

## COMBINES AND PRICES.

**S**ELDOM has the Canadian public been given more conclusive evidence of the effect of a protective tariff in producing combines and monopolies, and enabling food monopolies in particular to reap large profits at the expense of consumers, than was afforded in the course of the debate on the budget in the House of Commons on April 23rd.

During the debate, Sir Wilfrid Laurier said:

"If the cost of living is high it is not because the producer is paid an abnormal price, but because of enormous profits that go into the pockets of combines and trusts . . . Trusts and combines are the bane of these later days. They are everywhere, but especially in protected countries where they seem to find a congenial habitat just as do microbes in dirt and darkness. In the United States they have combines in milk, in meat, in bread, in sugar and all kinds of commodities, and Canada is following suit at a pretty lively rate. We have combines in meat, in bread and in flour. Bacon is an article of daily consumption to be found on the table of every consumer and to-day bacon is sold to the consumer in England at 14½c per pound, while in Toronto, Montreal and all the Western cities of Canada it is sold for 19½c per pound, or 5c more than in England. That 5c does not go into the pockets of the farmer, but into the pockets of the combine. So it is with flour. To-day flour sells in Canada for something like \$5.50 per bbl. and in England the same flour sells for \$4.70. These differences in prices do not go into the pockets of the farmer, but into the pockets of the combine."

The Honourable George E. Foster in attempting to shield the food monopolists gave convincing confirmation of the facts as set forth by Sir Wilfrid. Mr. Foster was claiming that the Liverpool price on flour was not \$4.70 per bbl. as stated by Sir Wilfrid, but ranged from \$6.33 to \$6.81 per bbl. Being questioned as to the basis on which the estimate had been made, he was obliged to admit the price he had quoted was for 280 pounds of flour in sacks instead of a barrel of this weight. Reduced to the barrel basis, which was the one Sir Wilfrid's figures referred to, Mr. Foster had further to admit that the price of Canadian flour in England per barrel would not, on his own figuring, exceed \$4.80. This he did in the following words:

"I had the impression that the prices I have read were reduced to the barrel basis, but looking at it again I find that they are reduced to the 280 pounds basis so that you would have to take that proportion off from the \$6.33 to the \$6.81 to get at the price. That would bring it to \$4.80."

Selling their produce in England, Canadian packers, canners and millers find monopoly destroyed by the effects of competition. They sell Canadian produce at a lower price than in Canada notwithstanding that their produce has to be shipped across the ocean before it can be put on the British market. Even then they make a good profit otherwise they would not export in the quantities they do. The English consumer is saved from a monopoly price through the absence of a protective tariff which in no way helps the farmer, but only serves to create a monopoly for the middleman. From the Canadian consumer, the food monopolist by aid of the tariff exacts a monopoly price which he does not share with the farmer but keeps for himself.

## THE TRADE IN POTATOES.

**U**NDER the terms of the Wilson-Underwood tariff, potatoes are admitted to the United States free of duty from any country which has no duty on American potatoes. At the present time, American potatoes are subject to a customs tax of 20c. per bushel so the Canadian product is denied free access to the American market. In order to change this condition and obtain advantages both for the Canadian producer and the Canadian consumer a resolution was offered in the Commons on April 28th by Mr. W. S. Loggie, the Liberal member for Northumberland, N.B., providing for the abolition of the Canadian duty as soon as the United States raises the present embargo maintained against Canadian potatoes on the score that in some cases they are diseased.

Some striking facts were brought out in support of the resolution. It was shown, for instance, that last autumn immediately on the reduction of the American duty on potatoes from 25 cents per bushel to 10 per cent, there was a great increase in the export of Canadian potatoes across the line. From New Brunswick

alone in October, November and December, 1913, there were shipped to the United States 650,753 bushels of potatoes valued at \$270,080. The New Brunswick farmers profited through the sales but their profits were decreased by \$27,080, the amount collected in duty by the United States. Had the Canadian duty been non-existent, then, under the

Wilson-Underwood tariff, there would have been no American duty on potatoes and the New Brunswick farmers, not the United States treasury, would have had the \$27,080, or most of it.

So far as the Canadian consumer is concerned, it was pointed out that at certain seasons—before Canadian potatoes are ready for the table—potatoes are imported from the United States. For example, during a period of four months in 1912-13—chiefly in June, July and August—Canada imported United States potatoes to the value of \$356,702. On these imports the Canadian Government collected a duty totalling \$83,167 and the cost of the potatoes to the Canadian consumer was increased by this large amount. It was increased even more because, under tariff protection, the merchant collects his percentage of profit not only upon the cost of the article but upon the duty imposed as well.

Under the Liberal proposal the Canadian potato growers would have a wider market for their product and would gain their full profit, not merely the profit less the amount of a duty collected by a foreign government, and the Canadian consumer when they buy United States potatoes at certain seasons would not have their price increased by a needless duty and a percentage of profit, on that duty. Despite these facts, the Borden majority wedded to trade restriction rejected Mr. Loggie's motion by a vote of 60 to 33.

**THE TARIFF EXISTS  
FOR THE PEOPLE;  
NOT THE PEOPLE  
FOR THE TARIFF.**

SIR WILFRID LAURIER.