

THE TARIFF IN THE ELECTION.

No issue which involves absolute free trade on one side, and protection on the other, is possible in the present electoral contest. But there is a question of the maintenance or reduction of the present tariff. The manufacturers, bankers and the great body of the business men are in favor of leaving the tariff undisturbed. It is the interest of the manufacturers, and many connected with or more or less dependent upon them, to let things remain as they are. No one will be surprised to learn that at a meeting of manufacturers and millers, in Toronto, at which the premier was present, a resolution was come to that "on the maintenance of the National Policy depends the continued prosperity of Canada." This feeling is far from being confined to manufacturers; it is shared by many, who, if they had had the framing of the tariff, would not have made it what it is, but who, finding it in existence, are not prepared to welcome the experiment of a reduction which is in their minds tantamount to the introduction of a disturbing influence in the industrial and financial spheres. So true is it that a protective tariff once enacted tends to perpetuate itself, through the interests real or supposed to which it appeals. Taxation in any other form creates a shudder; in the form of a high tariff it is welcomed by influential classes who fancy that their interests and those of the public are largely bound up with it. More than once the National Policy has exerted a determining influence in the Dominion elections. The battle of a revenue tariff vs. protection will now be fought over again, but under altered circumstances.

The protectionists have the advantage of presenting themselves to the constituents as a unit. They know precisely what they want, and they make no secret of their aims. Opposed to them, a like unbroken phalanx there is not. Here we find not exactly a recognition of accomplished facts, but a grim respect paid to numbers, to strong arms and dry powder. A revenue tariff, the discovery has been made, means under present conditions, a high tariff; quite high enough to secure all the protection that any honest man could think of asking. There is, therefore, nothing to be feared by reasonable protectionists from falling back on a revenue tariff. Such is the argument; and though containing an element of truth, it fails to inspire confidence in the quarter to which it is addressed. The people who believe, rightly or wrongly, that their interests are bound up with a high tariff, reject what they regard as the chaff in favor of the solid wheat.

The parliamentary opposition put on record, last session, its views on different points of the tariff. It is impossible to deny the theoretical accuracy of its contention that fuel and breadstuffs ought to be free. But its eloquence fell on deaf ears. The farmers, who form the largest class, with some exceptions, believe that a tax on breadstuffs is in their interest; and Nova Scotia would kick harder than ever to get out of the traces if the coal tax, which was imposed in her favor, were repealed. Men are moved by their selfish interests; and in

the system of give and take, the various interests bound up in the tariff sustain one another. The farmer who is led to believe that he gets more for his grain does not object to pay a little more for his cottons, his woollens or his sugar, provided he is convinced that there remains, on the whole account, a balance in his favor. In this way, it is possible to imagine men hugging their own chains. In this way, a high tariff, for good or for evil, tends to perpetuate itself.

In the opposition to the tariff, the words monopoly and "undue and exorbitant profits" are still heard. Without a bill of particulars, every manufacturer is at liberty to take the description to himself. Woollen and cotton manufacturers, looking back to the parliamentary motions, consider themselves as especially menaced; the coal interest finds itself in the same boat. Farmers are not all cock sure that the protection promised to them is effective; but on the whole they think that a duty on grain and wool must mean higher prices, and therefore money in their pockets. They are not, however, all of this opinion. With many of them aspiration after free trade is a second nature; but when they hear on every hand that a high scale of taxation is necessary, they are apt to conclude that the best arrangement of the taxes is one by which they themselves will be benefitted.

It is labor wasted to tell the manufacturer that he has nothing to fear from any possible result of the present attitude of the tariff question; that whatever may be the result of the popular verdict, he is safe. Naturally he puts more faith in the creators of the National Policy than in its critics and opponents. However true it may be that his safety consists in the necessity for a large revenue, he is not disposed to trust to that safeguard alone; and as a rule, to which there are, no doubt, notable exceptions, he throws in his lot with the creators of the National Policy, to which he pins his faith and on which he looks as the sheet anchor of his salvation. The attitude of the workmen who find employment in factories is less certain; but it may be taken for granted that a large proportion of them share the economic theories of their employers. They may differ from their employers about wages and hours of labor, but the majority of them are thorough believers in the heresy of protection. And as they believe, so do they vote. Where there are special labor candidates it is more than probable that the candidates will, like Mr. Sheppard, be protectionists.

Any great change in the tariff, as a result of the elections, is improbable; and any great disturbance to business from this cause, we think, need not be feared.

"CHEAP" LIFE INSURANCE.

The "Canadian Mutual Aid" is the name of an assessment life insurance society, whose head quarters are in Toronto, which first saw the light six years ago, and for some time attained notoriety by advertising \$40,000 of bonds deposited with the Ontario Government, as security for its contracts. Investigation showed that the aforesaid bonds were held by Mr. Treasurer Wood

in his private capacity and not on behalf of the Government. In fact these bonds, though figuring in bold characters on the face of the prospectuses as if good for \$40,000, were simply private surety bonds for the proper fulfilment of their duties by the officers, and could not have been sold in the market for five cents per \$1,000. The press took the matter up and denounced the deception until Mr. Wood refused longer to hold the bonds, and for some years past the public has heard nothing about them. Being no longer permitted to appear as in any sense Government bonds, they ceased to be deemed worth mentioning on title page or elsewhere.

But the disposition to do business under false colors seems still to cling to the institution, as shown by a ten-page circular issued less than a year ago. We allude to what is contained in the page headed "Comparative cost of the two systems of insurance illustrated, Assessment System vs. Old Line." Underneath these headings is found a statement that in this society (for the one year 1885 it must be noted) the cost of insurance to members was \$8.00 per \$1,000, and then follows this table:

AVERAGE COST ANNUALLY PER \$1,000 INSURANCE, IN OLD LINE COMPANIES.

Age.	Yearly prem.	Age.	Yearly prem.
25.....	\$19 80	40.....	\$ 31 30
30.....	22 40	45.....	37 97
35.....	26 38	50.....	47 18
36.....	27 25	55.....	59 91
38.....	29 15	60.....	77 63
39.....	30 18	65.....	102 55

To call this doing business under false colors is to use mild language. The old line premiums thus quoted as being the "average cost annually," are the highest gross mutual premiums used by any company for policies payable at death with profits. The highest figures can not be the average cost of anything, any more than the lowest figures would be. Nor is the other statement on the same page a correct one, that the "cost to members (of the C. M. A.) for claims paid in 1885 was \$14." The average membership was 8172, which at \$14 would make the cost \$44,408. But the sworn returns shew the receipts, omitting an item of \$381 98 interest, to have been \$51,154.68. This is over \$16 per average member.

But if the page we are alluding to influenced many persons to join the society, their experience within its tents the past year must have proved a veritable eye-opener. The assessments have been \$88,788.56, as against \$40,819.88 in 1885, or considerably more than double. This is shewn by the sixth annual report, presented by the officers at the annual meeting held in this city on the 27th ult., as compared with the sworn report in the last *Blue book*, where the figures for 1885 are found. The increased assessments of 1886 had a somewhat serious effect upon the membership, as will be seen from the following:

New members in 1884.....	1,009
" " " 1885.....	1,047
" " " 1886.....	889
Total members at close of 1884.....	2,894
" " " 1885.....	3,449
" " " 1886.....	3,457

It thus appears that the increase of total membership in 1885 over the previous year was 555, while in 1886 the increase