

Globe nor its American friends should not object to this; for if the McKinley tariff is a good thing for the United States, seeing that under it Canadian products of all descriptions have to pay such heavy duties, it would be equally good for Canada, governing in importations of American goods. If this were done we would soon see the effects of it in increased importations of merchandise from Britain and a great strengthening of the ties that now bind that country and this; and another effect would be to cause hundreds of American manufacturers to transfer their plants, their capital and their workmen to Canadian soil.

Surely any discrimination that would produce such results is worth trying.

AS TO IRON.

SPEAKING of the repressive legislation enacted at the recent session of the Ontario Legislature, the *Toronto Mail* says:

As for the iron-mining industry, on which additional fetters were imposed, it may be said that, broadly speaking, when the Ontario Government determined to lay an embargo on the interest, there was not a single mine at work in the province. Ore there is plenty, and of good quality, but the question is what to do with it. An instance may be adduced which has several instructive features. There is a mine near Peterborough of exceptionally good ironstone, the owner of which, a man of ability and business tact, tried for twelve years with unremitting industry and perseverance to place upon the market. Here was a store of wealth placed in the province by nature which needed but to be worked to add to the prosperity of the country. Such a mine, if well worked, would produce 250,000 tons of ore a year and employ 500 men. Of course the only outlet for the output was across the line, and the duty of seventy-five cents a ton would amount on that output, to \$187,500.

The idea the *Mail* desires to convey is that there are no iron furnaces in Ontario, and that whatever iron ore may be mined in Ontario must be exported to the United States, paying a duty there of 75 cents per ton. The *Mail* is in favor of unrestricted reciprocity between Canada and the United States.

Recently, in discussing the iron duties, the *Toronto Globe* said:

The cost to the consumer of iron and steel (in Canada) is augmented to the extent of the duty, whilst our competitors in the States are enjoying extraordinary cheapness—such is the serious debit side; whilst on the other we have the presence of four or five furnaces whose output of pig amounts to only 25,000 tons a year in a total consumption within Canada of 400,000 tons.

The *Globe* is also in favor of unrestricted reciprocity with the United States, and while it deprecates the importance of our present iron manufacturing industry, and desires us to sacrifice it in favor of American competitors, it anticipates the question that would naturally arise as to why and how the United States acquires its present large iron industry, and why Canada's industry might not become correspondingly large through similar causes. It knows that until last year Great Britain was always the greatest iron producing country in the world; and that even now, when she has been compelled to take place second to that of the United States, the most strenuous and persistent efforts are being made by such free-traders as the *Globe* to induce the United States to abandon that policy by which it acquired this great pre-eminence in

favor of Britain, not for any love of Britain, but that there may be some realization of the chimerical idea of free trade. It is queer, however, that these Canadian free-traders seek to establish free trade in Canada by identifying our fiscal policy, not with that of free trade Britain, but with the United States, the most pronounced protectionist country in the world. And therefore in desiring to assimilate the fiscal policies of the two countries, and to extend the ultra protection of the United States entirely around Canada, the *Globe* endeavors to show that the success of the iron industry in the United States is not at all due to any influence of protection. Hear what it says:

The American (iron) industry owes nothing to the protective policy. In his work on the United States tariff Mr. Taussig sums up the case by saying that the high duties which prevailed for many years impeded importation and therefore retarded that cheapening of iron which has been one of the most important factors in the march of improvement during the present century. The duties certainly maintained in existence costly charcoal furnaces long after that method had ceased in Great Britain to be in general use. But "the first step towards a vigorous and healthy growth of the iron industry was in the employment of anthracite in 1840." That step, so far from being promoted by the duties, was taken at a time when the duties were being lowered in obedience to the popular demand for cheaper iron. The industry has grown to its present dimensions simply because no other country in the world has larger resources of coal and iron, or resources more easily developed. The home demand has increased with the increase of population—which now amounts to 1,200,000 persons a year. Aside from these facts, no American protectionist would pretend that Pennsylvania or Ohio or Alabama could have reached their present eminence as iron producing communities had they been cut off from the rest of the continent by a double tariff wall and left without a market for the surplus remaining after the local consumption had been satisfied.

The fact is the United States never enforced high duties upon iron until the Morrill tariff effected it. In the early days of that country, before the Revolution, and while British colonies, the policy of Britain was to repress the manufacture of iron there, and this spirit was carried so far by the mother country as to make it a high misdemeanor under some circumstances to manufacture iron or even to import machinery for that purpose. And for many long years after the separation from Britain did this repressive spirit exist in the United States, and to such an extent as to retard and almost entirely prevent the manufacture of iron there; and it is quite correct to assert that if the idea of tariff protection had not taken root and developed to the extent it did, so as to demand that a high duty should be imposed upon iron, the industry there would not be in the flourishing condition it is now in.

The *Globe* attributes the growth of the American iron industry to the large resources of the country of coal and iron. This is true, of course, for without these no possible tariff protection could have produced the industry; but it must be remembered that, the iron resources of Canada are quite as great as those of the United States, and that if blast furnaces were established in Ontario, contiguous to some of our immense iron ore deposits, they would be quite as near to unlimited supplies of fuel as many of the most successful American furnaces, and considerably nearer than many others. If then to the presence of these elements in the United States is to be attributed the establishment of the iron industry there,