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WEAK POINTS IN THE TARIFF.

Though the tariff of 1879 has proved effectual as a means of raising revenue, while it even afforded encouragement to manufactures, it cannot be denied that it has its defects. The coal and grain duties are certainly indefensible, on their merits. The Minister of Finance alleges, as a matter of fact, that only half the coal duty is paid by the Canadian consumer, the rest being met by a reduction in the price of coal intended to be exported to Canada. This is a matter of fact, on which the evidence, for and against, has not appeared to us satisfactory. It is no uncommon thing, we know, for American manufacturers to sell goods for exportation cheaper than for home consumption. This reduction is the price paid for getting or keeping a footing in a foreign market. Besides when there are surplus stocks, this is a convenient mode of getting rid of them. In a protectionist country, the chief market is necessarily the home market, and to throw a surplus on that market at a reduced price would injuriously affect the whole of a manufacturer's trade; but to sell the surplus at reduced prices for exportation would have no effect on the home market. What is alleged to take place in the coal trade has, beyond question, often taken place in other lines of business. But the evidence as to the reduction of price in the coal trade is not such as to place the matter beyond doubt. The statement now made by the Minister of Finance had often been made before, in the press, but it was not, and is not, supported by an array of facts which amounts to conclusive proof. The same may be said of the denial of the coal dealers: they are interested parties, and therefore witnesses in their own case. It is beyond doubt that they have formed a monopoly at once pernicious and injurious to society, and have even taken means to prevent any one, who will not enter a very objectionable ring, from being able to pur-

chase coal on the other side of the line. Under these circumstances their evidence must be ruled out. And as the Minister of Finance has not proved his case, there is at present no available means of satisfactorily settling the question of fact. In the absence of proof to the contrary, the general principle that the consumer pays all charges must be held to be in force. We have ourselves no doubt that the coal duty does add to the price of coal; and any increase in the cost of motive power is a very left-handed way of aiding domestic manufactures.

The other ground on which Sir Leonard Tilley defends the coal duty is at least intelligible. We may, he says, soon find ourselves negotiating a commercial treaty with the United States; and he thinks the coal duty might, on such an occasion, be made a useful leverage power; and that, on this account, it would be a mistake, in point of policy, to repeal the coal duty. This we say, is intelligible; all commercial treaties rest upon equivalents, and if there were no materials out of which to make equivalents, there could be no commercial treaties. So much is certain. But, we submit that, unless there is some reasonable prospect of a commercial treaty being agreed upon between two countries, it is folly for one of them voluntarily to inflict upon itself an injury of the nature of that under consideration. Nor do we think that the chance of a treaty being concluded between Canada and the United States is such as to justify us in making sacrifices for which we are not likely to get any return. Some persons may no doubt conscientiously hold a contrary opinion; and among them we may rank the Minister of Finance.

It sounds strangely to hear the duty on flour defended as a means of raising the price of the material of which bread is made. But circumstances alter cases, and what would seem almost an atrocity in England has not quite the same aspect here. England is an importer of breadstuffs, Canada an exporter of them. But we cannot, by any duty we may impose, alter the price of flour in the ultimate foreign market, in which all exporting countries must meet on equal terms. If, by artificial means, we get a little more for the farmer, at the expense of other classes, the merit of the exploit is extremely doubtful.

Of the proposed bounty to a certain class of fishing vessels, all that can be said is that as the amount will be only about \$150,000 a year, the injury it will do will not be very extensive. But the giving of bounties to any class of vessels is not the less an act of folly. The worst effect will be the false notions it will instil into the public mind; the tendency to make men believe that the

fortunes of private citizens depend not so much on their own sagacity and exertion as on the favor of the government.

Though the tariff is not, on the whole, highly protectionist; though it has some conspicuous merits over that which it superseded, the chief of which is that it produces ample revenue, it is far from being theoretically perfect. The removal of some duties on raw materials is in the right direction. There is one conspicuous omission in the extension of the free list, and that is of books which have been printed more than twenty years. Even in the United States such books are all on the free list. Their retention among duty-paying articles can do no one any good on the theory of the National policy; while the odious distinction of an unnecessary tax on knowledge is kept up. We trust the Minister of Finance will make this further addition to the free list.

OUR SALT INDUSTRY.

The production of salt in Ontario, which a few years ago was so active and promised such marked development, has not only not increased of late but has shown a decided decline. There were at one time some twelve or fourteen salt wells producing at Goderich; now but five are being worked. At Kincardine three used to be operated and now but one. This is not because of any decline in the productive power of the wells. There is brine in abundance, but the sale of the salt is limited owing to competition of the foreign article. Neither is it because of the inferiority of the native product, for however inferior Canadian salt may have been a dozen years ago, the improved methods practiced have resulted in turning out an article which needs not fear comparison with any in the world.

The fact that 250,000 bushels were last year shipped to the States and used mainly by Chicago packers, testifies to its quality. And there is additional testimony in the attitude of our own dairymen, who were long prejudiced in favor of the English factory-filled but now constantly use the domestic article. Indeed certain brands of Canadian dairy salt have taken first premiums at Ohio and Michigan State fairs, as well as in Ontario exhibitions where it came into competition with both the Syracuse and the English salt. Furthermore, five analyses of brine from different wells in our Huron salt-measures, sent in 1876 to the Centennial, showed the highest percentage of chloride of sodium, ranging from 97.5 to 98.5 parts, and in one case, which we append, even more:—