

INDUSTRIAL WORLD

AND NATIONAL ECONOMIST.

DEVOTED TO HOME INDUSTRIES, SCIENCE, COMMERCE, FINANCE, INSURANCE, RAILROADS AND MINING.

Vol. III—No. 54.

THURSDAY, JULY 21, 1881.

\$3 PER ANNUM.

THE Industrial World AND NATIONAL ECONOMIST.

PUBLISHED ONCE A WEEK.

FREDERIC NICHOLS, GENERAL MANAGER, TORONTO.

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Advertisements should be made in advance, and sent to the publisher, Frederic Nichols, 100, Queen Street West, Toronto.

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INDUSTRIAL WORLD OFFICE,
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TELEGRAPH AN ALGAMATION.

On Saturday, last, in the Superior Court, Montreal, Mr. Justice PARSONS delivered judgment on the application for an injunction forbidding the Montreal Telegraph Company to enter into a contract with the Great North Western and Western Union companies. He granted the injunction. A meeting of the shareholders of the Company was held on Saturday, when the President, Sir HUGH ALLAN, submitted a report, which reviewed the recent negotiations which had resulted in the proposed amalgamation. Sir Hugh expressed himself favourable to the movement, provided legal difficulties could be cleared up, that the time of lease be reduced, that arrangements be made for payment for stores, and that the securities be made satisfactory. He said, however, that he was ready to accept the instructions of the shareholders. A discussion followed, and the following resolutions were submitted:—

Whereas, certain negotiations between the Directors of the Montreal Telegraph Co. and the Great North Western Telegraph Co. and the Western Union Telegraph Co. have resulted in a proposal for the working of the lines of the Montreal Telegraph Co. for an annual guaranteed dividend of eight per cent upon the capital of the Company and other conditions.

And whereas a draft agreement, embodying this proposal, has been laid before this meeting, whereas a copy is annexed hereto, and whereas it will be to the advantage of this Company that the said proposal be carried into effect.

That the Directors of the said Company are hereby instructed to carry out and give substantial effect to the said proposal, contract by all lawful means and methods.

And be it further resolved, that the Directors of the Company are hereby required to resist and secure the dismissal of all legal proceedings now pending, and which may hereafter be instituted to prevent the due and immediate execution and the carrying out of the proposed contract.

The *Witness* says that when it was proposed to appoint another chairman, Sir HUGH ALLAN being obliged to leave, the shareholders would not consent, and concluded to accept such portion of the

resolution as appointed the committee, striking out the acceptance of the contract as it stands at present, but empowering Messrs. JOSH CRAWFORD, ATTORNEY GENERAL, and J. P. CLARKE as a committee to confer with the directors, and get such terms from the Western Union and the Great North Western as they could, to report to the shareholders at the next meeting. The meeting then adjourned until the third week in August.

Interest in the proposed amalgamation is growing throughout the country. The proposal has met with considerable criticism among some of our contemporaries, which do not light up regard the scheme. Giving it for what it is worth, we reproduce an article from the *New York Daily Indicator*, of July 2nd. It is headed, "The News Blockade; the Western Union Monopoly extending to Canada."

"The Western Union conspirators, it seems, do not content with a monopoly of the telegraph lines in the United States, are also plotting to secure those of Canada. If indeed, the scheme is not already, in all essentials and purposes, completed. Canada, up to this time, has had two telegraph companies, the Montreal and the Dominion, and the result, according to the *Montreal Times*, has been a lower tariff—distance considered—than that enjoyed by the people of any other country. The competition between these two companies had reduced the rates for messages, irrespective of distance, to a very low figure. The Dominion Company found it expedient to lease its lines to the American Union of the fraudulent and illegal amalgamation of which with the Western Union is now before the courts in this city. The Montreal Company having long been financially working arrangements with the Western Union, however, about the American Union has been absorbed by the Western Union, the latter had just in possession of a system of Canadian lines, and bound by an engagement entered into by the American Union with the Dominion Company to guarantee five per cent. to the stockholders in the last named company. Given this aid the problem is not a very difficult one for Mr. Jay Gould to work out, with the aid of his associates, but, of course, highly respectable tools in his Western Union Board of Directors. The readers can easily anticipate the result. Under 'pressure' the Montreal Company is induced to enter into negotiations with the Western Union. This, however, is not done directly with the Western Union Company, but in a roundabout way, calculated to embarrass and make endless the litigation in London, and to create a quarrel of later, among the companies. The *modus operandi* is thus described by the *Montreal Times*, a journal strongly in favour of the proposed arrangement:—

"Rather than give up their friendly alliance with the Western Union Company, the Montreal Company have assented to a working arrangement between the two Canadian companies, which the directors appear to have provisionally agreed to, and which will soon be submitted to the stockholders of the Montreal Company. The object of the arrangement is to effect through the medium of the charter granted last session to the North-West Telegraph Company, empowering them to make working arrangements with lines in any part of the Dominion. In addition to those they have already acquired in the North-West. Under this charter it is proposed to operate the Montreal and Dominion lines in conjunction, not in competition; each company, however, retaining its own stock and capital. It is proposed that the consolidated concern shall be placed on the footing now occupied by the Montreal Telegraph Company in relation to the Western Union, and the latter company shall guarantee eight per cent. to the stockholders of the Montreal Company, and six per cent. to those of the Dominion."

"This is a very neat job, but to New Yorkers, acquainted with the 'hydraulic and screw' methods by which our local interests are to be reconstituted into the pockets of Mr. Jay Gould by such shrewd business as the following, from the journal already quoted, they are even more 'jolly' than they are said to be:—

"So far as the news served by the telegraph is concerned, it makes no difference whether the service is performed by one company or more than one, so long as the tariff is the same. For the rest, it is sufficient to be heard in to the market, possibly by any monopoly in the business of telegraphing in Canada. There is a general act of Parliament under which any association of capital

talents can incorporate at a trifling cost; and if a special charter were wanted, Parliament would never hesitate to grant one. There is always plenty of capital for investment in any enterprise which promises to pay well. Any action in the tariff for messages, therefore, would at once prove to be the signal for the inauguration of a new and rival company."

"All these advantages are also open to the citizens of the United States, but, as our readers are aware, are quite easily neutralized by the corrupt power and wealth of the existing monopoly."

"The Montreal *Standard*, alluding to the proposed amalgamation, says:—

"Started with a view of a national benefit in securing rates for telegraphy, with one of the best organizations and its officers and officers ever possessed by any company, with a most liberal patronage from both Government and people, the Dominion line has become, in the time, the dictator of a monopoly which will for a time destroy the hopes of the originators and send them back once more to their native land, and to the unprofitable system on private enterprise which has always existed when there is no opportunity of competition."

"The *Standard* also says:—

"The same journal further says:—

"The great danger (it would have control of all the cables that have hitherto been in connection with the Montreal Company, east and west, thus he will threaten the Montreal Company unless they amalgamate with the Dominion line, on which he has already his iron grasp. The result is the same as after the Union he caused it not to be a large increase in price. It will be a bad day for Canada when these needless harpies take control of the telegraph and telephone companies; we shall be sold right and left, and be completely at the mercy of a crowd of stock gamblers, fresh from the parlours of Wall Street."

"The Montreal *Standard* will meet on the 15th inst. to consider Mr. Gould's ultimatum. Of course the argument proposed by the Western Union to pay the Montreal Company right or wrong, as its stock is one that is not likely to be sold to the West. Mr. Gould's servants will soon compose a majority of its board and do his bidding in the customary way."

"The primitive condition of the noble art of telegraphing in Canada may be inferred from the following passage from the article in the *Standard*, from which we have already quoted. Having stated that up to the time when the Dominion Company was leased to the American Union and paid its stockholders five per cent., our contemporary says:—

"I have been fascinated, by shrewd and needless only, it is true, that their divided soul to a certain degree were paid for from the following passage from the article in the *Standard*, from which we have already quoted. Having stated that up to the time when the Dominion Company was leased to the American Union and paid its stockholders five per cent., our contemporary says:—

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THE ANGLO-FRENCH TREATY.

In the *St. James' Gazette* of the 7th of July we find the following expression of opinion regarding the prospects of the negotiations for a new Commercial Treaty between England and France:—

"The negotiations for a treaty of commerce with France do not promise well, and we are not sure that the conclusion of a treaty just now is desirable. For the moment Protectionist opinions are in the ascendant almost every where outside this country, and for that reason the

time is not favourable for obtaining such terms as are worth while hagling for. If we make a treaty it will certainly not be so much more liberal than the Cobden Treaty—that is, it will be less liberal than the treaty between France and Austria, the benefit of which we obtained by virtue of the most favoured nation clause, and whose terms regulated the trade between the two countries for the greater part of the interval since 1850. But to obtain this unsatisfactory treaty we shall have to lend our hands for a number of years; we shall strengthen the conviction of foreigners that, however they may raise their tariffs against us, we shall thankfully accept whatever crumbs they toss up, and we shall, by bargaining and chaffing, encourage the reciprocity notion. The objections to the breaking off negotiations, on the other hand, are that we endanger the trade with France and give fresh impetus to the cry for retaliation. As regards the first of these objections, we would ask, is it worth while trying to bolster up a trade which is dependent upon the good pleasure of a foreign government? Surely a trade which cannot survive the imposition of the French general tariff is an artificial rickety as one which is kept alive only by protective duties. As regards the second objection, it seems pretty clear that we have to face a formidable reciprocity agitation, whatever may be the fate of the negotiations now going on with France, and it is hardly worth while paltering with principles for the sake of staving off this agitation. For the rest, is not a bargain to reduce the duties on French wines in return for a lowering of the duties on the English goods imported into France as much giving little reciprocity as a lightening of the duties on those wines because we are refused concessions?"

Interest on this subject is increasing throughout England; and it is noteworthy that an extent the feeling in hostility to an old-fashioned Free Trade is growing in manufacturing and commercial circles. As an index of popular sentiment in quarters where the principle of Free Trade is recognized as the correct one, but where old-fashioned Free Trade is not regarded with unqualified approval, we quote from a recent number of *Truth*, whose editor is as sound a Free Trader as either Mr. GARDNER or Mr. BURNETT, and is a member of the House of Commons. Says Mr. LAROCHE:—

"If we are not to have any counterbalancing advantages, there is no reason why we should bid ourselves by a treaty with France not to raise our duties upon her products. Whether we ought to impose heavy import duties on them is another question, and in this we must be guided by our own interests. It is essential to our prosperity that food and all other necessaries should be as cheap as possible. It is, however, no particular advantage in articles of luxury being cheap. A person may live very comfortably without drinking French wine, wearing French gloves, and arraying his wife in French silks. Were we actually to prohibit these articles, and either to expend what they now cost us in home manufactures, or to save it, we should be the richer and not the poorer. The French, however, would lose a martet. It seems to me, therefore, perfectly legitimate that we should tell the French Government that, if we give them a market for their goods, they must in return give us a market for some of our goods. Let us suppose that we carry Free Trade to its ultimate consequences, and that all foreign countries carry Protection to its ultimate consequences. We should have no market for our goods, and we should at the same time afford a market to all foreigners. Now, the reason why we are Free Traders in food and in articles of primary necessity is to enable us to give

our artisans such wages as will allow of our competing advantageously with other countries in our manufactured goods. But if we have no market for the latter, what use is it manufacturing them? The fundamental mistake that we have made is to suppose that Free Trade is of universal application. The Americans have proved that a country may greatly benefit by Protection. We are, indeed, the only absolutely Free Traders on the globe, and what is the consequence? We are not prospering whilst other countries are. We could not insist upon Reciprocity with America, because our imports from that country are almost entirely composed of food and of raw produce for our manufacturers, but whenever this is not the case, Reciprocity ought to be the rule. We really cannot count to be ruined for the sake of a theory, and it is full time that our Free Traders should learn the very great difference that there is between theory and practice. No doctrine ever invented by man is of universal application. Free Trade is one of these doctrines which are proved by making exceptions to it."

BRITISH TRADE RETURNS FOR JUNE.

The British Board of Trade returns for June were recently laid before Parliament. From an analysis of them we learn that the total declared value of the imports during the month was £2,955,882, which is a decrease of £3,571,811 compared with the imports of the corresponding month of last year. When compared with the imports of June, 1879, there appears an increase of £3,097,102. The imports for the last six months amounted to £108,813,632, which shows a decrease compared with the imports during the first six months of last year of £11,947,117, but an increase of £25,117,913 if the comparison be extended to 1879. The exports amounted in value during the month to £18,804,997—an increase of £312,113 compared with June, 1880, and of £4,221,457 compared with June, 1879. A comparison of the last six months—during which the exports amounted to £109,308,475—with the corresponding period of 1880 shows an increase in the value of exports of £1,671,759, and compared with 1879 of £2,481,892. The returns respecting the exports of iron and steel show a total value for the six months ending June of £12,666,721, which is a decrease compared with the same period of last year of £1,879,175, but an increase compared with the six months of 1879 of £4,074,494. The returns for the month of June, in which months the exports amounted to £2,426,519, show a decrease of £218,018, compared with June, 1880, but an increase of £264,250 compared with June, 1879. The total value of the cotton manufactures exported in June this year was declared at £2,092,479, which shows an increase upon last year of £250,035, and of £1,341,534 compared with 1879. A comparison of the six months (with exports during that period of this year of £23,204,101) shows an increase of £2,378,077 upon last year, and of £9,203,902 upon the year before. In woolen and worsted manufactures there is a total value shown for last month of £1,256,574—a decrease of £136,913 upon the exports of June, 1880, but an increase of £226,749 compared with the exports of June, 1879. In the last six months the exports amounted to £8,183,696—a decrease of £96,286 compared with the six months of last year, but an increase of £991,103 compared with the corresponding period of 1879. The bullion and specie account shows that the total import of gold and silver in June was £1,521,935—an increase of £154,912 compared with June, 1880, and a decrease of £1,127,277 compared with June, 1879. The total import