



land before they were fitted into the watch. . . . My order is that defendants pay a fine of £20 and pay £10 costs, and that the watches in court be confiscated, except such as defendants may prove to the satisfaction of an independent expert not to contain foreign parts similar to those in "A," "B," "C" and "D," such expert to be agreed upon by the parties, or, failing agreement, to be appointed by myself."

By this judgment it has been established in the English courts that in order to be considered and advertised as "English made," the larger proportion of the manufactured material and labor involved therein should be English. With this principle we heartily agree.

The application of this principle to Canadian imports shows that at the present time the preferential tariff in favor of British goods is being taken advantage of by English jobbing houses, and in some cases even by English manufacturers who ship what are practically foreign made goods into Canada as English, and thus secure for them the reduction of duty to the detriment of the Canadian manufacturer and the loss of the Canadian revenue.

The matter was recently put before the Canadian Government in the memorial of the Canadian Manufacturers' Association in these words, "in some lines goods are coming into Canada from Great Britain, and getting the full benefit of the preferential tariff, although in some cases all, and in other cases almost all the labor expended on them is not British but foreign. In such a case the preference acts not against the foreign manufacturer, but against the Canadian, and to remedy this the Government is strongly urged to raise the percentage of British labor in manufactured goods from 25% to 50% before this preference can be obtained; and also to use most stringent measures to guard against false returns being made leading to the importation of foreign goods under the name of British manufactures."

Canada's preferential tariff was intended to foster and build up trade between this country and Great Britain, and never for a moment contemplated giving a similar advantage to goods made in France, Belgium or Germany, all of which countries on account of their cheap labor are in a position to sell many lines of goods to England cheaper than they can be made there.

British merchants are the great middlemen of the world, they buy always in the cheapest market, no matter what that may be, and have no care whether their doing so substitutes foreign goods for English manufactures or not. In this fact, however, lies the weakness of our tariff reciprocity in favor of British manufactures, and if it is intended to really help bona-fide British manufacturers instead of bona-fide foreign manufacturers, or the hybrid British foreign manufacturers located in England, our Government will act wisely if they heed the suggestions tendered to them by so experienced and influential a body as the Canadian Manufacturers' Association.

BOSTON, Mass., July 1.—John F. S. Huddleston, widely known as a maker of high class meteorological instruments, died to night after a brief illness at his home, 34 Union Park, this city.

## A LESSON IN ECONOMICS.



OUR esteemed contemporary, *The Toronto Globe*, has a paragraph in its daily issue headed with the above caption, "A Lesson in Economics," but if one were to judge by the matter that is often contained therein, it would better be entitled, "Lessons in Economic Ignorance."

For example, last month the following appeared under this caption, the italics only being ours: "The Russian Government, in order to promote the development of Siberia, has sanctioned the importation, duty-free until 1909, of all plants necessary for the Siberian and Ural mining industry through all the nation's frontiers. No customs dues are to be levied until 1903 upon fishing nets and machinery necessary for the different manufacturing and mechanical establishments of Siberia which may be imported through the mouths of Siberian rivers. This is a reversal of the theory for which a few unfortunate words by John Stuart Mill are responsible. *Instead of protection in the infancy of development, there will be free trade during that infantile period. The Russian method is the more reasonable. It is in the infancy of development that free trade is the more necessary. An obstruction to trade can never be anything but a burden at any stage of development, but, like all burdens, it is easiest borne during the period of greatest strength, and is most injurious during the period of greatest weakness. It is less injurious to adopt free trade in the infancy of development and protection at a later stage than to reverse the order. It is still less injurious to adopt freedom in the infancy of development and continue it.*"

Surely the writer of the above never expected any person to be taken in by such an exhibition of economic ignorance. One has only to look around him in this country and more especially in the United States in order to see the utter absurdity of this proposition in so far as it applies to manufacturing industries of all kinds.

The policy of protection on the North American continent has brought into life numerous industries that could never have otherwise existed on this side of the Atlantic. Take for example the manufacture of steel rails in the United States. The duty placed upon such goods imported into the United States under the McKinley tariff was a specific one of \$23 per ton. Even with this apparently prohibitory duty it was up-hill work at first for American mills to compete against the cheap rails manufactured in Great Britain and Belgium. The American manufacturers persevered however until to-day they are not only selling steel rails for a less price than the duty levied upon the imported article, but are the largest manufacturers in the world, their products competing on even terms against European rails in the open markets all over the world.

What is true of steel rails is equally true of a hundred other articles that we could easily mention. In Canada itself, take for example the article of bicycles. Had they been placed upon the free list as suggested by the *Globe*, does any sane man imagine for one moment that these goods would ever have been manufactured here. On the contrary every merchant knows that it was owing entirely to the protective duty levied by the Canadian Government that the American manufacturers found it to their advantage to locate branch