

course, be a large producer of wool, but unless the British tariff preference is abandoned, or greatly modified, the wool will go elsewhere for manufacture, and Manitoba and the North-West will be as deficient in woolen mills as it is now; and unless our manufacturers, many of them, awake to the requirements of the occasion, they will see the country supplied, in large measure, as it is now, from American sources. It is all well enough in its way to expend large volumes of hot air talking about export trade, but the same amount of energy might be expended to good advantage in supplying the home market that we now have, and preparing for the wonderful extension of it that is so soon to be a feature of our industrial landscape.

THE HOME MARKET.

It is a noble impulse that impels Canadian manufacturers in their associations and organizations, and individually also, to exhibit great interest in the matter of export trade in seeking markets abroad for their surplus products. Some of these, such as pork packers, bacon curers, flour millers and furniture manufacturers, all producers of articles better than which there are none made, expend much thought and energy in their struggle to sell in foreign markets, in competition with the world, but reference to the Trade and Navigation Returns shows that we import all such products, and many others, which can be, to good advantage, produced at home. The idea seems to prevail, even among pronounced protectionists, that it is a good thing for Canada to be a producer of raw materials and foods for the manufacturers and laborers of other countries, while to a certain and large extent other countries are permitted to supply such things to us. Even among manufacturers great delight is displayed in pointing to the returns showing the increase of exports of manufactured articles; and they go so far, some of them, as to operate foreign intelligence bureaus in competition with the Government appointing their commercial agents in foreign trade centres, and instituting systems of reports similar to those that have for years and with great success been operated by Dunn & Co. and Bradstreets.

At the same time it does not appear that some of these manufacturers pay much attention to the requirements of our own great and growing country, particularly to those newer portions which are now attracting the notice of manufacturers of other countries. Far away fields look green; and perhaps it is for this reason that such struggles are made to acquire markets in Europe, Asia and Africa, Australasia, South America, and the Isles of the Sea—in all countries except Canada. No doubt one reason for this grows out of the example set by the United States, the manufacturers of which country, having obtained control of their own home market, are seeking others to conquer. These competitors, wide awake men that they are, keep their fingers upon the pulse of trade in all countries, and see in Canada opportunities of business which many of our own manufacturers fail to observe. American manufacturers appreciate the conditions in Canada better than Canadians do. They seem to know what Canada wants better than Canadians do. They invest liberally in advertising space in Canadian trade journals, thus bringing their products constantly and prominently to the attention of Canadian purchasers, which many Canadian producers do not do. Of course there are many exceptions to this rule. In many respects the business methods of American manufacturers might be followed with good effect by Canadian manufacturers, particularly in the matter of advertising. The conservatism of the Mother Country has had effects in this, and

the sooner the Mother Country habits are abandoned, and American habits and energy adopted, the better it will be for Canada.

American manufacturers are ready and willing to supply the wants of Canadian consumers. In the case of the West they have the advantage of having studied for years the needs of the only similar population in the world, that of the Western wheat-raising States. What difference there is between the Canadian and American West is being continuously obliterated in an economic sense by the influx of Americans. It is urgently necessary that Canadian manufacturers should watch the changes and developments of this market. No reasonable duty is sufficient to prevent the Manitoban buying what he wants from Minnesota so long as Ontario and Quebec will not give it to him.

According to the census of 1901 the population of Manitoba and the adjacent Territories was about one-eleventh that of all Canada, while according to the official returns the imports for consumption of dutiable goods into that section was more than one-seventh of the total of such goods from the United States. The explanation of this condition is largely that our new American population will continue buying in their old markets until it is properly brought to their attention that they can buy the same things in Canada without paying duty. In cases where the Canadian is not answering or cannot answer this demand, American industries are already following the American purchaser across the border. That the exodus of Dakotans and Minnesotans into Canada has had much to do with the erection here of branches of American industries cannot be doubted. Such an invasion will not benefit the country if it merely displaces Canadian industries which could fill the demand; yet some of those industries seem to be inviting it. It is an invasion from which no amount of protection can altogether save them. The ultimatum is, and must be, the action of Canadian manufacturers themselves.

ELECTRIC STEEL MANUFACTURE.

Dr. Haanel and the Commission sent to Europe by the Dominion Government to investigate steel making by electricity, have returned, and, it is reported, are well satisfied with their investigations. It will, however, be well to wait until their report is published before jumping to conclusions about the cost of producing iron or steel by this process which may vary according to the conditions at each plant, the most important of which are the cost of ore and electric power.

There is no doubt that this report will be thorough and comprehensive, and should be of great value to this country.

The electric plant mentioned as likely to give the best results in Canada is that of Charles A. Keller, of Paris, described as a double electric and continuously operating metallurgical furnace, in which the upper one formed as a stack furnace is designed for the reduction of metal from the ore, and in which the lower furnace of the ordinary kind, pierced at its upper part by a conduit located below, and in the prolongation of the charging column of the upper furnace, is designed for refining and purifying the metal, or for alloying it with other metal.

Keller's furnaces are now operating successfully in producing high grade steel and are employed to their full capacity.

In view of the electric process being applicable to Canadian ores, of which there seems to be no doubt, it would be wise for the Government to extend aid to get such an industry started. The difficulty is in starting new enterprises, and it is in their initial stages that Government aid is most needed.