

year drained our banks of \$210,000, and every month nearly a million in gold to pay their wages. The number of those thus employed in the United States during the past five years has annually averaged 45,000. In the light of these facts is it any wonder that the number of unemployed in Toronto this winter, as reported by the secretary of St. George's Society, seeking relief from the House of Industry is one in every twenty-one of the population? And this he states while in London, England, the number seeking similar relief is only one in forty-two of the population.

Those thus deprived of work do not live on air, nor pay rent out of their earnings. They are fed and clothed and sheltered by those who have work, and by merchants and capitalists and philanthropists thus indirectly taxed by the importers in employing so many thousand in foreign countries making over-productions for Canada.

The British Census Returns for 1841, in which special provision was made to discover the sources of livelihood of the whole population, showed that six were dependent upon each one employed in agriculture, that is, 18,000,000 of the 26,000,000 of the then population. A firm of manufacturers in New York State, in an isolated place, made a series of careful examinations which proved that every dollar they paid out in wages turned over eleven times in providing necessaries for their wage earners. The average of these two cases would be eight and a-half. Not to exaggerate we will average them in Canada at seven for each producer, and that means a population of over 500,000 that Canadian importers, on the average, have provided for in foreign countries every day for forty-five years. And that means a population, in round numbers, equal to the population nearly, if not quite, of all the cities and towns and villages in Ontario, having over 3,000 inhabitants. At the same time, they deprived the farmers of Canada of the home market attendant upon such a population. And with them deprived all the business men and other producers, and the banks, railroads, vessels, and professional men incident thereto, of business and a livelihood. The effect upon the banks alone can be seen in the recent statement of Senator Cox to the Finance Minister in relation to one bank interested in the binder twine industry which the Government tariff has ruined, and sacrificed \$2,500,000 of capital, and a yearly profit to his bank of \$60,000, and enforced idleness to the employes whose means of livelihood the Government has transferred to the producers of the United States.

That is but one in a thousand examples of ruin to Canadian industries through the inefficient legislation of both political parties in permitting importers to deprive Canadian producers of work, and Canadian banks of their gold and profits, to pay the wages of the producers in foreign countries making over-productions for Canada.

It was reported that the Hon. Geo. Foster, while Finance Minister, stated the sum of losses to Canadian industries, similar to the above, would total \$100,000,000. Had he doubled the amount it would have been an under estimate. How did he endeavor to counteract this evil—this obstruction to national prosperity? Not by raising the tariff in 1894, but by lowering it \$2 per family, as the Government returns fully prove. When the National Policy was adopted the increase in tariff averaged \$6 per family. The increase in interest on the debt for excess imports up to 1894 was, for the fifteen years, \$15 per family. Then to have placed Canada upon the protection and industrial level, when the National Policy was put on, he should have raised it that \$15 per family in place of reducing it to the \$2. Is it any wonder that this reduction ruined so many manufacturers, and deprived so many producers of employment?

In the light of the above facts is it any wonder that Toronto and Canada have progressed so slowly? We can remove this obstruction by employing Canadians instead of foreigners.

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SECOND.—SHODDY AND FRAUDULENT GOODS.—If the Mayor and President Rogers, as representatives of the city and the

Toronto Board of Trade, want to see the extent of the import of shoddy and fraudulent goods, let them select competent judges of goods, and with them examine the classes of goods on exhibit in stores in this city and in the importers' warehouses, and then remember that the shoddy and fraudulent goods on sale are, on the average, rather better than those on sale in stores all over the country. The inspection will show that the proportion of this class of goods imported varies from ten to ninety per cent. shoddy, and with them a large amount of liquors, tobaccos, teas and groceries, that are more or less fraudulent. The total will average at least twenty per cent., that would be dear at any price. The total imports in the forty-five years were \$3,969,000,000, and twenty per cent. thereon is \$783,000,000. Add thereto the carriage, the duties, the wholesale and retail margins, and the indirect evils thereby will make the loss at only fifteen per cent. shoddy; an average of fully \$1,000 per family, or for Canada over \$1,000,000,000, of which the importers of the shoddy and fraudulent goods have robbed Canadians in forty-five years. Is it any wonder that Toronto and Canada have not prospered?

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THIRD.—EXCESSIVE RATES OF INTEREST.—The third great obstruction is the rates of interest in excess of the gain that can be received from the use of borrowed money in any regular industry.

The United States census returns for each ten years, from 1790 down to 1860, show that the annual increase of wealth from earnings during each separate census period was only two per cent. annually, and they were a prosperous people. And their census returns and present debt together, prove that since 1860 the United States have not increased a dollar in wealth from earnings—that all increase has been by borrowed money. If they had been borrowing from foreign countries at four per cent., such nations would have been consuming their wealth at the rate of two per cent. annually, and, as such nations have been, ever since their civil war, seriously undermining their protective tariffs. Such interest since 1860 has been more than all their surplus exports, or over \$3,500,000,000.

The Ontario Government returns, from 1884 to 1894, during a boom period when, as in Toronto, property was assessed far beyond its value, was only three and a-half per cent. increase from earnings annually. Deduct the boom increase, and three per cent. would be the limit of increase from earnings. The regular discount rate at the banks is seven per cent. in advance; add the interest on the discount margins left on deposits, and the average will be about eight per cent., or five per cent. in excess of all gain for the use of the money in any regular industry. It is thus made plain that any regular Canadian industry or business that has to depend upon bank rates of interest will likely, sooner or later, lose all its capital, and in the end the banks stand to lose in bad debts all they made in rates in excess of the three per cent. limit of earnings.

The ample proof, so far as the banks are interested, can be seen from their annual reports, when we deduct the dividends and annual accrual, if any, from the volume of interest received, that is, when we leave the incidental accruals from bills of exchange and other sources, to pay running expenses as it is supposed they should. Their rates are more than double the average in Britain, France and Germany for industrial purposes. And the difference against Canada is a handsome profit, and is equivalent to a tariff in their favor, both in the Canadian and the foreign market.

Astounding as it may appear on that \$1,000,000,000 debt for shoddy and fraudulent goods, the average weekly payment of interest at five per cent. has averaged over \$487,000 per week for forty-five years, and this, while the increase of debt for the same period, was only \$433,668, or about \$50,000 more per week for interest than for principal. Those were the averages for the whole period. But this interest since 1895 averages over \$877,000 per week, and requiring the labor of an army of 155,400 men at \$1 per day, six days in the week for 312