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The Canadian Monetary Times.

THURSDAY, MARCH 4, 1869.

THE GODERICH SALT MEN AND THEIR BACKERS.

We once heard a person, experienced in the ways of the world, propose to wager that he could practically demonstrate the thoughtless alacrity with which large numbers of persons will sign any petition presented to them, by getting a formidable array of signatures to a petition to hang the Governor General, without trial or benefit of clergy. And it must be confessed that even this exaggerated way of stating the fact was not without its germ of truth. Nor are the excusably or inexcusably ignorant the only offenders in this respect. A notable example is before us. During the last session, sixty-four members of the Legislature of Ontario petitioned the Ottawa Parliament to impose a duty on salt, in the interest of the Goderich salt men. The prominence given to the question in this and other ways forces its consideration upon us.

A duty on salt has always been an odious duty, because the article is a prime necessary of life, with which civilized men find it impossible to dispense. It would almost be easier to do without bread than salt. The Scottish peasant finds no difficulty in subsisting mainly on oatmeal. Sugar and tea may be dispensed with in extreme cases; but salt is required to season or preserve an endless variety of articles of food. It is not too

much to say that among the chief articles of food consumed by the majority of the population of this Dominion, a prominent place must be assigned to fish and pork, both of which owe their preservation to salt.

It may safely be laid down as a maxim that the prime necessities of existence—that which forms the indispensable aliment, or any adjunct to that aliment, of the poorest portion of the great mass of the population—should be free from taxation. It was in obedience to this principle that the corn duty, which was justly stigmatized as an odious bread-tax, was repealed by Sir Robert Peel. In levying taxes, it is the duty of the Government to avoid striking at the great sources of the people's existence. Very recently the Parliament at Ottawa committed the error of putting a duty on foreign flour. This tax was in effect, though not in form, a discrimination against American flour. The object was to compel the Nova Scotians to eat Canadian flour, at an enhanced cost, which they could not afford to pay. The circumstance of the fishermen of that Province passing through a cruel famine; almost immediately after this unwise and unjust duty was put on, showed in a striking manner the inhumanity of that piece of protectionist legislation which attainted the people in the very source of their existence. We need not add that this temporary bread-tax, after bringing discredit on all concerned, was repealed on the first opportunity.

Are we now to shift the burthen which we removed from one shoulder of the Nova Scotia fishermen to the other? Having repealed the duty on their flour, are we to lay it on the salt that preserves their fish? Both articles of food are equally necessary to their existence; and we might just as well have left the tax on their bread as turn round, after taking it off, and put it on their fish.

The proposed tax on imported salt is advocated on grounds which are altogether indefensible. We are told that the new salt interest has some sort of a claim to be defended against the competition of American salt. The advocates of the duty tell us that they do not desire to go beyond this. They do not even wish to tax English salt. They ask simply and solely that a duty be placed on American salt; and we are not sure but they would agree to confine it to the dreaded Syracuse product. This demand shows an extraordinary unacquaintance with the fundamental laws by which the action of the Ottawa Parliament is limited and controlled. It is not within the competence of that Parliament to levy a discriminating duty, even in favor of English productions. The Governor General's instructions always contain a special prohibition against the enactment of such a

duty. Thus the way to a realization of the object of the salt duty agitators is effectually barred.

There are other parts of the subject which these petitioners do not appear to have studied to better advantage. They mistake what might be the natural effects of competition for remote, unusual and abnormal causes. They tell us, as if it were something extraordinary, that Syracuse salt is sold cheaper in Canada when it comes into competition with the Goderich product than when that competition is withdrawn. What more natural? It is the result of an ordinary law. But even if there is something more, that does not alter the case, in favor of the petitioners. It is quite possible that the Syracuse salt interest may make a special effort to retain a footing in this market. There are, we believe, two separate companies; one engaged in the manufacture and the other in the distribution of the Syracuse salt. The mercantile company agrees to take all the salt the manufacturing company produces, at a price agreed upon. In case of excess of production, which may easily occur, there would be great difficulty in disposing of the surplus; and it requires no stretch of the imagination to conceive that Canada might enjoy its full share of the benefit of the cheapened article. Salt is a thing of which the consumption has fixed limits, which do not admit of artificial extension. The natural limit once overstepped in production, the price inevitably comes down. But that is always an advantage to the consumer. The Goderich men may or may not have jeopardized their capital. We hope not; their attempts to develop and utilize a latent source of wealth to the country are deserving of every legitimate aid.

But is aid of any kind required in order to the successful development of the Goderich salt territory? The following is an estimate of the cost of manufacturing 100 barrels of salt at Goderich, obtained from a manufacturer there:

16 cords wood at \$2.....	\$32 00
Labor.....	20 00
100 barrels (empty) at 30c.....	30 00
Cartage to wharf or railroad.....	5 00
Oil and sundries.....	1 00

Total.....\$88 00

Or 88 cents per barrel. American salt is sold in Goderich at \$1.30, so that there is a margin for interest on investment and profit of 42 cents per barrel, or nearly 50 per cent. Such a margin ought to be satisfactory.

The arguments adduced in favor of a retaliatory tariff come half a century too late to find favor where economical questions have been carefully studied, with a view to the honest application of correct principles.