

The Commercial

WINNIPEG, MAY 8, 1893.

BINDER TWINE.

Somebody seems to be seeking for political capital or personal notoriety out of the binder twine question, or perhaps it is only an effort to pose as a philanthropist and general friend of the farmer. Some correspondence was recently published in the *Winnipeg Free Press* regarding binder twine, over the signature of two M.P.'s, and this correspondence smacks decidedly of the ways of the politician. In the first letter a Manitoba M.P. endeavors to take unto himself all the credit for arranging a plan whereby the price of binder twine would be reduced to the farmer. We may add that the plan has not yet gone into practice; but this unimportant matter of detail does not hinder the said M.P. from making a big effort, over his own signature, to pose as a general philanthropist and farmers' friend. The letter is from N. Boyd, member of parliament for Marquette, Manitoba, in which he tells of his efforts to secure cheap twine for the farmers, by a new and remarkably business-like plan, quite worthy of a great economist. Mr. Boyd went to Ottawa, of course, last session, and there he met a member from the far east, who is interested in the manufacture of binder twine. According to Mr. Boyd's story, he proposed to the binder twine man that the manufacturers of twine should sell direct to the farmers, instead of reaching the farmers through the dealers. The plan proposed was to work upon the philanthropic propensities of the Canadian Pacific railway, and induce the company to go into opposition to the dealers in the binder twine trade. The company was to sell the twine at cost to the farmers, through its station agents, all over the country. What a business-like enterprise this is! Three great philanthropists uniting their efforts to assist along the poor, down-trodden farmer. Boyd, the inventor and patentee of the plan; the twine manufacturers, who are willing to make the great sacrifice of selling direct to the farmer (for spot cash, of course, and no risk taken), providing the expense of selling can be placed upon others; and lastly, the railway, which would neglect its legitimate calling to retail a commodity direct to the consumer, all for nothing. Boyd takes the credit; the twine people take the cash (cold cash only, they will not sell on credit in this way); and the railway company does the work.

Though there is an effort to take much credit for this scheme, the only sacrifice is on the part of the railway, which would give the time of its employees in the work of distributing and collecting for the twine. As we understand the matter, the railway company has not agreed to the proposal yet, and we hope that no such an agreement will be made. It is hardly a legitimate direction for railway enterprise, entering into competition with the merchants from whom it receives its traffic so largely. It will be observed that the twine company will agree to sell in this way only for cash. Those who

have no cash will be obliged to buy from the dealers as before. The tendency of this will be to draw cash which should go to the storekeeper. Farmers will scrape up their cash to buy twine through the railway company, and defraud the merchant out of his rights. Thus the manufacturers would do all the cash trade direct with the consumers, without bearing any expense of distribution, while the undesirable credit business would be thrown upon the dealers, who also have to bear considerable expense in handling the commodity, and who could not therefore compete for the cash trade, even if they sold at cost. These little sops to the farmers are only intended to take their attention from other and more vital matters.

As for the twine manufacturers, they are all right. They have no share of the expense of this mode of distribution, and they insist upon the cash. The balance of the supply will be sold to the wholesale dealers, who are good pay, and the credit trade will be thrown upon the retailers throughout the country. There is nothing very creditable in this, when the thing is sifted down, though an effort is made to make it appear like a wonderful development of philanthropy all through. In order to make the most capital out of the thing, Mr. Boyd misquotes the price of twine. He says Manitoba farmers were charged 15 to 20 cents per pound for twine, and that this price was so excessive, in comparison with the cost of the article, that he was led to propose this plan of getting the twine to the farmer to reduce its cost. The fact is, the price of twine in Manitoba last year ranged from 12 to 15 cents per pound, and this for small lots on credit, with a liberal discount for cash. For larger quantities a considerable reduction was made, so that by clubbing together, farmers could get their twine one cent less per pound, that reduction being made on 3,000 pound lots.

If this plan of retailing binder twine is adopted, the best thing the dealers could do would be to refuse entirely to handle the article, and thus leave the credit as well as the cash trade to the philanthropists. If this course were adopted, the bulk of the Manitoba crop would probably be ruined for lack of twine. Dealers now talk of greatly curtailing their orders, in view of the possibility of this arrangement going into effect, so that if there is a dearth of twine next harvest, whose fault will it be?

AN INTERNATIONAL TALK.

The Winnipeg Board of Trade has decided to send delegates to the reciprocity convention, which is to be held at St. Paul, Minnesota, in June. This convention has grown out of a movement which first took form in the convention at Grand Forks, North Dakota, last autumn. The business people of Grand Forks first took up the question of commercial relationship with Western Canada, and showed their earnestness in the matter by calling an international convention to discuss the various commercial questions of interest to the people on either side of the boundary. The result of the first gathering at Grand Forks was, that it was decided to call another convention at the large commercial city of St. Paul at an early date, and this is what is now being done.

The result of the presidential election, which has taken place since the Grand Forks convention was held, has been to materially improve the outlook for greater trade freedom between the two peoples. To this extent the St. Paul convention will be held under more favorable auspices than was the case with the first one at Grand Forks. There is now a good prospect for the breaking down of the artificial barriers to trade, which have been erected on each side of the boundary. The people of the United States have declared decisively for lower duties, and in this country also the current is setting in strongly in favor of tariff reform. We therefore have at the moment the trend of public opinion in each country moving toward the reduction of the tariff. The convention will certainly help materially in assisting this movement. It is practically certain that the convention will declare almost if not entirely unanimously in favor of greater trade freedom between the two countries. The effect of the convention is certain to increase the feeling in favor of tariff reform in general, and particularly in the case of products passing between the two countries.

There is another point which is worthy of notice, as showing the changed conditions which now exist, as compared with a short time ago. The last general election in Canada was a decisive declaration against anything in the form of a tariff compact with the United States. Since the general elections this feeling has grown, and commercial union, or unrestricted reciprocity as it is sometimes called, is now a dead letter in Canada. The presidential election in the United States republic was also a crushing defeat for the tariff compact party. The result was a decided declaration against tariff compacts and differential treaties. The people of each country have declared that they are opposed to the principle of tariff compacts, and it is therefore not likely that any effort will be made to bring forward this idea at the convention.

In this connection, the action of the Winnipeg Board of Trade is worthy of notice. The board has instructed its delegates to "oppose any movement in favor of a tariff compact between Canada and the United States which would interfere with the freedom of either country in making tariff or reciprocity arrangements with any other nation." In view of the possibility of any discussion coming up upon the question of commercial union, this instruction to the delegates of the Winnipeg board is very wise and necessary. But in the face of this wholesome declaration from the Winnipeg board, it is not likely that any discussion upon the tariff, will lead in the direction of commercial union. The Winnipeg delegates from the board of trade have further been instructed to support any movement for securing a reduction of import tariffs in both countries toward a revenue basis. This, with the instructions to oppose any proposal in the direction of a tariff compact, places the Winnipeg delegates upon a sound platform as regards the tariff. It also places them upon a platform which harmonizes with the policy of the present administration in the United States. The policy of the Washington government, it is well known, is in favor of a general reduction