

Taft is Frank Regarding Desire for Canadian Market

For American Manufactures—Utterances of United States Journals are Significant.

One must either approve or oppose the proposed reciprocity agreement with the United States. Approval does not demonstrate political affiliation with the government in power. Opposition by no means indicates politics of a different color to those of the Dominion cabinet ministers. The issue is national and should be discussed without politics. The Monetary Times has been a non-political organ for nearly half a century, and continues in that role. Because it opposes the trade pact it cannot be accused justly of political partisanship. Facts and figures and opinions respecting the agreement should be placed before the citizen. He should be educated to the advantages and disadvantages of the commercial proposals that he may vote intelligently and, if possible, unbiased by his political beliefs. One might as well expect to walk on thin air as to have the discussion clarified of politics, their misrepresentation and tricks. For instance, it is needless for the Conservative party to use the Farmers Bank disaster as a weapon to harass the government. From appearances, one judges that the country will have an opportunity to vote its confidence or otherwise in the government's policy of freer trade with the United States. But during the necessary campaign prior to an election, the straight issue should be kept in view. It alone is sufficiently important.

Last week we discussed the position of the United States in regard to manufactures, showing that it was vitally important for the republic to obtain the Canadian market for manufactures at an early date. President Taft is willing, therefore, to make sacrifices now for the sake of greater things when the tariff is again revised. That will be in the near future if our neighbors have their way, and they generally do. In Atlanta the other day the President said: "When we entered upon the negotiations I asked the Secretary of State and his commissioners to offer free trade in everything, but this Canada could not grant us, because she has a protective system, and she was afraid of the competition of our better organized industries."

That frank utterance was discussed in the House at Ottawa last week when Mr. Fielding stated that he had no doubt the President had been correctly reported, and that his intention was as he had stated. "But," added Mr. Fielding, "the matter did not advance far enough to enable an offer of that kind to be made to the Canadian commissioners. At the earliest stage we gave them to understand that, speaking generally, we were not prepared to deal in manufactured articles."

There is no question, then, as to the desire of the United States. Our market is wanted for the benefit of their manufacturers. We admit that Mr. Fielding and his colleagues were placed in a delicate position when conducting the negotiations. The Western Canadian farmer is an important factor. He deserves consideration just as much as the manufacturer. Incidentally, it is lamentable that the agricultural producer and the captain of industry are not on better terms. They are by no means such enemies as imagination states, and dual discussions should during the next few years bring their interests to more common spheres. The Western farmer presented a long list of economic demands. To some extent the proposed agreement will satisfy them, but the agricultural interests have intimated that they want considerably more. The manufacturer is not so much disturbed, we imagine, at the likely effect of the present agreement, but more at its inevitable result when the United States manufacturers are given the opportunity to sell their surplus manufactures in Canada. That surplus is growing greater every year.

One has but to turn to leading American journals for confirmation of that view. If the Yankee says a thing is good for him, it is unnecessary to dispute. "One fact that makes reciprocity with Canada so desirable," says

the Boston Herald, "is the immense field that is opening up north of the border for the development of trade with the United States. Canada's progress has been great in the last fifteen years; but it has only begun. As her forest lands are cleared, her prairies brought under the plough and her mines opened, she will need machinery, and quantities of it. The more cheaply she can buy it, the more quickly will she move on the way to prosperity; and the lower the duty, the more cheaply she can buy from the United States manufacturer. Such an arrangement will benefit Canada more than the presence of a few industries owing their existence to a high protective tariff, and using the protection to levy toll on every enterprise aiming to develop in a legitimate way the resources of the country. The benefit to United States manufacturers is obvious."

Again, the Minneapolis Tribune states that the wholesalers and manufacturers of that city have begun to examine their sales organization, anticipating the reciprocity agreement. "Though," it continues, "Minneapolis already has a large selling force in Western Canada, and, though many firms will increase their forces only slightly, the smaller firms plan to branch out and go after the trade that would result in Minneapolis becoming a still greater wholesale market. To this end the clerks, bookkeepers, office hands, and even office boys to-day are in a better position to realize on day dreams than ever before, according to those in touch with the heads of Minneapolis business houses. No time is to be lost in having the reserve force all ready 'to shoot' into the new trade territory to win laurels for themselves and dollars for Minneapolis and her enterprises."

In a hundred places may be discovered substantial reasons why the proposed trade pact will be of vast benefit to the United States, but not to Canada as a whole. The American is not making sacrifices in order to help us. Mr. John B. Osborne, a prominent State official at Washington, predicted at Portland the other day that five years hence, in the event of the adoption of the pending agreement, Canada's total imports would be about \$540,000,000, and that the United States would supply \$350,000,000 of that total. He discussed the advantages that would accrue to the American people, and contended that, while the reciprocity arrangement may not immediately cheapen the cost of living, it surely would equalize and steady prices, arresting the upward movement which is bearing so heavily on a large proportion of the population. Taking the free admission of Canadian wheat as an example, the speaker declared that this would operate to prevent speculative disturbances in domestic markets.

He did not think that any fear need be felt in the border States lest the agreement should prove injurious to their farming interests. Generally speaking, he said, it may be confidently asserted that the free movement across the border of farm products will benefit the farmers on both sides of the line, and the reciprocal removal of existing tariff restrictions will make the surplus for export in either country readily available for supplying any deficiency in the other.

"The immense increase in our population, the pronounced urban movement, and the accelerating tendency toward exhaustion of our natural resources," said Mr. Osborne, "are conditions which dictate the wisdom of enlarging our sources of supplies of raw materials and foodstuffs wherever it can be done consistently with the interests of our own producers."

The reciprocity agreement is a commercial lever for the benefit of United States. If Canada ratifies it, there may be temporary advantages, but the agreement will still remain as the first step towards the disappearance of the Dominion's national individuality and commercial greatness in North America.