The Commercial

WINNIPEG, MAY 18, 1891.

THE SUGAR QUESTION.

The position of sugar in Canada at the present time is an interesting matter for thought. It presents some phases which will be interesting to ardent politicians of either party stripe, while to the independent free trader there is something amusingly interesting in the situation. THE COMMERCIAL has made the assertion that protection could not long hold out in Canada in the face of the adoption of a more liberal trade policy in the United States. The sugar situation proves this. The placing of raw sugar on the free list, by the United States, has already created a serious menace to protection in Canada. The price of sugar in the republic has been reduced to away below current values in Canada, where there is a duty on the raw product, as well as on the refined. The opponents of the party in power have not been slow to make use of the sugar question against the government. Sugar is a staple in every household, and the fact that several pounds more of the article can be obtained in the States than in Canada for $1, is a matter which will weigh more with the average individual than bushels of arguments for or against protection The average individual, and the housewife in particular, will not bother themselves about attempting to understand arguments, when they have a fact like this before them, that sugar is very much cheaper in the United States than in Canada. The situation is therefore a menace to the present party in power, and a powerful weight in favor of the party of commercial union.

The fact of the matter, however, is, that the sugar situation does not count for much either for or against protection. In the United States it is the high tariff party which is endeavoring to gain popularity by giving the people cheap sugar This has been done by abolishing the duty on raw, while there is still a measure of protection to home refiners by a duty upon refined sugar. Canada could easily follow suit and lop off the duty on raw sugar, without interfering with the present protective policy, for the refiners could still be protected by a duty upon the refined article. In Canada, however, there is the question of revenue which must be considered. The revenue derived from the raw sugar duties is an important item, and our financial situation does not admit of any reduction of the public revenue. We have piled up vast obligations within the past decade, for public works and other expenditures, interest upon which must be met. No doubt current expenditures could be greatly reduced, but this is a difficult matter for politicians to undertake, and in spite of declamations in favor of economy, public expenditure appears to be gradually increasing. At present it requires our full revenue to pilot the ship of state along, and hence any reduction is viewed with alarm. This is the situation in regard to sugar. The government will be obliged to make some move to cheapen sugar, to avoid the disadvantage of its opponents pointing to the low price of sugar in the States. On the other hand there is the question of how to make up for the loss of the sugar revenue. Cutting down public expenses is out of the question, as such a move does not come within the scope of political action. To make up the loss by piling up duties on other articles would create hostility in new quarters. The outcome will probably be a reduction in part, if not the total abolition of the tax on raw sugar, with a reduction in proportion upon refined. An attempt will probably be made to balance the revenue by a "re-adjustment" of the duty on some other articles, including probably liquors.

MANITOBA CATTLE.

It was predicted by some, that owing to the large shipments of cattle from Manitoba last year, beef cattle would be scarce this spring. This has proved to be a mistake. Beef cattle have been abundant all the spring, and instead of a scarcity, there appears to be a surplus. Already shipments eastward have been resumed on an extensive scale, a number of train loads having gone forward within the past few weeks. Some of these are for direct export to Britain, while others will be placed on the Montreal market, and will probably also be taken for export.

The large shipments of cattle from Manitoba last season, was a surprise to many, but even then it was looked upon by some as a spasmodic movement, which would result in causing a shortage for local supplies. That this has not been the case, proves that stock-raising in Manitoba has made greater advancement than had been imagined. This province may now be considered as having regularly entered the market as a shipper of cattle, and hereafter there will no doubt be a steadily increasing export of beef animals from the country. This is very gratifying to those interested in the progress and prosperity of Manitoba It shows that our agriculturists have made rapid advancement in the direction of mixed farming, and that they are not depending so exclusively upon grain crops as they were a few years ago. Manitoba, as a shipper of beef cattle, is bound to make a good record. The conditions for profitable stock-raising are exceedingly favorable, while the farmers are certain to find a diversifying of their operations more profitable than holding exclusively to growing wheat.

There is one point which requires to be urged upon farmers in connection with raising stock for export. This is quality. Careful attention should be given to the class of animals raised. It is very much more profitable to raise good cattle than scrubs. For the home market this is not so important, though it is still an advantage. But when it comes to export business, it is necessary that good animals, bred for choice beef, should be raised. It costs no more to handle good stock for export, while for such the price obtainable is proportionately more remunerative and the market more certain.

Notice is hereby given that J. G. Simpson, of Moose Jaw, Assa., dealer in lumber, etc., has made an assignment to H. Crowe, of Winnipeg.

COMMUNICATION.

The Agricultural Implement Manufacturers vs. the Farmers and Merchants.

To the Editor of the Commercial.

The experience of all those whose business compels them to observe everything that affects the financial conditions of this province and the northwest, has shown them during the last seven or eight months, perhaps more clearly than during any other period, that the most disturbing element in the financial business of the country and one of the most serious hindrances to the progress of the agricultural and mercantile classes is the condition under which the agricultural implement business is at present carried on in this country.

In the first place the agricultural implement manufacturer is protected by a duty of 35 per cent., which, when all the circumstances are considered, is seen to be the most unjust and pernicious impost in the whole tariff system. There is no pretense that he is being protected against the "pauper labor" of Europe, as no European country manufactures agricultural implements to the extent of being possible competitors, the natural conditions not being favorable to such manufacture in most European countries. The Canadian implement maker's only possible rival is the manufacturer of the United States, who is himself manufacturing at high cost, owing to the prevalent inflation in his own country. We have thus a two-story tariff erected for the benefit of the Canadian manufacturer of these goods. To say that the difference in the cost of raw materials justifies a duty of 35 per cent. on the manufactured article is arrant nonsense. By means of this extravagant duty, the implement maker is enabled to charge prices absurdly disproportionate to the inherent value of his wares, as can be seen when his profits are brought into comparison with those of what may be called the legitimate commercial community.

In his financial arrangements with the farmers, who buy his implements, he is, if possible, even more fortunate still than in his "protected" privileges. It is a custom, strengthened by long usage, for the farmer to give a note or notes, for any balance left unpaid on farm machines at the time of sale. These notes contain the essence of all the trouble which is caused by this most unsettling business. The notes usually bear interest at 8 per cent. per annum from their date to maturity, after which they call for 12 per cent. They embody a lien on the article, in payment for which they are given and also an agreement by the maker that in the event of the manufacturer deeming it possible that any of the current notes might not be paid ultimately, he can declare them due and payable at any time. But the most important, and most dangerous provision of all, is the clause by which the maker surrenders his exemption privileges, thereby placing himself entirely at the mercy of the implement dealer. These very sweeping and iron-clad arrangements have the effect of placing the implement dealer in the position of a preferred creditor. The bearing of this on the legitimate merchant is quite easily understood. If a farmer who is a debtor of the machine people and of the merchant, has not enough to liquidate all his liabilities, the merchant must inevitably be the suf-