## The Monetary Times AND TRADE REVIEW,

With which has been incorporated the "Intercolonial Journal of Commerce" of Montreal, the "Trade Review" of the same city (in 1870), and "The Toronto Journal of Commerce."

ISSUED EVERY FRIDAY MORNING. SUBSCRIPTION-POSTAGE PREPAID.

## BOOK AND JOB PRINTING A SPECIALITY

Office-Nos. 64 & 66 Church St , Toronto, Ont. EDWD. TROUT, MANAGER.

TORONTO, CAN. FRIDAY, AUG. 5 1881

THE FAIR TRADE LEAGUE.

That England should have a Fair Trade League, in contradistinction to a Free Trade policy, is what no one could have anticipated a few years ago. It is not probable that the new organization will ever wield a power equal to that which marked the career of the Anti-Corn-Law League. The objects of the two Leagues, which at first sight seem to lie at the opposite poles, are really one. The Anti-Corn-Law League was formed to get rid of the bread tax, as the import duty on wheat was called, and to promote Free Trade generally. In its first object, the The Corn Laws League was successful. were abolished. A further advance in the direction of Free Trade was made, in the abolition of import duties on a large number of articles which went to England from abroad. But the belief, once very general, that other nations would speedily follow the example of England, has not been realized; and it is this disappointment, together with the great advance made by other nations, notably the United States, in manufactures, under a protectionist regime, that causes the reaction which now finds expression in the organization of the Fair Trade League. The object of the Fair Trade League is not to return to protection, for its own sake, and as a permanent policy, but to compel other nations to adopt a policy more in accordance with Free Trade than that which they now act upon. Example and persuasion, in the hands of Free Traders, have failed. The Fair Traders want an experiment of coercion made.

The new League is, in its own words, formed "to promote trade with the colonies and dependencies, on a principle of reasonably free interchange, and to agitate for such fiscal readjustment as shall prevent the products of foreign States which refuse to deal with Great Britain on a basis of Fair Trade, from coming into undue competition labor." the products of home At the Westminster Palace Hotel, the subject.

first meeting of the League is said to have been attended by, besides such British representatives as would naturally be found there, a number of persons from the colonies. How far the latter could be taken as fair representatives of the colonies, we cannot say; but the chances are that they were persons who happened to be in England, and being colonists, thought themselves entitled to rank as colonial representatives. The dependencies of Great Britain will have to speak for themselves, in a more formal and certain way, if the propositions of the League should ever require a serious answer. The aim to deal with the colonies "on a principle of reasonably free interchange," is too vaguely stated to admit of its being dealt with in a positive manner. Much depends on what may be thought "reasonably free interchange," but not everything. The dependencies cannot do without revenue; and they cannot well change the habit of deriving a large part of it from customs' duties. Every kind of food coming from foreign countries, the proposal is, shall be subject to moderate duties; but we cannot believe that the British nation is prepared to take so retrograde a step. This is the sop thrown to the grain-growing and provision-producing dependencies; for some inducement must be offered to them, to fall in with the plans of the League. But the British consumer has to be reckoned with. before anything can be done; and then the colonies would have to be satisfied that it can be made to their advantage to revolutionize their entire fiscal system. With our present lights, we are unable to see how either of these things is to be accomplished.

Tne whole idea is that the British Empire shall shut itself up in its shell, if need be, and subsist on its own internal supplies. High foreign duties are to be met by high British duties; and the removal of high foreign duties is to be followed by a repeal of the countervailing British duties. That is, retaliation is to be resorted to, for a purpose, not as a permanent policy. This would be allowable enough, if there were a prospect of success; but the net result would probably be to create ill feeling, in foreign countries, rather than to obtain the surrender aimed at. To say that raw materials ought to be admitted free, from every quarter, and that all articles of food coming from foreign countries should be taxed, is surely a contradiction, in policy, if not in terms. Food is as necessary to the success of manufactures as cotton and wool. Though we do not now expect any great degree of success from the efforts of the Fair Trade League, we shall follow its career with the interest which naturally attaches to the

THE DIRECT PROCESS OF MAKING IRON.,

Discoveries are being constantly made in the world of science, which simplify in a great degree many processes of manufacture. The wonders of chemistry are by no means exhausted, nor are the possibilities of the world's motive forces yet fully ascertain-A host of scientific men are continually prying into the secrets of nature; while another and scarcely less important host of manufacturers and practical men in the arts. are themselves experimenting or applying the results of the experiments of theorists in their own factories or ateliers. Sometimes a remarkable principle is found out in a flash. which simplifies whole processes of manu-Sometimes these economies and facture. improvements in method are the slow result of tardy discovery, proceeding from step to step till the most direct economical mode is reached.

Iron manufacture, for instance, the production of iron from the ore, is an art as old as the Romans, and yet it is steadily becoming more perfect, especially by the discoveries of recent years, in particular the direct method, of which we shall presently speak. In the old process, the iron ore was mixed with coal, limestone, or other materials suitable for a flux, and charged into a blast furnace. Being here heated to intensity, the oxygen and earthy matter of the ore were separated from the metal, which, being more dense, collected at the bottom of the cupola and was thence run off into pigs or moulds. Sometimes, though not invariably, the ore required a preliminary "roasting" or calcining to be ridded of some of its most volatile impurities, before passing into the cupola to emerge as pig. By being broken up and reheated thoroughly, "(puddled" as it is called) the carbon and other impurities were removed and it became malleable iron, and was ready to be rolled into bars. During this process much of the metal became oxidised and passed into puddled cinder, which contained sulphur and phosphorus and a good proportion of iron.

By the new direct process, the removal of impurities of the most troublesome sort is accomplished readily without the preliminary roasting or calcining, Moreover, "bar metal" can be produced, we are assured, by a single heat of not more than two hours' duration. We purpose to describe the pro cess somewhat in detail, when it will be seen that there is a decided saving both of fuel and labor in the direct process.

The ore is first ground to a coarse powder and thoroughly mixed with carbon, clay and lime; the mixture is then moulded into the form of hollow cylinders, say 15 inches in