

## II.

### The Position of the Producer.

Aside from its glaring inconsistencies, what is the real purpose of this pamphlet? Its aim, clearly, is to make it appear to Canadian producers that they have done better by the reductions of duty under the Wilson-Underwood Tariff than they would have done under the Reciprocity agreement, and it seeks to create this impression by conveying through its three tables the idea that more Canadian articles are to be free of duty upon entry into the United States under the Wilson Tariff than would have been the case under Reciprocity. But is the inference which it seeks to convey true?

As respects the articles in Table 1 the producer's position so far as entrance into the American market is concerned is the same as it would have been. Here are the articles as set forth:

**Cattle, swine, sheep and lambs, rye, buckwheat, corn, fresh milk, fresh cream, eggs, grass seeds, oysters, lobsters, shrimps and other shell fish, salt, asbestos, crude, barbed wire, extract of hemlock bark, cream separators, typesetting machines, coke, timber, hewn, squared or sided, sawed boards, planks, deals and other lumber, pickets and palings, wooden staves, fish.**

If it is an advantage to the Canadian producer, that all these articles should go free of duty into the United States, may it not, in all fairness be asked, what about the other articles that were to have been free under Reciprocity and of which no mention is made in this list? What, first of all, about wheat, which is the staple product of the Canadian West and which was to have free entry under Reciprocity? What about, barley, oats and other varieties of grain not mentioned? What about hay? and straw? What about horses? what about potatoes, turnips, onions, cabbage and all other vegetables in their natural state? What about apples, pears, peaches, grapes, berries of all classes, and all other edible fruits in their natural state? What about poultry butter, cheese and honey? These are all staple products of which Canada has a surplus for export. We are searching the world over for markets for these products today. Here is a great market of ninety millions of people right at our doors along a frontier boundary of nearly 4,000 miles. Under Reciprocity, Canada would have had, not merely free entry but an exclusive entry, in other words, a preference over all other countries in the markets of the United States for all these products. To approvingly quote some articles, and to omit all reference to other products is equivalent to admitting that, as respects the latter the Wilson Tariff has not been as beneficial to producers as was the opportunity secured under the Reciprocity agreement—which, of course, is true.

But this Conservative pamphlet, under this same heading goes on to say:

**"Wheat will be free if Canada removes duty on wheat, wheat flour and other wheat products; otherwise duty will be 10 per cent instead of 25 cents per bushel."**

**"Potatoes will be free if Canada removes duty; otherwise 10 per cent instead of 25 cents per bushel."**

What is the implication here? That as respects wheat, flour and potatoes, Canada had better remove her duties. But that is straight Reciprocity, nothing more, nothing less, with every objection to it that could possibly have been urged against the Agreement of 1911. The only difference is that whereas condi-

tions of reciprocal trade as they would have existed under the Agreement of 1911 were the result of joint conference and joint agreement, the conditions imposed under present circumstances are at the sole dictation of the United States.

The second table contains hardly a single article of which Canada has any surplus for export. It, therefore, stands for little or nothing, so far as indicating any real advantage gained by the change in the American tariff. But that the free entry into the United States of articles, *in addition to those contained in the Reciprocity Agreement*, no matter what they are, should be set forth as a gain to Canada in a pamphlet of a party, which fought Reciprocity on the ground that it was making Canada the back yard of the United States is amazing beyond words!

The third table is even more surprising. It quotes approvingly a list of articles now free of duty which it alleges were "taxed by the Reciprocity Agreement." These, like the articles in table 2, are not of a kind that Canada has a surplus for export, so they really indicate little or no gain. But apart from this, under the Reciprocity Agreement, no new taxation was imposed either by Canada or the United States. Every change that was made, was in the nature of the complete abolition, or a reduction of taxation.

## III.

### The Position of the Consumer.

As to the consumer's position this pamphlet is ominously silent. The reason is only too apparent. In the practical working out of the new conditions of trade between Canada and the United States, the Canadian consumer is going to be hit harder than ever, his food taxes especially will be increased. Under the Reciprocity agreement, there was the removal of a certain amount of taxation by both the United States and Canada, for the *mutual benefit* of consumers in the two countries. Now the American consumer alone benefits, and he does so *at the expense* of the Canadian consumer. Not only does the Canadian consumer not get the benefit of going into the American market and thereby securing in his purchases such advantages as a reduction in the duties on these articles coming from the United States into Canada under Reciprocity would have afforded, but he is now obliged to look on while the ninety million consumers in the United States are free to purchase at will any of these and many other articles in the Canadian market in competition with himself. In one thing, and one alone is the Tory party consistent in its attitude towards the trade question in 1911 and at the present time. It was prepared in 1911 to ignore the benefits which Reciprocity would have brought the Consumer in the remission of taxation on the food which the people eat, the implements they have to use, and other articles they need to buy. It is prepared to ignore the consumer still. Indeed, it would seem from this pamphlet a source of satisfaction to the conservative party, that the food monopolists and other special interests in Canada have had their position of privilege enhanced, by the break in the tariff wall of the United States which allows American consumers all the benefits of the Canadian market, whilst Canadian consumers are excluded from every advantage in theirs.