possible to do so) from the tightening grip of the monopolist. This tightening grip the present Government have heretofore strengthened and encouraged so persistently that it seems utterly hopeless to expect any consideration at *their* hands, for the prospective millions of that great territory, or any thing at all contrary to the lust of the greedy gang who dare to desire that these millions may be placed entirely at their mercy.

OUR RAILWAY BONDAGE.

I.

It may fairly be questioned if any Government under the sun ever committed so gigantic a blunder as did that of Canada when it placed the Canadian Pacific Line in private hands, after having overcome all the initial difficulties of construction. It may fairly be questioned if any Government ever committed so gigantic a *crime* as did that of Canada, when it gave these same railroad people a *monopoly* of the railway outlets of the great North-West Territory. The Government must have known that, in granting a monopoly of railway outlets, they were practically granting unlimited power to the monopolist; for they repeatedly declared the Territory to be worthless without railway communication with the outer world, and, if worthless without such communication, it necessarily follows that he who commands that communication has all the wealth that may be within the territory under his thumb.

In the North-West, Canada possesses the space and the natural resources requisite for the construction of a great nation; the only considerable element wanting is population; but, owing to the miseries experienced in the past, and expected in the future, from military operations on the Continent of Europe, as well as to the unceasing emigration from Great Britain, which lack of room necessitates, there ought to be no difficulty in the way of procuring all the population required to give the country a fair start. All of these intending emigrants are, in fact, most anxious to find a place of settlement, and if a really desirable one be shown them they will want no coaxing to induce them to come to it. But let us never imagine that they want nothing more than a fertile soil. That is all very well in its way, but it is not sufficient. In fact, many of the people who desire to leave Europe will leave very highly favored agricultural regions behind them, and they are willing to do so only because they cannot abide the systems of Government under which they live. They are willing, in fact, to abandon many comforts in order to escape the tyranny of Kings, or other despotic circumstances.

Now, such being the moving sentiment of a vast proportion of intending emigrants from the Continent of Europe, I ask what is to be thought of the Government of Canada which has practically made over the destinies of well nigh half a continent to something as bad

as the worst of Kings, viz : a soulless corporation? Would a single emigrant settle in that country if it were placed under a despotic ruler like the Grand Turk? Not one. Well, the case of our great North-West seems little better—perhaps worse. It is true the Despot established in the North-West has no power over the *lives* of the people; but he has what is far better, and what I am sure would make the Grand Turk's teeth water: he has full power over the possessions of the people without any of the responsibility of contributing to their defence. It is true that the power of this nineteenth century autocrat depends only on a railroad, but it could be no more real than it is if it were supported by a standing army. The Manitoban wheat grower, who is liable to have all his profits squeezed out of him by a despotic monopolist railway Company, really cannot feel very different from the Danubian growers, who were liable to have all *their* profits squeezed out of them by the tax gatherers of the Turk. The result is the same in either case; there is merely an unimportant difference in the mode of accomplishing it. Cursed! cursed! cursed! be the creators of all such abuses, whether in Canada or in Heathendom! They want to render this fair earth unfit for the habitation of free born men.

That such a thing should happen on *this* continent, in *this* century, would have seemed incredible if it had not happened. That it can *continue*, seems totally incredible. There appear to be two ways by which it may be got rid of. Firstly, there is the possibility that the country may get filled up by people who won't stand anything of the kind, and who may not scruple to rid themselves of it by means of rebellion. This, it is to be hoped, may never happen; but still, it is easy to see that it may come about, for, just as it would have been impossible for any Canadian Government to have inflicted such a curse upon the North-West if it had been a populous instead of an empty Territory, so also it seems only reasonable to conclude that, if it becomes populous, it will take whatever steps may be necessary to remove the curse. In the meantime, however, the country cannot fail to suffer, as all the more cautious sorts of men will incline to avoid the risk of settling in it, so long as it may remain in its present monopoly-ridden condition. Our *second* chance of getting rid of the monopolist is through getting rid of his creators. Destroy the Government that established him, and that seems determined to go all lengths to favor him; and replace it by one that will hold the knave's nose to the grindstone!

II.

Owing to the marvellous proportions of Nitrogen, Lime, and Potash entering into the composition of the soil of the Canadian North West, that great Territory is capable of producing wheat and potatoes at a

cost to defy competition. So much so, that, with reasonable rates of carriage to England, the cultivation of wheat at least would fall to be abandoned in the old country altogether; while the United States, Russia, Hungary, France, would be quite unable to compete with Canada in the English market at all. With such a command of the largest consuming wheat market in the world, the North Western farmer could not fail to prosper; and the undeniable practicability of such a state of things is naturally fitted to give the development of the Canadian North West a tremendous impetus. Moreover, as the average wheat-producing capabilities of the United States are barely half as many bushels per acre, and not nearly so fine quality, as we have found to be practicable in the Canadian North West, there clearly ought to be, in the common course of events, a large emigration of farmers from the States to the more favoured soils north of the International boundary. Altogether, the prospects of the Canadian North West appeared to be of quite unparalleled solidity up to the time that the government gave over the railway outlets to a monopolist. Up to that time we were assured by the government, and we believed and reported, that wheat would be carried to the Atlantic seaboard for 20 cents a bushel; and every delegate who visited the Territory recommended it as a place of settlement *on that understanding*. But, unhappily, the government did not keep faith with the delegates, nor with the millions who have read, and been influenced by, their reports. Instead of securing for settlers the all-important twenty cent rate to Montreal, (or say *one* cent per bushel per hundred miles,) they have authorized the greedy monopolist to collect a rate equal to *eight* cents a bushel per 100 miles, which, of course, if charged along the entire road (once it is finished) would amount to far more than the value of the produce. This, of course, simply means that there is no practical restriction at all, so that the settlers are entirely at the mercy of the monopolist. Considering the character of that monopolist, as exemplified in his railway management in the State of Minnesota, the prospect of reasonable rates from the Canadian North West to the outer world is, thus, far from hopeful; and the development of the Territory cannot fail to suffer accordingly. I remember the Government used to endeavor to ward off criticism, on this matter of freight rates, by quoting the condition that no rate whatever could be levied until authorized by the Governor-General in Council. But methinks such a condition is of very little value, with such a very facile Government as the present in power—a Government which authorizes a rate equal to *eight* cents a bushel, where, by its own declarations, made verbally to the Agricultural Delegates from Great Britain as well as in the Government Handbook for emigrants, *one* cent would be fair and reasonable. But in fact it is well enough known to be practicable for the Company under present circumstances to levy what rate they choose, whether authorized by the Governor in Council or not. This and other pretended safeguards are in fact mere delusions. Of course

many of the thoughtless ones of the earth may drift into the North-West, notwithstanding the infamous arrangement which has been made for their consignment to practical serfdom. But the more prudent classes—those who could make the best of the land, and shew the world how good it really is, and thus ensure an everincreasing volume of immigration—these, I say, must certainly incline to shun it, for the present at least.

All this is, of course, very unfortunate, and very disheartening to those who, like the writer, take a really intelligent and friendly interest, alike in the development of Canada, and in the welfare of those who desire to leave Europe. That it would have been well with them if the railway outlets had remained in the hands of the responsible government of the country, there can, I think, be no manner of doubt. Now, *all* is in doubt and danger. For what inscrutable reason, the government destroyed the splendid prospect, I fear the world may never fully know. It seems quite incomprehensible that, with the evils of railway tyranny in the neighbouring republic constantly before their eyes, they should have deliberately prepared for Canada a more aggravated degree of such tyranny than any of the States have ever experienced. That the favoured men to whom our government have made over all our railway interest in the North West, throwing a monopoly of outlets into the bargain, will become billionaires (if allowed all their own way as they have been hitherto,) there can hardly be a doubt. They will be in a position to take all the cream off that vast country, leaving the settlers merely the ordinary bare living necessary to induce them to remain there at all.

In the name of intending immigrants, I respectfully, but most emphatically, protest against this villainous arrangement. It is as bad as "Landlordism" at its worst; and greatly worse than "Landlordism" generally is, in point of fact.

Landlordism, in fact, is really seldom a bad sort of thing at all. It involves no essential injustice. The tenant is a perfectly free man, and perfectly at liberty to emigrate to America, and take up land there, if he thinks it preferable to a leasehold in the old country. But, if he elects to prefer a tenancy in the old country, he has, of course, no more right to complain of injustice when called upon to fulfil the terms of his lease, than a mortgaging farmer in America would have to object to making payment of the annual interest due to his mortgagee. Failure to pay rent in England results in eviction; failure to pay mortgage interest results in a foreclosure sale; and I have yet to learn that the former involves more hardship than the latter. For my own part, I would say, commend me a hundred fold rather to the tender mercies of the average old country landlord than to those of the average new world mortgagee. But, really, neither the landlord nor the mortgagee is an essential drawback to agriculture, for, in arranging with them, the farmer knows what he is doing. He knows exactly how much his landlord, or his mortgagee can claim

from him, and he knows that everything he can make over and above that is *his own*. There is no uncertainty about these arrangements. Each party is perfectly independent, and the law protects their respective rights under the contract with perfect impartiality.

But the unfortunate agriculturist of the Western States, and most particularly of the Canadian North West, enjoys no such certainty. His produce is valueless unless the Railway Company will carry it to market for him. He is thus entirely at the mercy of the Railway Company; and, in the words of a leading railroad manager, the policy of the railroad monopolist is to *exact just as much as the trade of his customer will stand*, merely taking care not to kill the goose that lays the golden egg. I say without qualification that no tenant-at-will even in England, Scotland or Ireland, could possibly be so badly off as the Western American or Canadian farmer, so subjected to railroad bondage; for while the tenant-at-will can always dispose of his stock and move off, the other is tied to his place by ownership, and must therefore find it much more difficult to realize his property, or to remove to a less unfortunate neighbourhood. In a word Sir John McDonald's Government decreed a far more real, and a far more severe, form of vassalage, when they chartered the Canadian Pacific Railway Company, than did the Sovereign of England when he partitioned the land amongst his nobles. I make that statement fearlessly, as a hard and incontrovertible fact. But it is not the grants of lands or monies made to the Canadian Pacific Railway Company that I desire to indicate as involving so large a sacrifice, though, doubtless, with the knowledge which we now have of the country, these concessions also appear to be of a somewhat staggering character. But the fact to which I would desire most earnestly to crave special attention is that the *carrying monopoly* granted to the Railway Company is really of more value to that Company, and a greater burden to the country, than would have resulted from letting the Company have a *free gift* of the entire territory *without* that carrying monopoly. Let us calculate the matter. We have official and other authority for saying that 20 cents a bushel is the fair rate for carrying wheat from Manitoba to Montreal, and, as it can be grown to an ample profit at 50 cents, and is worth at Montreal, say, \$1.20, it follows that there is a 50 cents margin of profit for *somebody*, on every bushel exported. Who is to have it? Is it to be the producer, the Railway Company, or the Consumer? No doubt the producer can live without it, but still, I firmly maintain that *he* ought to have it, either to put in his pocket, or to enable him to undersell all other growers and thus enlarge his market. I maintain that the Railway Company has no right whatever to any part of that 50 cent margin. But still, with the powers and privileges conferred upon them by our too accommodating Government, there can be no doubt they, (the Railway Company,) are in a position to secure every cent of it; and, in every respect, it would pay them to do so. Now, just look what these 50 cents a bushel come to. Assuming the

average produce to be 30 bushels to the acre, 50 cents per bushel of a swindle would mean a tax on the farmers and on the country, of \$15 *per annum* on every acre's produce exported. So, therefore, if a farmer exports the produce of even half his land, this excessive and unnecessary Railway charge will amount to \$7.50 *per acre, per annum*, on his entire holding. Is it not clear from that calculation (and I defy any man to call its accuracy materially in question) that the power which the monopoly of Railway outlets gives the Company is worth far more than the freehold of the territory would have been? In fact \$7.50 *per acre* is more than any freeholder could sell the territory for, but the monopoly is absolutely fitted to enable the Railway Company to take that out of it *every year*, in so far as they may get it settled and put under cultivation. Talk about the liberality of the Railway Company in the matter of the disposing of its lands! I tell you it would pay that Company most splendidly to give the lands away for nothing, and pay the expenses of people from the very Antipodes to come to them, on the sole condition that they would put them under cultivation, and thus give this monopolist Company the outrageous profit from freightage which their infamous contract with the Government permits them to extort.

Dear reader, there is nobody in Canada who abominates the essential quackery, injustice and impoverisation involved in your National Policy, more than the writer does; but still, he would *rather endure the National Policy till doomsday than tolerate that Railway monopoly for ten minutes.*

III.

It is the very essence of Liberalism to have the wealth or the power of the community as *evenly spread as possible*. It is the very essence of Toryism to roll it as much as possible *into lumps*. These are really the most fundamentally distinguishing features of the two policies. As to which of these principles is the better suited to the development of the personal qualities of the people, and of the natural resources of a nation, every person who has studied History and Political Economy will agree, that, under some circumstances the one principle is preferable, and under some the other. I need not attempt, in this pamphlet, to discuss the respective merits of these principles, as I believe it may fairly be assumed that the public sentiment of this continent, generally, is in favor of giving the principle of *Equality* a fair trial at least. I think that such an inference is justified by the unreasoning sneers of new world wiseacres at the aristocratic foundation of the distribution of wealth in England, even if there were no more solid grounds for the inference, which however, I doubt not, there are.

Now, assuming that the spirit of the new world favors equality, rather than diversity, of riches, I fancy it must be admitted that the

neighboring Republic has miserably failed in the accomplishment of its objects, for it is very certain that the distribution of pecuniary power among the citizens of the United States is not a whit more evenly than it is in Aristocratic England. The Homestead Law has thus very practically failed of its most essential purpose. In fact, I feel safe to say that the tendency of wealth to roll into abnormal lumps, and to abolish real equality, is even already far greater in the States than in England. Vanderbilt is wealthier than either the Duke of Westminster or Rothschild, and his wealth has been rolled up at a rate that the old world millionaires never knew anything at all about. Canada seems bent upon following the same course, having given to the Canadian Pacific Railway Company powers, and privileges, and concessions, sufficient to enable its Directors to roll up rapidly such fortunes as may make even Vanderbilt seem to be a pauper.

Now, all this is clearly anomalous and undesirable. It is anomalous, because totally inconsistent with the sentiment of equality upon which the social system of the new world is founded; and it is undesirable because a time has now come when the principle of equality deserves to be rendered as fully operative as possible in new countries.

The accumulation of abnormal fortunes in the States was due no doubt, for a time, chiefly to negro slavery; but it will probably be admitted that it is now dependent to a very large extent on the establishment of monopolies. In fact, it may almost be said of that country, that the supreme power over the wealth of the people has been practically allowed to pass away from the responsible Government, into the hands of monopolous railway companies. This is, of course, a form of social omnipotence which was neither born nor thought of when the "Father of his country" was devising his system of Government and of territorial distribution, and is entirely inimical to those sentiments of Justice and equality which he and his followers regarded as the sacred right of the people. Is it not sheer mockery on the part of the Yankees to pretend to honor Washington or Lincoln, or even Republicanism, while they allow the fortunes, and even the liberties of the people to be so much at the mercy of unscrupulous monopolists?

Of course it must be admitted that a large proportion of the more intelligent and well meaning people of the States are now protesting against these monopolies—more especially those of the trunk lines of Railway. This ominous fact might have been expected to deter Canadian Governments from fostering the same abuses in Canada, but, instead of that, we find them proceeding in a state of almost diabolical infatuation, to destine Canada to even a greater miscarriage of the principle of equality, than the United States have ever experienced. The principle of equality has, in fact, been emasculated in the States through the development of circumstances which could not possibly have been foreseen by the great Founders of that Nation. But, in the great Nation now being founded in the Canadian North-West, the principle of equality is actually being burked in infancy—murdered in

cold blood—by a Government whose members must consequently be described as very *incompetent* men, if they would escape the charge of being very bad ones.

We should also bear in mind that the principle of equality is a specially desirable one in Canada,—even more so probably than in the States,—inasmuch as the climate of Canada (though particularly healthy) is not perfectly suited to idleness, and luxury, and the various vices in which abnormally wealthy people generally desire to indulge. It is, therefore, politically expedient to have the wealth of Canada as *well spread as possible among the people*, apart altogether from the greater justice of that style of distribution. If allowed to roll into lumps, in fact, much of it will roll away out of the country altogether, towards sunnier climes.

But the entire policy, both fiscal and railway, of the present Government is *not* towards keeping the wealth of the people well spread among them. Its whole tendency favors abnormal accumulations, and is therefore quite unsuited to Canada, as well as quite contrary to that spirit of equality, which was intended to have, and ought to have, a fair trial on this new continent. Under the present Government of Canada, the great principle of equality seems in fact to be doomed—a very unsatisfactory prospect truly. I say, kill the Government rather than let the Government kill that principle. It is our duty to do so—our duty to the world, as well as to ourselves—for, (let us never forget it) the sentiment of equality in the material circumstances of mankind, has now become at least strong enough to entitle it to a real home in the world *somewhere*; and it is far easier to find such a home for it, and for those who prefer it to the older system of class distinctions, in the unoccupied territories of the earth, than it is to alter the laws to suit that sentiment in those older countries whose social polity has become stiff and venerable on a basis of class distinctions. The laws of these older countries are, in fact, less capable of being rearranged to suit the growing sentiment of equality, than the lovers of that sentiment are of bearing transmission to an unoccupied sphere (like the Canadian North-West) where their pet sentiment ought very readily to find a virgin soil, far better suited to its healthiest possible nursing and development than it may ever hope to find in any older country.

Of course I do not at all intend to advocate communism, while pleading that the principle of equality should have a fair trial. I merely crave a rigorous adhesion to Liberalism in its purity—to a policy, in fact, whose whole *tendency* may be to leave a liberal proportion of the wealth of the country in the hands of the many, rather than an abnormally large proportion in the hands of a few, with only a bare living to the multitude.

IV.

To the Ontarian and the Maritime citizen there is, I think, a very special reason why the railway system of the North-West ought to have remained governmental, and ought, indeed, to be brought back to that if at all practicable. It is very certain that the farmers of the older provinces must suffer severely by the opening up of the North-West. They all know it. The aggregate loss to these Provinces must be hundreds of millions—a pretty sort of return for their subscriptions towards opening up the North-West for settlement! Clearly, these people ought to have had some substantial and special return out of the new Territory. Had the Government retained possession of the railroad interests, it is very certain they would have been in a position to do a great many things to compensate the older Provinces for the loss inflicted on them through their generosity to the new. Out of Town sites, and all the exceptional opportunities which the Government, as railway monopolist, would have possessed, enough could have been secured to fill up the Strait of Belle Isle and to canal the Isthmus of Chignecto. That these works would confer immense advantage upon the Maritime Provinces, there can hardly be a doubt; for, by keeping out the Arctic current and ice, and by possibly letting in a portion of the Gulf stream, the seeding season in New Brunswick, Nova Scotia, Prince Edward Island and Anticosti, would naturally be lengthened and moderated to an extent worth substantial millions of dollars to the inhabitants. Other canals and roads might no doubt also have been made, and perhaps also numerous educational and scientific institutions established in all these older Provinces out of the flush of prosperity in the new, thus compensating them for the favors bestowed by them towards producing that prosperity, and for the losses incurred by reason of it.

But the Government did not want to serve the older Provinces. They even refused Ontario what would have been a fair slice of compensation *to her*, viz: an acquisition of territory fitted to yield the Province an amount of revenue sufficient to reduce her taxation very substantially indeed. There could hardly have been a more satisfactory way of compensating Ontario for the depreciation of her people's properties through the development of the North-West. But the Government would not allow it. The only interest which the Government seems to care about is, in fact, that of the monopolists, the understanding doubtless being that the monopolists are in turn to serve the Government. By dint of this incredible maueuvre, these precious parties contrive to serve each other, and *the country is their common victim.*

It may not be immediately practicable for even a well disposed Government to undo the mischief which has been brought about

through the near sightedness (or worse) of the party now in power in this unfortunate country. But we may at least take a little comfort in the fact that a measure of prosperity probably awaits Canada, no matter what party may be in power. Canada, in fact, can stand a lot of bad governing,—but would, no doubt, be better without it. Displace those who are addicted to quackery and corruption—the perpetrators of the Pacific Railway Scandal of 1872—the Onderdonk scandal—and the overwhelming monopoly. *Any* change may very readily result in an improvement, though of course it may take a long time to bring about that full and unprecedented prosperity which we were well entitled to expect, and which we might assuredly have been reaping 'ere now, but for the subserviency of the existing Government to the wishes and interests of a crafty monopolist. Let that governmental subserviency cease. Let us have a government which may not possibly prove subservient to the monopolist, but which may be depended upon to deal with him strictly in the interests of the people, and in a manner adequately severe. Thereby let us hope that we may even yet find in Canada a place of settlement as favorable as her natural resources fit her to be, and as favorable as the emigrating millions of Europe may at all reasonably desire.

The issue is indeed a great one. The possession of all the Railroad gateways of the North-West Territory gives the Canadian Pacific Railway Co. the almost absolute command of everything within that territory, through giving them the command of its most vital interest, viz: its trade with the outer world. The present Government favours this excessive power to an irresponsible, and possibly a wicked monopolist,—thereby ensuring that the millions who are to come to that great territory, in search of the peace and plenty which nature has fitted her to bestow, shall find themselves the denizens of a veritable house of bondage. With my whole soul, I protest against the villianous arrangement. Both as a patriot, and as a person commissioned to look after the interests of intending immigrants, would I most earnestly pray that Canada may now cease to forget the millions who are yet to inhabit her vast fertile plains, and that she may now cease to employ Ministers who are evidently *determined* to forget these interests, in their desire to serve the interests of a would-be Despot.

No doubt the Government and the Railway Company—shameless conspirators—will endeavour to make out that the possibilities of the monopoly are not intolerable. Beware of being deceived. Butter is plentiful with these people. Never forget that the Government has granted the Railway Company such monopolous powers as may enable it to tax the holders of, possibly, *a hundred million acres*, to the extent of \$7.50 *per acre, per annum*. If that is a proper privilege to grant to anybody in this the XIXth century, then, I say, by all means, let the present Canadian Government remain in power, and grow in glory, for I am sure there is none other under the sun capable of duplicating the feat. But it is surely absurd to suppose for a moment that the

people of Canada can think of endorsing the existence of any such abuse? Or of renewing the suffrages of the ministers who perpetrated it, and who either blindly or criminally continue to defend it? The thing *cannot* continue. It is reactionary beyond the brink of barbarity. I for one will not be induced to believe that the really well-meaning people of Canada may so far forget what is due to themselves, and to their prospective fellow-subjects in the North West, as to neglect the present opportunity of taking the destinies of the country out of the hands of ministers who have so conspicuously favoured a gigantic monopoly—a monopoly, evidently capable of appropriating to itself the most of the riches of well nigh half a continent.

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