

ABOUT MANUFACTURERS' PROFITS.

A pretty good story of facts just given in these columns shows how manufactures are expanding in Canada under the genial and life-giving sunshine of the N.T. But, it is said, the country is really impoverished by all this, the profits of a few manufacturers are a robbery of the people. We propose to go back to certain instances for review.

Free Trade writers are like the darkey's "old Virginia" in one way, they "never tire" of describing the glories of England's manufacturing progress. Now, "manufacturing progress" is an imposing expression, and it reads well, especially when applied to the great British Empire. But what does it really mean, or, rather, let us ask, what did it mean in the days when Britain's commercial greatness was being built up? Oo! It just means that British trade and manufactures were prosperous to an astonishing degree, that the country's greatness was built up, and that Britain's industrial strength became the right arm of her political power. We won't take this for an answer, just for the reason that it serves to keep the bottom facts out of sight. We want to get at the bottom, individual facts of the matter, and we are not going to be cheated out of them by mere "glittering generalities" of any kind. What, then, are the tangible, individual facts upon which the whole glittering, dazzling story of British manufacturing progress rests? We may fairly borrow the language of Scripture, with a modification, and say that time would fail us to tell of all, or nearly all, the Baraks or Gideons who figured in the fight. But let us recall the names of the PASTEs, the HODGKINSONS, the TAYLORS, the COCHRANS, the BARONS, whose fortunes were made in manufacturing. Many who are quite entitled to be called successful men made moderate fortunes, as fortunes are considered in England; more than a few made fortunes which may properly enough be called gigantic. How were these fortunes made? Here let us still stick close to the individual facts; don't let these facts get away from us. These great fortunes, we say, were in each case made by enormous profits on sales made in markets which the British manufacturer had nearly all to himself. It may be said that the British manufacturer was not protected in these markets, to which the reply might well be made that, where not protected by a tariff of duties, he was virtually protected by the monopoly of British shipping in carrying goods, and British commercial houses in drawing bills on correspondents abroad, which still holds good in both these points. But in the main point of all the British manufacturer had the reality of protection, no matter what the name of the thing might be. He held the market and he made his prices. If you say "no" to this, then account to us for the perfectly enormous fortunes of some British manufacturers, who are now the owners of estates that once belonged to families claiming to have come over "with the Conqueror." Enormous fortunes are also made by manufacturers in the United States. Is this a proof that the Great Republic is going to ruin and decay? Is it a calamity to England that SAUNDERS, MORTON and THOMAS BAYLY FORTM, both distinguished Free Traders have made and are still making fortunes out of their almost exclusive possession of certain markets in certain lines? Oh! but, it may be said, their profits are really small in percentage, it is the big business that does it. We reply, no, their profits are actually very large in percentage—far larger than people generally are aware of. Tell it to the mariners that the cotton magnates of Lancashire and Leicestershire made their fortunes out of profits of from five to ten per cent. Or that the great iron-masters of Yorkshire, and Wales, and Clydesdale, made theirs out of the still moderate figures of from ten to fifteen. We say no. These fortunes were built up on actual profits of from fifty to one hundred per cent. What a gigantic evil this must have been, says somebody; how could Britain be anything but a ruined country, with all this going on? Not at all, says McCULLOCH, or McCRAW, as CARLYLE calls him, in his infallible Commercial Dictionary of Free Trade; quite the reverse. The great fortunes made in manufacturing

were the very proofs of how good a thing manufactures—and Free Trade—are for a country. We ask, then, if profitable manufacturing built up England, how is it going to ruin Canada? Show that the success of a cotton mill or a sugar refinery is a damage to the country. A fortune made by large profits—yes, we say, by large profits—a part of Britain's commercial greatness, if made in Glasgow or Manchester. Further, it may be made in New York or Boston, or Philadelphia, not only with impunity, but with honour. Make it in Montreal or Toronto, however, and you are a public robber. This is really what Canadian Free Traders say, in effect, whether they know their own meaning or not. Immense profits may be made on manufacturing, somewhere or other, but not in Canada. Let BATES make his millions out of the hot blast and pig iron, and give half a million to the Established Kirk of Scotland, by way of solace to his soul. Let BASSANZA make his millions, too, out of an invention the one really valuable point in which was pilated from a man by the name of BRANLY, whom very few have heard of. All right and proper enough, that is what they do in the old country, but if you do it in Canada you will be hanged for it—on a GLOBE gallows. We say, let us get down to the basic principles of common sense in this matter.

ANGLO-FRENCH TREATY NEGOTIATIONS.

The latest information we have of the progress of the commercial treaty negotiations between England and France is contained in the London papers of the 3rd inst. A despatch from Paris dated the day before states that the Joint Commission met that morning, when the subject of woollen goods was discussed. It was expected that the French experts would put in an appearance to give evidence, but they did not do so. Mr. BOGARISTO, of Leeds, who accompanied the English Commissioners, was present for the purpose of replying to their statements, but he was not afforded the opportunity of doing so. The French Minister explained the absence of the experts by stating that he and his colleagues on the Commission had so thoroughly mastered the subject that they did not consider it necessary to call evidence of that kind. The despatch says that a full statement of the case of woollen tissues, prepared by Mr. BOGARISTO, was made by Mr. BROWN, and was so conclusive that the discussion which ensued between the French Commissioners on the one hand, and the English Commissioners and Mr. BOGARISTO on the other, raised no new points, and was confined to details, the French Commissioners promising to examine the samples furnished by Mr. BOGARISTO. It is stated that after the English expert withdrew, some slight concessions were offered by the French upon two of the categories for mixed woollens, but the position of the negotiations upon the subject was not thereby materially altered, nor was any agreement probable without further reference to the two Cabinets, as the difference was one of principle and not merely of figures. Telegraphing on the same day the Paris correspondent of the Manchester Guardian made the following statement:—"Doubt is no longer possible. Our Commissioners will return on Saturday and there will be no treaty. The French offers do not even amount to the status quo, and our Commissioners were, on leaving England, firmly determined not to accept anything less than an improvement on the 1860 terms. The French have certainly made a slight approach towards our requirements, but so faintly that their propositions, although officially noted, are very far indeed even from reaching the point at which a compromise might be entertained. As before, the cotton section is the rock on which the negotiations have been wrecked, although minor points, such as mineral oils, felt hats and leather, still remain in an unsatisfactory condition." A rumour having gained currency that the negotiations had been broken off, the Times of the 3rd instant contradicted it, and pointed out that the negotiations were only again postponed, the British Commissioners returning for fresh instructions. The "Thunderer's" views are thus summarised: "It thinks it expedient to repeat what it thinks to be the sound principles on which the country should be guided in the negotiations, and once

again urges those who are in authority not to be led into abandoning these principles in the hope of a momentary advantage. The Times says the opinion of English business men is that the negotiators should remain firm and accept nothing less favourable than the old treaty. Without these, it says, it would be better to have no treaty at all, and in case the negotiations fail it points out that without a treaty the country would be free to act as it pleased for revenue purposes—on just the tariff as it pleased, according to the needs of the moment. Entertaining the possibility of such an ending, the Times concludes: "It will be in some sense a regrettable termination of a well-meant economical experiment if the treaty thus comes to an end, but England will at least not feel any complacency that it is not her fault." The Standard "regrets that the negotiations are again suspended, but it must not be supposed that the chances of the ultimate conclusion of a just and satisfactory treaty between the two countries have disappeared, or that they have by the mere adjournment changed materially for the worse. When the commissioners meet again it will be under much more favourable auspices. The French representatives at least will feel more sure of their footing. They will be entrusted with a larger measure of responsibility, and they will probably be empowered to offer more liberal terms. Certain it is that in the discussions that have taken place many differences have been disposed of once and for all. M. GAMBETTA himself has every reason to desire the conclusion of a commercial treaty with England, and politicians who think very differently from M. GAMBETTA on many subjects, when they look at the existing international relations of France, must wish the same thing. These facts will not divest individuals, or powerful groups of individuals, of their dislike and distrust of every approximation towards Free Trade. The protectionist interest is, and is likely to remain, an influential and weighty one. M. GAMBETTA cannot ignore its sentiment; it remains to be seen whether he can educate its opinions." The Morning Post takes it for granted that the negotiations have ended, it remarking that "The French Minister of Commerce has shown Mr. GLADSTONE'S negotiators the door; has sent them home with their journey for their pains." "On no point of the slightest importance," says the Standard, "would the French concede to the entreaties of the English Government. At the same time our Free Trade Ministers did not dare to accept the proposals of France and abandon the interests of England. In spite of their platform declarations in this country, that the Liberal party was pledged to throw open the ports and markets of England, no matter what was the commercial policy of foreign countries, their heart failed when they had an opportunity of acting up to their solemn declarations. In spite of their past pledges and recent boasts, they were obliged to assume an attitude which suggested retaliation and openly hinted at reciprocity. The hostile action of the French Government against the English cotton fabrics compelled Mr. GLADSTONE to think of the innumerable votes of the sturdy spinners of Lancashire, and, swallowing the principles of the Immaculate Conception and the Divine Bazaar at a gulp, our Radical Cabinet has recognized that it dared not contract a commercial treaty with France which would sacrifice English interests and fetter England's power of retaliation." The Daily Telegraph takes the view that the negotiations have collapsed. It says, "The likelihood of failure was evident since the object of the French negotiators was to introduce a partially protective tariff under a thin disguise." It continues, "The mere change from ad valorem to specific duties was not one that England could by itself object to for our own tariff is mainly based on the latter and simpler plan, but under the pretext of effecting this alteration the French officials sought to gain our assent to what was virtually a reactionary scale. Our representatives, on the other hand, could only consent to changes of form that either reduced the total duties levied on our goods, or, at all events, left them substantially the same. As our friends across the Channel were pertinacious in their design, and as we could not accept terms which, while tying our own hands, imposed new

burdens on our manufacturers, the breakdown of the negotiations was always probable. The result is to be regretted, but no treaty at all would be much better than the convention that was proposed. In the first place, as a matter of principle it would have been injurious to the general cause of Free Trade were France exhibited retracting its steps towards protection under the auspices of an English Cabinet containing Mr. GLADSTONE and Mr. BROWNE. In the second place, we shall now recover our liberty and be as free as we were in 1860 to raise larger revenues from foreign luxuries or to alter the rate of our duties on wine." Notwithstanding the pessimist views of some leading London morning journals, we shall not be surprised to learn of the renewal of the negotiations at an early day. To what extent the advent of a new Government to power in France may influence the situation, is one of the interesting aspects of the case that will now claim attention. GAMBETTA is pronounced Free Trade, and so are some of the leading members of the new cabinet. Will the French Premier insist on putting his views into practice, or will he act upon the principle of forming his policy in accordance with the requirements of the country?

BENEFITS OF MANUFACTURES.

An American exchange refers to the case of a single industrial establishment to point out the benefits conferred upon a community by the existence of manufactures in its midst. It is that of the Cambria Iron Works, Johnstown, Pa., whose proprietors pay out \$103,000 per month in wages. "Thus," says our contemporary, "one and a quarter million of dollars is enabled to be distributed each year to give comfortable homes to the people whose agriculture is not possible, and afford good markets for the products of thousands of industrious hands in other employments. If the ten other steel plants do as much, and some of them do a great deal more, then the Bessemer steel industry furnishes the people the living little sum of \$13,500,000 annually, which will drive several little wolves away from the snug, comfortable cottage homes in the more rugged hamlet towns of the land." In this "Canada of ours" we have some political philosophers who regard such a condition of affairs as of questionable benefit. If our neighbours had a policy of one-sided Free Trade instead of that of protection, their manufacturing industries would not be in the prosperous condition they are found to-day.

THE PROVINCIAL FAIR.

Toronto has given the Provincial Agricultural and Arts Association another slap in the face. It will be remembered that at the last annual meeting of the Association it was decided to hold the exhibition of 1882 at Toronto, although that city had not extended the usual invitation, while other places had put forth efforts to secure it. As our readers are aware, Toronto has now an annual exhibition of its own, held under the auspices of the Industrial Exhibition Association. When it was announced that the Provincial Agricultural and Arts Association had decided upon holding their exhibition at Toronto, the question arose, Will the Industrial Exhibition Association (of Toronto) give way for a year or will there be a united exhibition? It was discussed in the press for some time, and now the matter has reached a crisis. The Toronto Association has a lease of the exhibition grounds during the months of September and October of each year, and therefore has the "inside track." A few days ago its officers notified the Exhibition Committee of the City Council of Toronto of their intention to go on with the exhibition next year as usual. At a meeting of the committee held on Monday the following resolution was passed:—

"That the Industrial Exhibition Association having notified the Corporation that it is their intention to hold their annual exhibition for the week commencing September 11, 1882, and that they claim the use of the exhibition grounds during the months of August and September in connection therewith in terms of the lease executed between the city and association, this committee, while feeling the honour conferred upon the city in its being selected to be the place for the holding of the next Provincial Exhibition, regret very much that under the foregoing circumstances they feel they cannot recommend the Council to make any provision

whatever for the holding of the said Provincial Exhibition during the month aforesaid." Now arises the question, What will the Provincial Exhibition authorities do in the matter? They decided to go to Toronto uninvited, and now Toronto informs that they are not wanted. Evidently they are in an awkward position.

EDITORIAL COMMENTS.

The Paris correspondent of the London Standard writes "In consequence of the non-concurrence of England and France in the proposed extension of extradition treaties, there is no probability of any further international agreement on the subject. Failing the cooperation of those countries, no working arrangement would, indeed, be practicable. France is probably less inclined to negotiation than England but she would certainly require some guarantee that political refugees should be tried before a regularly constituted tribunal before entering into an agreement to deliver them over to their Government. It is very doubtful whether the Russian Government could give such a guarantee."

According to a despatch from Washington it is the opinion of leading Republican Senators that no action will be taken in the direction of tariff revision during the approaching session of Congress. It is thought, however, that a commission composed of eminent manufacturers and representatives of both Houses of Congress, will be appointed to determine what changes are advisable. One thing is certain, that while recommendations may be made to the removal of existing anomalies in the tariff, the protective system, under which the manufactures of the United States have rapidly increased, will be adhered to. From that policy our acute neighbours are not likely to depart for many years to come.

An exchange says that "to make some space enough for American consumption annually 100,000 cords of lumber, and to make lucifer matches 300,000 cubic feet of the best pine are required every year. Last and best-wood take 500,000 cords of birch, beech and maple, and the handles of tools 500,000 more. The baking of our bricks consumes 2,000,000 cords of woods, or what would cover with forests about 50,000 acres of land. Telegraph poles already up represent 800,000 trees, and their annual repair consume annually thirty years growth of 75,000 acres, and to fencel all the railroads would cost \$45,000,000, with a yearly expenditure of \$15,000,000 for repairs. These are some of the ways in which American forests are going. There are others: packing boxes, for instance, cost in 1874 \$12,000,000, while the lumber used each year in making waggons and agricultural implements is valued at more than \$100,000,000."

Several American capitalists give notice of their intention to apply to the Ontario Government for letters patent incorporating them as "The Steel Association of Ontario." The objects of the company are thus set forth in the notice published in the Ontario Gazette:—

"The object of said incorporation is the seeking for and acquiring iron mines in the said Province, the working of said iron mines, the purchase of iron ore, the establishment of smelting works for the manufacture of the several grades and kinds of iron, and works for the production and manufacture of steel under such process and patents as the company may acquire or have the right to use, also for the purpose of manufacturing the several and various articles manufactured from steel and also from iron, and for the sale of all the said products; also for the purpose of buying, importing and selling coal and generally with all the powers incident to and required by such a corporation."

The principal operations of the company will be carried on in the County of Hastings, and Belleville will be the place of business. The Ontario order stood on Saturday that the incorporation would occupy the attention of the Belleville City Council last evening.

The Montreal Times contains the following paragraph under the heading "No New Factories":—

"The Toronto Globe is driven to the last ditch in its opposition to the N.P. It draws a fine line and desires the Government press to point to a single new branch of manufacturing commenced since the N.P. came into force. It says we had cotton factories, ear shops, etc. before the N.P., and that no credit is due the Gov-