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### PRINCIPAL CONTENTS.

Editorial—The Silver Question Coming Up Again—The Question of a National Tariff Considered—General Resumé of Results, etc., etc.	81, 82 & 83
Editorial—The Commercial and Industrial Progress of the Present Current and Weekly Review	84
Editorial—Practical—Insurance	85
Editorial—Mining	87
Editorial—Current and Weekly Review	88
Editorial—Trade	89
Editorial—Money Market	92
Editorial—Banking	93

### SILVER QUESTION COMING UP AGAIN.

The silver question is evidently coming up again, and it is likely that before long another international conference will be held, with the object of settling, if possible, what place silver coin is to occupy in the civilized world. It is the doctrine of the gold currency school that silver should be used as a subsidiary money only, as a convenience in the way of change, but not at all as the standard money of commerce. The silver advocates, on the other hand, contend that the white metal is and ought to be as good a standard money as the yellow metal, with the difference only that more of it will be required to represent a given value. About three years ago an international conference was held at Paris to consider the same question, France, Germany, England, Italy, the United States and other countries being represented, but it came to nothing. The movement in favor of silver was supported by France, Italy and the United States, but England and Germany were hostile, and to effect anything the action of all the powers present was necessary. It appears as if some of the parties to that conference had subsequently obtained "new light" on the subject. BISMARCK, for example, appears to be realizing that he led Germany into a terrible blunder when he tried to break up the old established silver currency of the country, and to make gold the sole standard. From this capital error much commercial suffering and prostration of industry has resulted, and in the dear school of experience a bitter lesson has been learned. The effect of demonetizing silver was to increase greatly the weight of all debts, public and private, to make the rich richer and the poor poorer, and in a general way to set the current change in a direction in which no patriotic Government should wish to see it going. It soon appeared that, in some way or other which people could not account for, property was depreciating in value, so that the man who owed a hundred thalers felt the weight of two hundred upon him. It is beginning to be seen that the gold craze is mainly what has done the mischief, and now BISMARCK is anxious to retrace his steps. Of course, in estimating causes of domestic suffering in Germany, or indeed any other of the nations of continental Europe, the terrible operation of armed peace, which is becoming almost as heavy a burden to be borne as war itself, must be considered. But the burden of the continental military system is no new thing, though that it is becoming heavier every year must be admitted. Still, for the promotion of German commerce and industry recent and other and additional cause must be found; German statesmen, whether rightly or wrongly, have now that they have found it in the exclusive standard which a few years ago was forced upon the country. And even in England, where the "gold standard" have had things all their own way these sixty years past, doubts are being expressed in high quarters whether the gold theory be really the right one from a truly Imperial point of view. For England, as DEACONSTADT once remarked, is not only a Euro-

pean, but also an Asiatic power, and the interests of the people, even, if you will call them such, of her two hundred millions of Indian subjects, may not lightly be disregarded. Silver is the only money that these two hundred millions know or will use, and to abolish silver money in India might be the signal for another mutiny. Mr. GOUGH, who represented England at the last conference, is pre-eminently a London "city" man, and one most unlikely to be influenced by mere sympathy or sentiment, if he believed that hard financial facts pointed the other way. But on that occasion even he let it be understood that his own personal convictions were by no means settled against silver as a standard; though he, in common with some others, felt that the time had not then come for moving in the matter. Perhaps it has come now, at all events it is coming, if appearances be not deceptive. The United States having made the first move, France strongly supporting, an international monetary conference is soon to be held in Paris. And this is what the London *Economist*, a pronounced gold currency organ, has to say on the occasion—"If we cannot enter the Monetary Conference on the same footing as some other parties, we shall at least exercise towards it a very benevolent neutrality. Should, for instance, such a proposal be made to increase the quantity or fineness of the silver in our coinage so as to make it less of a mere token currency, we should hardly object, or to increase somewhat the amount to which silver may be a legal tender. And a despatch from Paris to the same journal says—"The idea of abandoning the proportion of 15 to 1 between gold and silver, as recommended on Secretary BISMARCK'S late report, is supported by an apparently official note in the *Journal des Debats*. A telegram received in Paris, from Berlin, states that Prince BISMARCK has said, if the United States accepted a return to the bimetallic system, he would support the representation of Germany in the Conference." Should this prove a true indication, and should France, Germany and the United States throw their influence in favor of the double standard, England remaining neutral, the thing will almost certainly carry in the Conference. Evidently the whirligig of Time is bringing about certain revenges, the gold standard men do not "hold the fort" with anything like the strength and security of a few years ago. Further news of the conference movement will be looked for with interest, in both Europe and America.

### THE QUESTION OF A NATIONAL TARIFF CONSIDERED—GENERAL RESUMÉ OF RESULTS.

Continuing the consideration of this question, we will now discuss the criteria of the distinguishing characteristics of a suitable tariff for Canada. And

- 1st. We have expressed ourselves in favor of the imposition of such a duty on foreign manufactured goods as will enable us to produce all such manufactures as we require, and which can be made under favorable circumstances in Canada.
- 2nd. We are in favor of the free admission of all raw material and commodities, used in domestic consumption and manufactures, and which cannot be produced in Canada.
- 3rd. We are in favour of specific as against ad valorem duties to the greatest extent possible.
- 4th. We are in favor of indirect as against direct taxation.
- 5th. We are in favor of judiciously subsidizing for a time certain manufactures of steel and iron in order to facilitate an early development of these great branches of industry, and open up and utilize our inexhaustible and rich mineral deposits.
- 6th. We are in favor of the imposition of such a duty on foreign agriculture as is imposed by other countries on our own.

Such a tariff should be framed after a most exhaustive and comprehensive study and discussion of the question by the best adapted minds in the country to impart the necessary information in the premises, and the results of such a tariff as we have already in previous articles clearly demonstrated would not be to enhance the price of imported goods in proportion to duty imposed, as illustrated by experience in the United States, but to afford us a healthy revenue, and at the same time transfer the burden of taxation from the necessities to the luxuries of life, besides producing many other happy results. It will enable us, as it does the Americans, to perfect the quality of our manufactures and by improved machinery and competition to diminish the cost of production, and the result will be that we will soon be paying the highest price for labor, the highest price for agriculture, and at the same time the

lowest price for manufactured goods in those centres of population where they are produced. We may be asked if the present tariff has any defects. In our opinion it is not perfect. It is not what Protectionists would call a scientific tariff. In some respects it discriminates too much in favor of Manchester and New England. We are not producing as yet a single yard of printed cotton or what is more commonly called calico. A duty of 5c. per yard on this class of goods would tempt some of the great English houses to open a large manufactory in Canada to supply the local demand, and instead of an immense cost being incurred for patterns and block designs they could for a time be expressed to Canada after being used in England at mere nominal cost. We consume many million yards of these goods in Canada and we should produce rather than import them. The tariff of 42 in the United States ensured their production in that country, and the result has been everything claimed for it. Again, something should be done to develop our inexhaustible mineral deposits? Why should we not produce instead of import the 250,000 tons of steel rails necessary to span the continent from Nipissing to Burrard Inlet? We suggest to the Government the advisability of offering a subsidy of two acres for every ton of steel rails produced in Canada for that road say 400,000 acres as a condition of erecting blast furnaces in Canada, and producing 200,000 tons of steel rails for the Canadian Pacific Railway, Ottawa, above all places in the Dominion, would be the spot best adapted for their manufacture, for the erection of such furnaces. Charcoal can be produced in this vicinity at 6 cents per bushel, which will be as cheap as coal at \$2.75 per ton. We have inexhaustible deposits of the best iron and can procure the highest skill which modern science has yet produced for the erection and working of these furnaces, and the subsidy added to the cost of transportation will render their production cheaper to the syndicate than their importation. Ottawa, with her perfected system of rail and water communication, in the centre of a great mineral and lumber region, is the best distributing and manufacturing centre which could be selected. The effect of such a gigantic industry in the capital and Ottawa district cannot be over-estimated. It would add fifty per cent. to our population, fill every vacant tenement, and cause a demand for hundreds more. It would create a home market for all the surplus agricultural produce of the Ottawa district, create an immense circulating medium in our community, enhance the value of every city lot and acre of land in our vicinity, and give vast freights to our transportation companies. We urge on all Ottawa members to use every legitimate means to ensure its adoption. The disciples of the ex-Finance Minister may ask if the establishment of domestic industries do not involve too much cost? Almost anything worth having, costs in the first instance. It costs to be educated, yet enlightenment at the price of study and gold, is cheaper than ignorance as nature's free and unadorned. It costs to build canals and railways, etc.—it costs to legislate and educate—but the results are more than commensurate to the expense, and the money disbursed in creating a diversity of labor is spent at home among our fellow citizens, not sent abroad to build up foreign labor and capital. The general good resulting from the general consideration of the whole is the great object to be considered. We should manufacture every rail, build every engine, make all the plant necessary to equip and run the Canadian Pacific Railway in Canada. Such a resolve would be a grand stride, a bold and comprehensive move in the path of protection and progress. Sir CHARLES TERRY and Sir LEONARD TILLEY have a chance of rendering lasting services to the industries of Canada, of winning the applause, the gratitude of their fellow countrymen. They have, moreover, all the conditions essential to success, to realize such a bold conception—a great leader to assist, to advise and direct the undertakings—a powerful parliamentary following to second their designs, a country teeming with resources, to render practically such a resolve and the accumulated skill of modern science and invention to enable Canada at the outset to secure everything that can afford certain success. In a word the best means of making the best rail and plant which the present age produces.

Suppose, for instance, a factory is opened in Montreal, giving employment to 1,000 hands, what does this mean? One thousand factory employes will represent a population of at least 2,500. What would the closing of this factory and consequent expatriation of these craftsmen mean? A loss of 1,000 of 2,500. Much more. These artisans require boots, shoes, hats, caps, meat, bread, roots, vegetables, medicine, clothing, houses, wood, etc., etc., almost in *infinitum*, and likewise each of the new or

additional industries which they inaugurate or add to in all its various forms, require the same things, so that each thousand artisans probably adds, in one way or other, 5,000 additional to the population. Have our free trade friends ever considered this? What emptied one-fifth of the houses of Montreal under the late régime? The closing of the factories. What stunted the growth of the city during that dark era? The impediments which the tariff raised to the establishment of new industries and the development of diversified labor. All the artisans employed in the factories of the metropolis wanted homes. It required carpenters, joiners, bricklayers, painters, plasterers, roofers, plasters, workmen of all kinds to erect these houses. It required vast quantities of agricultural produce to fill the stomachs of the various craftsmen which the tariff furnished with a purchasing power, and although to-day the same clouds float over us the same sun, moon and starlight light the heavens by day and night, in the language of Webster, how altered! and how changed! Of 2,000 notes falling due on the 3rd of February in the bank of Montreal, not one was protested!! Among the thousands of vacant houses in Montreal there is not an empty place to be found, and the demand is for hundreds more. The market is flooded with money for investment. Canada towns are worth more than Canada sizes were formerly. Our almshouses, except for the old and infirm, are empty, and the soup kitchen is now a matter of history. The railways are unable to carry the freight offered to them, and the demand for increased accommodation is met by the employment of thousands of able hands, working night and day to meet the public wants. Never was there an era promising greater prosperity for Canada. Bank stocks have appreciated 37½ per cent., and all securities have become correspondingly improved in value, and the prospects of a \$1,000,000 surplus for the financial year ending 1st July, stare us in the face to terrify us into a Free Trade policy. If it is a bad policy to swap horses while crossing the stream, we think it would be rather imprudent to risk a change from prosperity, under protection, to one of promised increased (?) aggrandizement under free trade. We gave some statistics in a recent article about the Redpath refinery. There are about 500 persons connected with that industry, and they paid out in a single year \$125,000 for labor, \$60,000 for cartage, consumed 15,000 tons of coal, costing \$85,000, imported 40 cargoes raw sugar and 700 cars of the same article, and filled 400 vacant houses in the city. When this sole industry accomplished so much under the National Policy, what must not the latter have achieved in the thousands and tens of thousands to whom it gave and gives constant employment? But again, suppose we adopt a nominal tariff; suppose the United States follows our example, what will be the result? The pauper labor of Europe, its cheap capital, their great resources will crush out our domestic industries, pauperize our own labor market in maintaining the unequal contest, the purchasing power of the masses diminish, and expatriate our artisans to seek employment abroad which they cannot find at home. Look at the contrast between the ambitious city of the West with all its factories and diversified labor in the full tide of prosperity, and the homes of the masses the stores of the merchants, the mansions of the wealthy, the material and social development of the people. And then glance at the Ancient City with all its great commercial advantages. Compare the relative conditions of the people of these two cities. The one a manufacturing, the other a non-producing city. Are not all the material comforts of life infinitely more enjoyed in the long dreary winter season in our western rather than in our historic eastern city? Truly did GAZZLEY say, "Infinite are the uses of labor, but its highest fruition is man!" Well did the greatest statesman, the greatest genius of the American Republic say in 1832, "that the transformation of the country from gloom and distress to brightness and prosperity, was the work of American legislation fostering American industries, instead of allowing them to be crushed by foreign legislation cherishing foreign industry."

The Estimates of the Dominion of Canada for the year 1881-2 were laid on the table of the House of Commons on Tuesday by Sir LEONARD TILLEY. They will be found in another column. On Friday, Sir LEONARD will make his Budget speech, which is anticipated with much interest. The Minister will be able to inform the House of the result of the working of the new policy introduced during the session of 1879. The present year is the first which can be properly regarded as a test one. That the announcement will be a satisfactory one we have every reason to anticipate.