

revealed the wire fence combine as determined to choke out all independent competition and systematically to hold up the consumer. Mr. Macrae, who is a manufacturer of wire fencing, both in Canada and the United States, said that when he began his Canadian business, a few years ago, and quoted reasonable prices, the combine threatened him with extermination. They offered him a net profit of more than twice what he could make at his prices in two years operation of his factory if he would close down and give them a free hand. On Mr. Macrae's refusal, the combine made it impossible for him to deal through the regular agents, but by dealing directly with the consumer he managed to build up his business. Mr. Macrae then explained the combine's system of pooling and said that he was willing to go to Ottawa and repeat his statement under oath.

One of the worst features of the Canadian trust movement is that it has been brought about largely through the efforts of a class of self-interested promoters. The trust has, of course, come to stay. The elimination of ruinous competition and the economies affected through combination make it a welcome institution when not abused. But in most of the merger industries in Canada competition has not been keen. The home market has been widening rapidly and the tariff has afforded ample protection from outsiders.

It is difficult to find any true economic causes for the recent merger movement in Canada. It is an artificial phenomenon consummated by professional merger makers. Without any previous complaint of hard times, almost without warning of any kind, a merger is announced with a big increase upon the old capitalization. It is then learned that the men who have been most instrumental in bringing about the combination have had no previous connection with the different concerns. These same men will figure prominently in three or four other grossly over-capitalized mergers during the same year, and thus it goes on. At election time these merger made millionaires attempt to explain to the electors the harmfulness of freer trade relations with the United States. Their argument is that loyalty follows trade, while at the same time each of them is doing more business with the republic to the south than all the men in the audience. As yet the great majority of the electors seems in no wise alarmed. Canada is wonderfully prosperous, the pinch of poverty has not yet come and little attention is paid to the reports of those dealings by which the future of the country is being