

SPIRIT OF THE COMMERCIAL AND INDUSTRIAL PRESS.

SOME TARIFF TRUTHS

(Chicago Industrial World)

The doctrine of free trade is, that wherever a duty is imposed, the amount of the duty is added to the price, not only of the foreign article imported, but of a similar article manufactured in this country. But this theory is contradicted by facts which fall daily under our observation, and by experience under long past tariffs. After the protective act of 1842 had been in operation a few years, a great variety of articles of American manufacture so fell in price as to be sold for less than the amount of the duty. In each case this was true of coarse cotton cloth, nails, glass, pins, and many other products. Of course the duty was not, in these instances, added to the price, for the duty exceeded the price. Who believes that the duty of twenty cents per bushel now imposed on wheat is added to the price of that grain of domestic growth? If the duty is not added to the price of home produced wheat, why should the duty on pig iron or on steel rails be added to the price of the same articles made here? Judged by experimental tests, the free trade rule, to make an Irish bull a rule under which every example is an exception. One error of the so-called free trade theory is in overlooking the fact that the duty must necessarily be added to the price in increasing the price of supply and demand—a law which inexorably regulates the market price of every commodity. A protective duty can have no effect whatever on the market for an article which is already abundantly supplied within the country where the duty is laid. Even direct, express prohibition of the import of such an article would not raise its price, much less a duty not prohibitory. Suppose the prohibition to be a natural law of trade. For example, natural conditions prohibit the importation of raw cotton into this country from India; the importation of ice from Greenland; the importation of newspapers from London to supply us daily with news. It is obvious that this does not increase the price of raw cotton, or of ice, or of newspapers here; and the result is the same when the prohibition is by legislation, instead of by an edict of nature. Suppose our tariff laws prohibited the importation of raw cotton, would that raise its price here? Of course it would not; and why? Because the supply of cotton raised in this country exceeds the demand. So of every other article of which we can produce a sufficient supply. It may not be furnished at all without a protective duty, but the moment this duty is laid, American competition, skill, and ingenuity will bring down the article to the lowest point at which a profit can be made. It is utterly impossible to keep up the price of any article unreasonably for any length of time. Competition will not permit it. The moment it is discovered that any branch of business is extremely profitable, capital rushes in, and continues to rush in, like water seeking its level, until an equilibrium is restored. Even British capital would be embarked in manufactures here, if exorbitant profits could be steadily realized. But that condition of profits cannot be long maintained. Every law of trade forbids it, and every man's common sense tells him, that the gain in any branch of business which is free to all will be shared by all, until the profits are reduced to a reasonable point. So well is this understood that, soon after the election of Mr. Tolt, the event was hailed by Mr. Buchanan, who became Secretary of State under the incoming administration, as a fortunate result for those engaged in manufacturing industry, on the plea that he had saved them from the competition which in the event of Mr. Clay's election would have reduced their prices and destroyed their profits, because the latter's election would have created such a strong belief in the uninterrupted continuance of the protective policy as to stimulate the investment of capital in furnaces and factories, and thereby multiply production and the rivalry of trade. But while a protective duty is not a tax upon the consumer, whenever the article on which the duty is laid can be and actually is manufactured in this country, in quantity sufficient to supply the demand, it is true that a revenue duty is in many cases a tax, and adds to the price of the article its own amount. In this distinction between a revenue and a protective duty no reference is had to the sum of the duty, but only to its object and effect. If it is really protective, and stimulates to a sufficient supply, it is not a tax added to the price of the domestic article; however large the duty may be; and if its only end and effect is to produce revenue, it is a tax, however small its amount. A duty on tea or on coffee is solely a revenue duty, at whatever rate it may be levied, as no amount of duty can at present cause the production of those articles here. The effect of such a duty would certainly be to enhance price. If the article could be grown here with the same labor as abroad, day's work for day's work, and if the duty were protective, capital would rush into that new branch of agriculture in this country, and domestic competition would soon furnish them cheaper than Java or Brazil. But since they cannot be thus reduced in price by American ingenuity, and the duty would be for revenue only, the price would be enhanced and the consumer taxed.

In short, a protective duty, when it causes a sufficient domestic supply, does not raise the price and is not a tax on the consumer, while, on the other hand, a revenue duty, not increasing in any degree the domestic supply, but operating only on the foreign article, does enhance the price, and is a tax on the consumer. But it is asked if a protective duty does not raise the price of the domestic manufacturer why is it wanted? This is a fair question, often heretofore put, and it demands in answer in reply, let us see that the manufacturer does not ask legislation to increase his price. He asks only to be given the American market. Give him this and home competition will reduce his price to the lowest living point. With home competition he is willing to compete because his rivals are on the same general level of advantage and drawbacks with himself. He knows that that competition is, and can calculate its effect, but he is not able to overcome it, and he is not able to overcome it, perhaps at times of his greatest embarrassment or of least preparation, by the refuse surplus of the crowded markets of the old world, then he cannot fall to be prostrated in the unequal contest. The freedom of contract wages paid to American laborers—wages essential to their position as integral units of the source of all political power—render the American manufacturer weak to compete successfully against the unscrupulously aggressive movement of foreign traders based upon slavery or subsistence wages. That destructive encroachment is warded off by the tariff barrier, behind which production pursues its activities in safety, accumulates an ample supply, and through a healthy competition reduces prices to the lowest point consistent with fair profit.

ACCIDENTS TO WORKINGMEN

(Chicago Industrial World)

It is estimated that during the last ten years fully half a million people in England alone lost their lives from accidental causes in mines, on railways and in factories. Some writers even claim that this loss instead of being five hundred thousand is actually double that number. We have not at hand the estimated loss of life from the same causes in this country, but while it is doubtful if the aggregate loss is as great as in England, the actual figures, were they known, would be sufficiently appalling to call for a careful consideration of the causes of this great destruction of human life and the remedy, therefore, if any there be. In considering this matter, it would be well to bear in mind that carelessness and ignorance are the two great promoting causes of most accidents, and that the accidents that arise from what are considered inevitable causes are few, comparatively speaking. It is a wonder, not that so many accidents through carelessness do ensue, but that there are not more. Go into the workshops of the country and it will be found that scarcely a day passes but some workman risks being maimed or killed by his careless movements in and about the machinery. Men soon accustom themselves to move about works filled with machinery in the most reckless and careless manner, evidently unmindful that at any moment their clothing may be entangled in it and before they could be extricated the loss of a limb, or some disfigurement of the person would ensue. Engineers frequently are careless in the management of their engines, endangering thereby their own lives, and the lives of the workmen. They sometimes leave their engines unattended for a long period, or they neglect to keep the working parts in order, and especially to see that the boiler is sound and in a safe condition. The carelessness of railroad men is proverbial. Brakemen grow heedless and in a moment of thoughtlessness, fall between the cars and are crushed to death, or they run their feet carelessly into a frog and before they can extricate it, the switching train comes along and runs over it and the careless brakeman thereafter goes minus a foot. In mines too, thousands of accidents result from the negligence of the men in allowing the hoisting machinery to get out of order, or in neglecting the proper precautions in relation to the dangers incident to the use of explosives, or to entering places where poisonous gases are likely to be found. In all such instances the careless workman soon forgets that "an ounce of prevention is better than a pound of cure." The new workman, free with the thoughts of the dangers of his occupation is often less liable to be injured through carelessness than the older workman, who, having passed the dangers successfully for a period, fancies himself secure from them thereafter. Men encounter dangers by a sort of their ignorance of them. Thus a workman near by to an engine whose unwise pressure of steam is all unconscious of his danger because of his ignorance. Did he know the unsafe working of the engine he would not be slow in giving it a wide berth. The man in the mines who has had no experience with the fire-damp may run into a deadly pressure without knowing what terrible dangers he will encounter. And the carpenter whose scaffolding falls because he was not sufficiently informed relative to the strength of the timbers of which it was composed, may be cited as an illustration of the fact that ignorance is not always bliss. Thus in a thousand ways can injury and death be courted by the workmen through

his ignorance or through his carelessness. It will not be denied that with the most enlightenment accidents of this nature cannot be prevented. The engineer can be made more by a careful and systematic instruction and training on the track which he was unable to do in time to stop his train. It may be attempted to stop the train by the brakes, but this is a very uncertain and dangerous method. It is the duty of the engineer to be instructed in the use of the brakes, and to be able to stop his train in time to avoid a collision. The laws of this country, as well as of England, have attempted to protect the workman from accidents arising from his neglect, carelessness or ignorance, so far as they can. To this end rigid mine inspection laws have been passed, and a careful supervision over the operations of the mines has resulted. The inspection of the most staid character. Thus if the inspector comes along and finds the chains used in connection with the hoisting apparatus in the least defective, he condemns its use at once, and through every department this close inspection is followed out. Of a like character of laws is the recently passed factory inspection act by the common council of this city. This act empowers the inspectors to see that the machinery is properly protected by guards, that there is sufficient ventilation, and that the factories are provided with a proper number of fire escapes. The law can go a great way in preventing accidents, but it cannot provide brains for the operators, nor can it instill habits of cautiousness, where these habits are lacking. The rules and regulations of factories, railroads and mining companies can be framed with a view to prevent accidents. And a thorough special danger incident to the business is likely to ensue, the workmen by pointed or verbal notice, should have their attention directed to it. This should especially be done in all cases where there is an inherent defect in the machinery. These notices should not be general in character, but should be specific, pointing out the identical danger to be avoided. It is unnecessary to state that it is the duty of the manufacturer to keep the machinery in good and safe condition. A wise prudence should teach him to do this, for in case of any negligence on his part in this respect, he may be liable for damages even to his workmen, especially if the defects in the machinery were such that the workmen did not observe them. Laws will do much, rules and regulations will do much, but the careful warnings of the superintendents of works, mines and railways will do much towards lessening the number of accidents, but education and enlightenment will do much more. The educated workman is warned of danger by his knowledge of it, and with a full knowledge should come a proper care.

THE PROGRESS OF SILK CULTURE.

This branch of industry, now rising into prominence among the interests of nations is one of great antiquity. From all that can be gathered it appears to have arisen in China, long before the Christian era. It formed a staple of export to the Roman Empire, and was an article of luxury against which Pliny complained as one of the causes of that immense drain of the precious metals, constituting one of the most perplexing problems of the science of finance. The secret of silk manufacture, however, was discovered, and the Chinese monopoly broken up in the sixth century of the Christian era. It spread, however, very slowly. Several silk manufactures rose in Athens, Thebes and Corinth for the raising of the worms and the manufacture of the silk into fibers and fabrics. The Venetians imported these Greek fabrics into Western Europe, and drove a thriving trade in silk goods. The Moors imported the silk culture and manufacture into Cordova, Murcia, and Granada, in Spain, about the year 910 A. D. In the year 1130 A. D. Roger, King of Sicily, erected a silk manufactory at Palermo, and another in Calabria, there settling to work artisans whom he had taken captive during his expedition to the Holy Land. In the fifteenth and sixteenth centuries this industry had been domesticated in France, but it was not till 1564 that the production of the raw material had been fully established. In 1629 the silk industry of London formed themselves into a corporation, which as early as 1661 embraced 40,000 persons. The silk industry has also had a great expansion in Holland, Belgium, Switzer land and Germany. The introduction of silk culture into America was almost coeval with its first settlement by the English. In the early period of Virginia colonization James I strongly urged upon the London company energetic measures for the cultivation of the mulberry. In a characteristic letter to the company, he enjoined upon its members diligent application to the culture of silk in all its branches, rather than to the growth of tobacco, against which he published his celebrated "conclusion." The members of the company addressed themselves to the enterprise so strongly recommended by the King, but its speedy dissolution prevented any very effective action. In 1631, however, during the Commonwealth, the culture of the mulberry was resumed in Virginia, that tree having been found to be indi-

genous. In 1639 a corporation was formed in silk upon by Virginia silk worms, was won by Charles II. The superior quality of tobacco culture, however, introduced with the silk culture, which disappeared from that State before the close of the eighteenth century. In 1718 the Spaniards introduced it into Louisiana. Its introduction in Georgia was an object of strenuous exertion both on the part of the colonists and of the Imperial Parliament. Private donations and grants of land were voted for that purpose. In 1733 a splendid robe of colonial silk was made in England and worn by Queen Caroline on great state occasions. A large silk establishment was set up at Savannah, which in 1735 is stated to have absorbed 10,000 pounds of cocoons, an aggregate which in 1760 had enlarged to 20,000. During this period the annual export of raw silk ranged from 500 to 1,000. These were the only days of silk culture. The attention of the planters after the revolutionary war being directed exclusively to the more profitable cotton culture, the silk culture was never revived. In South Carolina this interest, it appears, had some prosperity in the ante-revolutionary times. Silk culture was also encouraged by parliamentary bounties in Pennsylvania and New Jersey. In 1770 Dr. Franklin sent home from Europe mulberry cuttings, silk worms and eggs. The following year a silk establishment was set up in Philadelphia which for several years worked up large quantities of cocoons. New Jersey is said to have raised mulberry trees and produced a good quality of silk. Considerable quantities, as did also Massachusetts and Connecticut. In 1810 the silk crop of the United States was estimated at 60,000 pounds, worth about \$250,000. In 1814 it had increased to 400,000 pounds, worth about \$1,500,000; by the census of 1850 it had risen to 14,763 pounds. The census of 1860 exhibited a still smaller aggregate, viz., 11,944 pounds, the last census, 1880, reports 383 silk factories, producing \$49,753,255 in value of silk manufactures.

As a nation we have special advantages in the prosecution of this great industry. The Pacific slope, especially seems to combine all the higher requisites of success. The soil of this region is admirably adapted to the white mulberry, which is propagated with little effort, and grows with great luxuriance and of exquisite quality. California eggs have attained a high reputation in Europe, and especially in France, producing worms which are exempt from most of the diseases which destroy so large a proportion of the worms of these regions. The fabrication of silk, of course, properly belongs to manufacturing, and not to agricultural industry. In 1860 we had but 95 establishments for the manufacture of silk and fancy goods, fringes and trimmings, whereas now we have 383, a most remarkable increase in twenty years. The principal seat of the silk industry in the United States is Paterson, N. J., which has 730 power looms and 530 hand looms in operation. When we state that the people of the United States imported last year over \$44,000,000 worth of silk goods, the scope of expansion of the silk enterprise is enormous.

RAILWAY MATTERS.

INTERCOLONIAL RAILWAY.

Sir Charles Tupper was the recipient of a very complimentary address at Campbellton, presented on behalf of the citizens by a committee consisting of Messrs. W. Mott, A. J. Vennor, Malcolm Patterson, Robert Sinclair, John Henderson, K. Dawson, John McAllister, and Charles Murray. Sir Charles in his reply said— He was much pleased at receiving this tribute of respect and confidence from the inhabitants of a place so situated as to be able to judge of the condition of the railway under his management. He had the honor, in company with Sir Leonard Tilley, of going to Quebec in reference to the survey of the line, and its construction had been made a condition of Confederation. The first government grappled with the important undertaking and succeeded in its essential carrying it out. When the present Government took office the intercolonial was owned in a condition far from promising, or, he might rather say, from promising. The average annual deficit between the income and the working expenses was a half million, the government felt that an earnest effort must be made to improve the condition of this disastrous to the work and injurious to the people along its route and the several provinces. To effect that object the first step was to restore if possible the equilibrium between the receipts and expenditures. When, in order to get necessary funds to equip the road, and keep it in efficient order, it was necessary to ask Parliament to levy a half million of taxes yearly on the people—and the excess of expenditure over income had been as high as the equities of a million—a great clamor would undoubtedly have been raised for the transfer of the road to a company, which would not have been beneficial to the interests of the people along its route. When the Government took office they determined to put in practice the professions they had made. All parties are in favour of economy in the abstract, but few individuals like to have it applied personally to themselves. He had felt this duty, in the interests

of the whole people, to put in practice the most rigid economy and had been cordially sustained by the authorities connected with the maintenance and operation of the road. In the centre of the railway management he was glad of the opportunity of acknowledging their services and returning them his thanks. The carrying out of his system of economy would have been utterly impossible, without injury to the service, but for the mainly co-operation of the employees of the road. In Mr. Price, district superintendent, he had found a gentleman who heartily sustained him in carrying out the policy of economy, though it bore severely against himself. He was assisted in a lower station, with a reduction in his salary of one-halt, and went to Albany dutifully without a murmur. He (Sir Charles) had great pleasure in restoring to Mr. Price his former salary and giving him a high position, as he was one of the most deserving and able officers on the road. He (Sir Charles) felt that he might fairly challenge any road on the continent on the point of efficiency and equipment in rolling stock, although the half million of deficit had been wiped out and a small balance placed on the right side of the ledger. He felt that it was not worth while discussing questions of economy with the administrators of the late administration when there was so conclusive an illustration of the policy of the previous and the present Governments. Was this policy of economy profitable and carried out with the cordial co-operation of the opposite party? Not at all. The Government had been assailed bitterly in the press and in Parliament because of its economical management. Attempts had been made to injure the road, and had the statements of the Opposition in regard to it been believed people would have sought other lines of communication and avoided this as they would a pestilence. But the attempt to ruin the road had, fortunately, failed, and today the mouths of its detractors were closed by the testimony of one at railway men from abroad as to its efficiency. He felt justified from his own observation and from the testimony of others, to speak of the Intercolonial as being in the highest state of efficiency, and to challenge comparison with any road on the continent. To his able coadjutors he mainly attributed this state of things. Mr. Schrieler and Mr. Pottinger, and the assistants in different departments, had labored successfully to make the road what he wished it to be, and he found everywhere an increase in passengers, traffic and receipts. The people here know what had been achieved—know from what condition the road had been lifted into its present proud and progressive position.

The Rat Portage end of section E. C. P. R., is being ballasted.

The Canada Pacific Railway is now running 200 miles west of Winnipeg.

The summer rates to Manitoba and the North-West were advanced Monday.

Central Hudson officials are taking steps to stop gambling on board their trains.

Electric light has successfully been introduced in the Pullman cars of the Brighton Railway Company.

The Grand Trunk pay roll at Brockville office, including half the men from Montreal to Belleville amounts to \$16,800 monthly.

Another large Mogul engine, for use on the western districts of the Grand Trunk, arrived from Montreal yesterday morning.

There is a rumour going the rounds in railway circles that the present management of the Toronto, Gray and Bruce will be changed.

Orders have been given in England by the mechanical superintendent of the C. P. R. for a number of locomotives to be delivered this year.

It is said the Pullman Palace Car Co. will shortly raise the rates one-half to satisfy the aristocracy and shut out the poorer class of travellers.

The Northern Railway Company have sold by tender fourteen old locomotives to the Dominion Iron and Metal Company. The price was \$11,300.

The first car load of lumber for the new car shops of the eastern division has arrived in Perth. Half a million feet of lumber will be needed for the buildings.

John Gould, a switchman in the Detroit yard of the Detroit, Grand Haven and Milwaukee, had his foot caught in a frog. He was run over by a switch engine and killed.

The general manager of the Occidental railway met Sir Charles Tupper at Quebec to make arrangements to form a connection by means of a terry between the Occidental and Intercolonial railways at Quebec.

The receipts of the Occidental railway for the week ending Oct. 15 were \$21,339, an increase of \$7,528 over the corresponding period last year. The increase from July 1st to Oct. 15 was \$98,608 over the same period in 1886.

When the new Mogul engines were put on the G. T. H. it was intended to use them only between Belleville and Toronto, but it has been necessary to run them as far west as Quebec in consequence of heavy grades and increasing freight business.