

TARIFF ENQUIRY—WHAT IT BODES.

THE Ministers of the Crown are now on their hunt for tariff information. They have visited Hamilton, Toronto and various other places, and heard evidence mostly in public. Some surprise has been expressed that the deputations, which waited on the Ministers, all represented, in some way or other, a manufacturing industry. This is not so very strange. The duties now in force are admittedly for the express purpose of fostering home industries, and where capital is invested the greatest anxiety is naturally felt to know what changes the Government contemplates.

There are two theories at present floating about as to what the Ministers will do. One is that the revision will be radical. "I think," said a Liberal to THE REVIEW, "that the Government is bound to carry out the promises made in public speeches prior to the election, and frame a revenue tariff. You hear people talk about present expenditures being too heavy to allow of much reduction. But they forget our party are pledged to cut down that expenditure. Look at Mr. Mulock, who has begun to economise in his Department without impairing the efficiency of the mail services. That is what we look for all round. For years we have been talking revenue tariff. Are we simply to put on the Tory clothes, and abjure the principles contended

for in past years? That would be most disappointing to many of us. We look for a reduction of the annual expenditures sufficient to allow for a cut in tariff rates." This gentleman, it is fair to say, is a lawyer, not a business man, and THE REVIEW cannot find, on enquiry, that his opinions are those of any considerable section of the commercial community.

By far the most general opinion is that the revision will be moderate. The Ministers, we are told, have taken counsel in private, as well as in public. In all cases they have refrained from giving any hint of their ultimate intentions. Their bearing has, however, reassured those who feared that the Government approached the enquiry in a mood antagonistic to the industries of the country. Said one manufacturer to THE REVIEW: "I found the Ministers courteous, and anxious to hear rather than to talk. Sir Richard Cartwright, whom I had not previously met personally (though I had heard of him), was as satisfactory to deal with as the others. Of course, I cannot tell what they will do; but surely, with the facts before them, they can hardly smash the tariff in a reckless way. You know I am a protectionist, but there are certain changes which even a protectionist could suggest in our present system. If the Ministers can solve the difficult problem of raw material and apportion fairly the amount of protection to be

given to one man whose finished product is the raw material of another, they will have achieved a great task."

The importers, as a body, are not clamoring for much of a cut in tariff rates. They are naturally demanding reductions in their own interests, but not to a very marked degree. Perhaps the most extreme on this point are Mr. Chouinard, of Quebec, whose views have appeared in a long communication to THE TORONTO GLOBE, and Mr. Caldecott, of Toronto, who has long been known as an ardent free-trader. Mr. Caldecott gives his opinions to THE DRY GOODS REVIEW as follows:

"I am speaking now purely from the business standpoint and not on the question of whether protection, revenue tariff, or free trade is most beneficial to Canada. I have read Mr. Chouinard's views on tariff changes and approve his division of the various classes of dry goods imports into: cottons, woolens, jutes and linens, silks, notions and haberdashery, carpets, knitted goods, hats and caps, clothing. This is a natural classification for purposes of duty, and if it were carefully carried out it would do much to ameliorate the collection of duties in small ports of entry, as being clear and understandable.

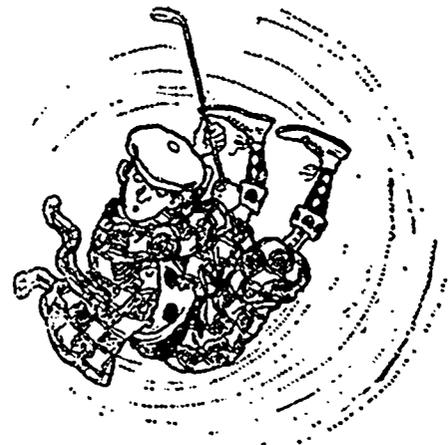
"I agree that the duty on grey cottons should be 20 per cent. at the outside; if made 15 per cent. there would be a possibility of some grades of goods coming in, thus yielding revenue. A reduction on white cottons from 25 to 20 per cent. I also think reasonable, but the latter should be the maximum rate, and undoubtedly, if it were made 15 per cent., a number of goods now excluded could come in. A duty of 25 per cent. on dyed, printed and colored cottons should be the maximum rate. The fact that sales of Canadian cotton are made in China, and that mills are run for that trade, where they have to compete against the world, shows that a 15 per cent rate would be ample even for protective purposes.

That cut on flannel-cities, to which THE DRY GOODS REVIEW has referred, was an unfortunate move for the Canadian merchant, and resulted, not only in selling these at about cost price, but also in reducing the relative value of similar goods and turning trade into unprofitable channels, the motive, apparently, being to prevent another mill from doing business in these goods. It was universally condemned by the whole trade, from Halifax to Vancouver.

"As to woolens, I agree with the view that the specific duty should be abandoned and a maximum rate of 25 per cent. levied. A higher duty might prevent revenue. A 25 per cent. rate would prevent blankets and all coarse grades coming in, and if at present some manufacturers find business unprofitable, internal com-



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* These illustrations have no bearing on the article in which they are embodied; nor does it mean that the Ministers won't hit the mark.