

## Demand and Supply.

The Government returns show the following results in barrels:

	Canadian.	Foreign	Total.
1904.. . . .	908,990	784,630	1,694,988
1905.. . . .	1,541,568	917,558	2,264,106
1906.. . . .	2,152,562	666,931	2,785,695
1907.. . . .	2,491,513	672,630	3,108,723
1908.. . . .	3,495,961	469,049	3,134,338

## Number, Nature and Capacity of the Plants

According to the latest available statistics, the number of the cement plants in Canada is 23,—12 of these being included in the merger. The plants are situated as follows: One, in Nova Scotia, using blast furnace slag; one in Manitoba, making a natural Portland Cement; one in British Columbia, two in Alberta and three in Quebec, using limestone and clay; while, of the 15 in Ontario, 12 use marl and 3 limestone.

The theoretical daily capacity of the factories using marl is 10,400 bbls., that of all the others being 17,100 barrels. The total theoretical capacity of the 23 plants is 27,500 barrels per day, but these estimates are based on short runs under advantageous conditions, and the merger only places the capacity of its plants at something above 4,500,000 barrels per annum—and the plants of the merger certainly have a very much larger capacity than those out of the merger.

## Effects of the Merger.

It has been denied that prices have been advanced by the merger. The fact is, however, that sales of cement are now being made in Montreal at \$1.30 per bbl. of 350 lbs., exclusive of package, whereas they were previously made at \$1.15 and \$1.10 per bbl., and in some instances even less had been accepted. A very good average was probably \$1.10 to \$1.15.

One of the advantages to the merger is the elimination of freight rates as much as possible, each factory supplying the demands of its section. Another claim is the elimination of the "middle man," or jobber.

The organizers of the merger are at liberty to make what statements they please as to the objects of the merger; but the public is concerned with *what will be the actual effects*. The cement business of Canada, as can be seen from the foregoing, was face to face with a situation which could hardly have been grappled with. The merger has practically eliminated competition from Canadian plants. It has secured all the rock plants east of the Rockies, and those further away might as well be in another country, so far as being a factor in competition is concerned. It has left a number of plants independent of its control, in the area of competition, but there is good reason to suppose that these are not able to compete owing to the cost of manufacture. Freight rates alone would make it inadvisable for capitalists to erect other modern plants, unless a time should arrive when the consumption became greater than the capacity of the plants of the merger or when local requirements, for some special reason, gave promise of being sufficient to keep an independent plant employed in some particular location.

Hence, it would seem that the only practical suggestion for the protection of the public, is that of keeping the tariff sufficiently low to enable cement to come in from abroad the moment prices become too high here.

The regular duty is 12 ½ cents per 100 lbs. This means 43 ¾ cents per barrel of 350 lbs., the preference, in the case of Great Britain, reducing this by one-third, or to 29 ¼ cents per barrel. In the case of Germany, it is 58 ¼ cents per bbl., or practically as much as the cost of manufacture in the best plants. Nevertheless, in 1908, when the average price of cement was reported at \$1.39 per bbl., the importations of foreign cement were reported at 469,049 barrels. This year, it is not likely that the importations will be large, the selling price in Canada being so low.

## Mayor Chisholm's Opinion

The delegate from the most distant point to the Convention of the Union of Canadian Municipalities was His Worship Mayor Chisholm, of Halifax, N. S., who had to travel no less than 6,026 miles to represent his city and the Union of Nova Scotia Municipalities. He, very properly, gave a formal report of the Convention to his council mentioning the different subjects which were brought forward; and the closing paragraphs of the report are very suggestive to the municipalities generally. He says:—

"I feel persuaded from what I have seen and heard that the Union has been doing, and will continue to do, useful work. It is highly desirable that in the future the Conventions should be held at central points, so that without great loss of time, without great expense, delegates can attend from most of the Canadian cities.

"Let me remark in closing that in order that the Aldermen of our City should be kept in touch with what is going on in other cities, and that we might have the benefit of the experience of those who are working out municipal problems elsewhere, it would be a good idea for the Council to provide and pay the subscription price of **THE CANADIAN MUNICIPAL JOURNAL** for each City Alderman. It deals with purely municipal matters, and would help to develop an increasing interest in the numerous civic questions with which City Fathers have to deal in our day."

## Towards the Land Tax

The Government of Ontario is receiving petitions from many County Councils asking that farm buildings be exempt from taxation. The argument is that would tend to the occupation and improvement of vacant lands.

Quite true. But why should the farmer have his farm buildings free, and pay taxes on his house?

Or why should the farmer escape taxes on all his buildings, and the storekeeper in the village pay on his buildings.

In fact, why not tax land alone, and encourage building?

## A Mayor has Freedom

The decision of the Court of Review, chronicled on another page, that a Mayor is not compelled to carry out the orders of his Council if he considers them to be against the interests of the municipality, will come as a surprise to most people, who have believed that a mayor is the servant of the Council, and must carry out its orders. In other cases, courts have given a very different decision. The question therefore arises, which is correct?