AGRICULTURAL IMPLEMENT INDUSTRY edge of the trend of prices of imple-VINDICATES CANADA'S "NATIONAL POLICY"

President of Massey-Harris Company, Limited, Tells Tariff Commission What It Means to This Country—Canadian Implements Invariably Bring Higher Prices Abroad Than at Home-Average Difference in Prices in Can-

The first impleme it companies began operation between 1840 and 1850, and a few of them have been in con-tinuous operation since that date. It would be hard to conceive of any more natural line of manufacture for Canada than that of agricultural machin-The development of agriculture and the making of agricultural imple ments have been very closely interthe design and manufacture of mahines which has taken place during this period, agriculture on its presen sible, and only the mechanical progress of the past forty years has made possible agriculture as it is now carried on in western Canada, Canadians, in proportion to their numbers, have had a very large share, indeed, in design ing and perfecting farm machinery, as

your patent records will show.

In 1883 a tariff of 35 per cent, was placed upon farm implements, and, considering the then limited agricultural area of Canada, an extraordinary number of companies entered into the manufacture of implements. For example, between the years 1886 and 1890, there were 19 different companies This was a case where a high vantage of the consumer. The presence of so many companies caused a competition so bitter that most of prices-thru the competition-being

premises, due to a political and newspaper campaign over the past fifteen years or more, which has systematively misrepresented the position of the agricultural implement makers of this country. So persistent have been the false statements made that they have long ago been accepted by a large number of people as facts. We have not endeavored in the past, to any large extent, to meet the allegation. any large extent, to meet the allega-tions sown broadcast, because, in the on in the United States just as first place, they seem too grotesque to strongly as it is still carried on here. agencies spreading them were too the past ten or fifteen years has been numerous for us to hope to offset the that machines were sold in Australia. effect of their propaganda. It is evi- much cheaper than in Western Can-

backs have been described as bonuses to Canadian implement firms

Just one other proof—a statement the free is not equal to the average of the free in the freight rate. to Canadian implement firms.

I wish to say that many politicians and many journals who have circuHome 40 per cent.. foreign 60 per able evidence placed in their hands as to the inaccuracy of their statements, but, I am sorry to say, they ments, but, I am sorry to say, they their point rather than let the truth be known. In this way they take the We submit that no stronger proof position of a senator in the United could be given to support our statement that prices abroad were greaters that a large implement firm in the United States sold its machines at prices in Russia so far below the ment treated implements as munitions of war and furnished transport from Canada to England. For this they demanded the right to control the senator, saw him after the meeting and told him he was sorry to hear him make a statement so far from the first and gave him the facts of the matter. The senator simply said:

The senator simple senator simply said:

The senator simple senator senator simple senator se

Foreign.......68.3 per cent. Investments..... 3.6 per cent.

er than at home.

Government Figures Tell.

For years the implement makers of the United States were confronted with the charge that they sold more cheaply in foreign countries than at home. They finally appealed to their government to instruct their consular agents in various. government to instruct their consular agents in various countries to report officially on the retail prices centres, the customer paying local in their different countries of farm

implements of United States manu-facture, and Mr. Cyrus H. McCor-son must be based on retail prices. mick, president of the International Harvester Company of America, is sued a pamphlet on Dec. 29, 1911, summarizing the result of the government investigation and report. He says: prices, whereas our western province had iss The results of our government's prices should be compared with points investigation of foreign prices were published in the Daily Consular and Montana, Idaho, Washington, Califor-

Trade Reports. French prices in the issue of Feb. 22, 1909 (No. 3413); issue of Feb. 22, 1909 (No. 3413);
prices in Germany, Denmark, Sweden, Hungary, Russia and Siberia.

March 31, 1908 (No. 3420), and those in Creat Parts (No. 3420) and those in Creat Parts (No. 3420). in Great Britain, April 8, 1909 (No. toms official into Minnesota, Dakota 3450'. These reports show that while the American farmer was buying the six-foot self-binder for about \$125, the same machine was said in Creat Principles. The same machine was said in Creat Principles. same machine was sold in Great Bri- is recorded in Hansard of April 30,

tain at \$135.16; in France for \$173.70; 1914 (No. 70, p. 3257). in Germany for \$203; in Denmark for \$167.50; in Sweden for \$160.80; in cured by having sent an official of the \$167.50; in Sweden for \$160.80; in south Russia for \$168.95; in north Russia for \$180.25, and in West Siberia for \$187.98. So also as to reapers, mowers and rakes. Furthermore, the wholesale price charged and received by the American manufacturer is greater in the exported machines."

We have no doubt your commission that the control of the company at two different periods over this ground to secure at first hand retail prices. Our figures are somewhat more favorable than those secured by the customs official who naturally, on such a mission, was inclined to quote rather the lowest than the average prices. However, we are quite content to rest our case upon the official figures given in his report and set out the company at two different periods over this ground to secure at first hand retail prices. Our figures are somewhat more favorable than those secured by the customs official who naturally, on such a mission, was inclined to quote rather the lowest than the average prices. However, we are quite content to rest our case upon the official figures given in his report and set out the company at two different periods over this ground to secure at first hand retail prices. Our figures are somewhat more favorable than those secured by the customs official who naturally, on such a mission, was inclined to quote rather the lowest than the average prices. However, we are quite content to rest our case upon the official of the company at two different periods over this ground to secure at first hand retail prices.

esponding points close the Cana-

Freight Differences Greater.

deflect of their propaganda. It is evident, however, that a very large number of people accept anything that is been dead as having at least some basis of fact.

The most plausible of the charges who have been freely made are as follows:

A Western Australia paper some which have been freely made are as follows:

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The most plausible of the charges are advantage over the difference in equipment is taken into consideration, the farmers near these Canadian towns have been freely made are as advantage over the farmers have an advantage over the farmers by of the disadvantage their farmers were under thru the much higher prices they were forced to pay. At that time I checked up the figures given and found they were correct in both countries, this paper seeming to the countries, this paper seeming to the control of the kind of with Virden, Reston, Napinka and Melita, when the difference in equipment is taken into consideration ir. fixing and illustration of the kind of with Virden, Reston, Napinka and Melita, when the difference in equipment is taken into consideration ir. fixing and illustration of the kind of with Virden, Reston, Napinka and Melita, when the difference in equipment is taken into consideration ir. fixing was \$170. Spare parts during its average lifetime cost \$64.70. This gives a millustration of the kind of with Virden, Reston, Napinka and Melita, when the difference in equipment is taken into consideration ir. fixing was \$170. Spare of vertal prices.

As an illustration of the kind of the draw-back question, we file as an exhibit in the vicinity of Minot and Lansford with Virden, Reston, Napinka and Illustration of the ki rices of implements in the United tates and in Canada.

Third—Foreign and domestic draw—

Third—Foreign and domestic draw—

Just one other proof—a statement to given and found they were correct in both countries, this paper seeming to them. Certainly the average difference is not equal to the average difference in the countries of them.

The price at Williston, North Da- will show: Before dealing with these questions wish to say that many politicians and many journals who have circulated these stories have had indisput.

The price at Williston, North Dakota, compared with Reginal Weyburn or any other place within the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late to verify to your commission by our books, if you desire. In the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late to verify to your commission by our books, if you desire. In the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late to verify to your commission by our books, if you desire. In the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late the per allulut. In 1515 the duty was yet in the per cent and verify to your commission by our books, if you desire. In the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late the per cent and verify to your commission by our books, if you desire. In the last year before the war, in volume our business was: Home 40 per cent. foreign 60 per late the per cent and verify to your commission by our books, if you desire. In the per cent within the per cent and the per cent within the

Havre and Billings, Montana, was \$22 creased to 35 per cent.

greater than the price of an 8-foot In 1894 reapers, binders, mowers greater than the price of an 8-foot binder at Maple Creek, directly north, \$29 greater, taking into account the extra equipment on the Canadian side. Per cent. Montana tions of war and furnished transport

ada and United States Not Equal to Average Difference in Freight Rates—Free Tr ade Possible if All Supplies and Machinery Come in Free.

Supplies and Machinery Come in Free.

Before the tariff commission sitting at Winnipeg on Tuesday, Sepf. 14 last, Thomas Pindley, president and general manager of the Massey-Harris Commission speech in presenting the case of Canadian manual presenting the case of Canadian manual presents in gentlement. While I am appearing the case of Canadian manual common price lists for 1315, and restal prices and manual common price lists of 1315, and restal prices and complete with Canada and and compete with United States and and compete with United States of Canadian manual Common process. The common price lists of 1315, and restal prices which are uniform for the steel prices. The common price lists of 1315, and restal prices which are uniform for the companies of companies and united states and and compete with United States and and purchased a large tract of last of the prices. When the steed only in the restall prices with the case of machines. In Canada we sell with the state of the states of the companies of companies and the difference between the case of the state of the states of the states of the state of the states of the state

portation of complete machines, this meant a reduction in duty on the bind- facture they were selling for considera drawback of duty on a portion of the are trying to drive implement makers materials, namely, rolled iron, rolled steel and pig iron used in the manu- country where there are no local manufor binders for home consumption.

that time we were selling more than as follows: and we decided to give the whole adelementary list (exhibit "F") reducing inders in the different sizes from \$2 to \$5. binder price ever since, and the westthe domestic drawback. The following is a quotation from the price list reterially, the not to the full extent vantage of this refund, and are applying the equivalent of the amount in

substantially reduced, extended the re-Summed up, the analysis will show bate system to apply to 30 per cent. of the price of an 8-foot binder at Fargo, the duty on an additional line of imthe price of an 8-100t binder at Fargo, taking account of the different equipment, was \$9.50 less than at Winnipeg, but the difference in freight alone accounts for half the difference in complete machine. Again, we recognized this second was a supposing (which is not the case) that full advantage were taken of the complete machine. Again, we recognized this second was a supposing (which is not the case) that full advantage were taken of the duty in fixing prices. price, and if prices had been given in nized this effort to reduce the cost, Minnesota near the Canadian border the difference would have been contained the difference would have been contained to the reduction in freight. Unfortube accepted by any large number of One of the commonest statements in ley City and Morden, taking the extra nately, the general trend of costs made equipment into account, the difference apwas \$7, and the same difference applies as between Devil's Lake and in cost was a consideration in fixing our prices.

The fixed our prices, but the reduction in 1915 the initial cost of a binder was \$170. Spare parts during its aver-

The price of an 8-foot binder at In 1883 the duty was further in- ag

From these figures it will be seen that the Saskatchewan farmer buys formerly been subject to 20 per cent. his binder cheaper than the farmer south of him in North Dakota or in grinders, pulpers, ensillage cutters and hay tedders were reduced to 25 per

nts in many countries we have no itation in saying that local competition is a much more important factor in establishing low prices than the customs tariff. Many countries with no duty whatever on agricultural implements prior to the war paid the highest prices for their implements. now so high that altho comparisons at present are greatly in our favor they are hardly fair.

Comparisons Between Canadian and United States Prices.

The relative costs of implements to the grain growers in United States and Canada have been grossly misterepresented. The grain grower is interested only in the retail price.

The relative costs of implements to the effective drawback to less than 90 per cent. Moreover, we do not get any drawback upon duty paid on materials for the plant or on machine growers in United States and Canada have been grossly misterepresented. The grain grower is interested only in the retail price.

The relative costs of implements in the world. There is a striking example of this fact in Canada in a relative price of a cream separator, which since 1897 has been on the free list, and the mower, which has always been protected. To a large extent the farmers of Canada have imported their separators, whereas their mowers have been almost entirely made

Gentiemen: While I am appearing before you today merely as a representative of the Massey-Harris Company and not of the agricultural implement industry as a whole, it would seem appropriate to refer, in opening, to the history of the industry in Canada.

The first implement to companies began operation between 1840 and 1850.

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The first implement to companies began operation of the difference in freight rate from one zone to an abounty, but simply a refund of part of the duty on the materials in order to companies at the customer's nearest state in freight rate from one zone to an abounty, but simply a refund of part of the duty on the materials in order to competitive basis abroad with the United States by far the customer's nearest state of the duty on the materials in order to companie to the duty on the materials in order to companie The domestic drawback is different, and it was first introduced by the Hon.

Mr. Fielding in 1907, when he reduced the duty on binders and mowers from would today, as they did before local plow would today, as they did before local plow would today, as they did before local plow would today. 20 per cent. to 171/2 per cent. On the manufacturers came into the business, Hay loader valuations then existing for the im- sell for double the price of a mower -in fact, when we began their manu-

the Canadian manufacturer, arranged It is curious that while our farmers facture of mowing machines, reapers, facturers are anxious to have them. harvesters, binders, and attachments Australia has just revised its tariff on was announced a short time after we years there was no duty on binders, had issued our price lists for that year. mowers, pakes, and harrows. A spe-Recognizing that it would result in de-creasing the cost of the binder, we decided to give the whole advantage of the drawback to our customers. At amount in dollars on each implement,

Binders nitted to be largely prohibitory for the encouragement of local manufacure. At the present time there are no makers in Australia of either mowers or binders, and it will be years pefore Australia can do without the mportation of these machines; yet they apparently value local manufac ture highly enough to pay these duties, which are far greater than any which

ave ever been applied to implements

comparatively few of the original comparative survived, but the industry the survived but the industry is \$\text{N}\$ in very important one, having at the present time a capital investment of \$32,255,000 and employing, in all branches, \$2,000 persons. (A list of time is attached as exhibit "A"). If time is attached as exhibit "A" if time is attached as exhibit "A" if time is attached as exhibit "A" if time is attached as exhibit "A". If time is attached as exhibit "A" if time is attached as exhibit and time is a time in time the reduction of binders for time the reduction of binders for time is sue of them is time to originate the present and the list in the above provinces. These efficient contains the provinces of the interior of under the protective system than it does in the United States, but our more direct and cheaper method of distribution, we maintain, has minimized the extra cost to the consumer making money. The same capital, very considerably, while at the same time we hold that there is no more efficient method of distribution anywhere in the world, or one that gives better or fuller service to the farmer. The cost of the tariff to the grain grower has been exaggerated to such an extent as to be regarded as a heavy burden upon agriculture, unnecessarily retarding progress. It is easy to show how absurd statements of this character are, particularly when they go to the length of saying, as they The present finance minister, Sr. Henry Drayton, in the last revision of the tariff where the tariff on practically all classes of implements was substantially reduced, extended the relation of the duty on binders to an

> By means of an investigation made thru five of our western branch houses. in western Canada to be 814 years, and the average number of acres cut yearin 1915 the initial cost of a binder

No other line of manufacture has been so frequently subject to revi
The duty on a binder in 1915 was sion of customs duties as agricultural implements, as the following gacts will show:

The duty on a binder in 1915 was \$17.50, which equals 11-10 cents per acre per annum. In 1919 the duty was

higher than at Canadian points, or the amount of the full value of the extra equipment.

otherwise imported.

In 1879 duty was increased to 25 would, of course, handle a larger acre-

age).		
Machine.	â	Duty
Gang plow		\$ 11.1
Spike-tooth harrow		
Scuffler		1.8
Disc harrow		
Spring-tooth cultivator		
Disc drill		16.9
Corn cultivator		13.0
Corn binder		25.0
Manure spreader		27.0
Mower		9.6
Horse rake		
Binder		25.0
Wagon		20.6
A 14 14 14 14 14 14 14 14 14 14 14 14 14		

him make a statement so far from the truth and gave him the facts of the matter. The senator simply said: "That's all right, old man. You know the implement business and how to make the most out of it. I know the political game. I told the farmers of Ontario for \$212; to the Manitoba farmer for \$220.50. The British controlled price, as me implement sold to the farmers truth."

Prices at Home and Abroad.

My company has exported manitoba farmer of \$81. and to the farmer of \$82. The British government. was as follows:

Our company are in receipt of certain drawbacks of duty in regard to goods for both export and home trade, and we are constantly attacked by a section of the press, on the ground that we are receiving bounty or that we are receiving free raw materials. Both statements are wrong, but are calculated to arouse prejudice and are used for that purpose.

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The French government also contained price, fixed by the British government, was a follows:

Our company are in receipt of certain drawbacks of duty in regard to goods for both export and home trade, and we are constantly attacked by a section of the press, on the ground that we are receiving free raw materials. Both statements are wrong, but are calculated to arouse prejudice and are used for that purpose.

The French government also contained price, for for the war, this controlled price, for farmer in receipt of certain day to the farmers have of the purpose.

Five-foot binder with transport truck, \$301.73. During that year the goods for both export and home trade, and we are constantly attacked by a section of the press, drills and manure spreaders to 17½ per cent. [In the open cent. In addition to the far My company has exported matchines to practically every graingrowing country in the world for well
over thirty years, and we have never
during that time sold machines in
foreign countries at as low prices as
at home.

Australia provides a fair
companies of farm implement prices because
in that country—and in that country—an

THE STERLING BANK OF CANADA

SAVE, Because---

Manure spreader ... 12 yrs.

about 50c, and Mr. Fielding, to help Australia Encourages Manufacturers. questionnaire sent to two hundred Iowa own estimate of the value of the care gesting that if the journals who have been so busy on the tariff question in the alleged interests of the grain growers, had applied the same energy to education in the care of their implements and their proper housing, they would have been doing their readers an immensely greater service than in agitating against a duty, which only amounts, at the outside, in a cost to the farmer of one cent a bushel for The Charge of Special Privilege

There is probably no more effective or more commonly used argument against the tariff than that of special privilege, or, in other words, the charge that the tariff is class legislation, designed to make a few manufacturers

Is it not self-evident that there is no monetary privilege enjoyed by manufacturers generally under the tariff, as our manufacturers as a class make no more money than the manufacturers of the control make no more money than the manu-facturers of the United States, altho We readily admit that it costs more equal the United States manufactur-noney to build implements in Canada ers in ability, courage and initiative? very considerably, while at the same backed by the same men who have even today, placing no other con-sideration in the scales but that of money-making, we should be quite prepared to have the tariff taken off our implements if at the same time were taken off everything that enters into the cost of producing them. In fact, considering how large our foreign trade is, in proportion to the whole, we honestly believe we could make more money under such a free trade conditions than we are making at the present time.

the present time.
Implements Might Be Free if Makers'
Supplies Were All Free.
On August 14th, 1917, following a
very full discussion of the whole tariff situation and its effects upon our company, the following resolution was unanimously passed by our directors and placed upon the minutes of the board.

"A further discussion on the tariff situation followed, and the president submitted figures illustrating the effect on the tariff on our business, and, while the consensus of opinion was that, given free materials, machinery and all other articles entering into the manufacture goods and the operation of our plants, we would be as well off with free agricultural implements, it was not thought deto make a statement of any kind at present with regard to the position on account of the unsettled political situation and the feeling that the effect of practically free trade on other Canadian manufacturing indusries might be different from its

effect on ourselves." city to our views were several. First, we had no desire to see the present situation changed. The consideration of the matter was brought about by a desire to know what effect the free trade policy of the grain growers would have upon our business. The investigation satisfied us that, owing to our peculiar position in having a business about half domestic and half foreign we could make as much half foreign, we could make as much money under the grain growers' proposal as at present. We were smart made upon us as a company in con made upon us as a company in con-nection with the tariff, and we seri-ously considered wheher we ought to declare our position. But, because we knew it would work a hardship upon the great bulk of the other 100 implement companies in the Domin-on-most of whom had no foreign rade—and a hardship also upon other manufacturers supplying us

of Canada that the tariff on implements should not be lowered further. Duties range at present from 12½ per cent. to 20 per cent. Under present circumstances they are not equal to a revenue tariff and are considerably below the duties designed to give protection to industry.

ed to give protection to inc generally.

We urge the necessity of more stability in the customs tariff on implements than we have had in the past, for the following reasons: Some years ago a number of very fine branch factories of United States implement companies were established in Canada. If the tariff on implementation been more stable we should have to teen years hence have yet to be and the tariff policy on implement will determine whether such to will be built in Canada or Middle Western States.

Free Trade Means Losing Industry
to U.S.

I am not suggesting that free tack would immediately drive our companiout of Canada, but it must be perfectly clear to any thinking persthat under free trade the requirements of Western Canada in implements would ultimately be supply ments would ultimately be supply by factories in the Middle West community. The protective tariff was first instituted under the term "national policy" and when it ceases to be to the advantage of the people at large, the charge of "special privileges" will have some force.

Is it not self-evident that there is no monetary privilege enjoyed by manufacturers general the general most vigorously, on behalf of one employes, against a policy which few years hence may impose upon them the mecessity either of giving upon the migrate with the industry to the United States, and we submit that there is no monetary privilege enjoyed by

lation, been discriminated against nearly every tariff revision, and it time, in the interest of the indus that the customs tariff on implementations should be allowed a period free f

of the republic, such as Dakotas. Montana, Washington, Oregon, Idaho

this country, to pursue is to produce not only the fruit of the soil, but also the manufactured goods which it needs itself? The wisdom of such a is surely more apparent than ever during these days when we have to cope with a serious situation in exan adverse balance of trade. Yours truly THOS. FINDLEY,

President and General Manager Massey-Harris Co., Ltd.

ARENA DANCING SUCCESS. From every standpoint the inaug Gardens on Saturday was a prowas large and everyone was delight ed with the musical offerings Stone's famous orchestra, which will play nightly during the season. member of the band proved himself a finished artist. In addition to the Detroit orchestra special attr will be introduced nightly this week from the local theatres. The trans formed Arena is well worth a vist.
There is accommodation for several thousand spectators.

VISIT WHITE STAR DOMINION LINE

MONTREAL—QUEBEC—LIVERPOOL gantic Sept. 18 Oct. 16 Nov. nada Sept. 25 Oct. 30 ominion Sept. 4 Oct. 23 MONTREAL—AVONMOUTH

AMERICAN LINE Y.—CHE BOURG—SOUTHAMPTO Paul Sept. 25 Oct. 23 Nov. delphia Oct. 20 Nov. York Oct. 18 Nov. 13 Dec.

RED STAR LINE N. Y.—SOUTHAMPTON—ANTWER WHITE STAR LINE Y -CHERBOULG OLYMPIC OCT.9 | NOV. 6 | NOV. NEW YORK-LIVERPOOL Oct. 2 Nov. 6 Dec. 1
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Oct. 9 Nov. 20 Dec. 1
(*Formerly Cleveland.) NEW YORK-AZORES-GIBRALTAR NAPLES-GENOA.

the city, to despatch Press, Limi to scenes re there when vants arri country.

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