The Failure of Protection

Continued from Page 7

foreign goods, and the only way to increase the revenue from that source is to encourage importations of dutiable goods.

As an illustration of how protection affects revenue and cost of goods, take the case of the boot and shoe industry of which the Census Bureau gives the following information for the census year 1910:

"Value of manufactured products, $33,987,248; number of employees, 17,227; paid salaries and wages, $7,698,333."

Average wage per employee, $446 per annum or $1.50 per day—not a very attractive wage, about one-half what an ordinary day laborer receives in Winnipeg.

For the year ending March 30, 1911, Canada imported $2,045,835 of boots and shoes, on which was paid $585,996.71 duty. Of this importation $292,014 was from Britain, duty paid $59,999.52 — the balance, $1,742,699, from United States, duty $522,809.70—equal to 30 per cent. Our imports from the States were six times as much as from Britain. The value of home product is given at $33,987,248, of which $60,935 worth was exported—over half going to the United States; presumably the balance was consumed in Canada.

Assuming that manufacturers add the full extent of their protection to the selling price of their product when sold in the home market, the people of Canada paid an account of 30 per cent. protection on boots and shoes last census year:

To the government custom duties	$505,996.71
To manufacturers, after deducting the exports	10,177,893.90
Total	$10,763,896.61
The boot and shoe manufacturers paid in wages and salaries	7,698,330.00
Leaving a balance of	$3,065,560.61

Protection Exceeded Total Wages

The people of Canada paid on account of protection to the boot and shoe industry more than the total wages and salaries paid to the employees of the boot and shoe manufacturers during the census year. If they added only two-thirds of their protection the people paid their wage bill.

The wholesaler who imports goods adds to the invoice price the cost of his goods delivered in his warehouse, eliminating all cost but custom duties out of our calculation in the case of boots and shoes. A wholesaler imports boots invoiced him at $2.00.

	Under Protection	Under Free Trade
Invoice price	$2.00	$2.00
Duty, at 30%	.60	...
	$2.60	
Add 20% profit	.52	.40
Selling price to retailer	$3.12	$2.40
Retailer adds 25% profit	.78	.60
Sells to consumer	$3.90	$3.00

The consumer pays $3.90 for boots under protection that he could get for $3.00 under Free Trade—no one but the manufacturer gets the benefit of difference.

Three dollars a day under Free Trade is as good as $3.90 under protection in the purchasing of boots for a wage earner.

A farmer selling wheat at 75 cents could secure a pair of boots under Free Trade for 4 bushels. He has to give 5 1-5 bushels under protection. In other words, every fifth bushel goes to the manufacturer. The boot and shoe industry added a mere trifle to the export business of Canada that year. It added $585,000 to the revenue. It taxed the people over ten million dollars for this in support of the industry.

Other Industrial Rake-offs

Cotton goods manufactured, $24,584,931; cotton goods entered for home consumption, $21,118,954, making a total of $45,703,885 consumed in Canada. Government collected $4,774,320.31 in duty—a trifle over 22½%—which the people paid to the revenue, and on top of that $5,400,000 to the manufacturers. This industry exported $217,594, which was their contribution to our volume of export that year. Agricultural implements manufactured were worth $20,722,722, and added to our volume of export $5,921,818. The farmers paid the government $901,135.70 in duty and the manufacturers a tax of $2,960,180.80. The ethics of modern business is to get all you can for what you have to sell, and I assume the manufacturers take advantage of the full extent of their protection.

Western farmers import a considerable quantity of farm implements from the United States, which, after paying duty, can be delivered on the farm cheaper than Canadian goods. The following list is an example of the duty paid:

16-inch sulky plow	$7.28
12-inch gang plow	11.00
14-inch walking plow	2.48
20-inch D. D. drill	20.40
16x16 disc harrow with tongue truck	7.12
3½x10 wagon	22.53
No. 106 top buggy	21.25
Mower, 5 ft.	3.90
Rake, 10 ft.	4.56
70-bushel manure spreader	17.60

By courtesy of the Graphic, London, Eng.

Holding the road to Riga, in the eastern theatre of war.

Those conditions resulted in not only retarding progress in increased development but are also driving people off the land. According to the Dominion census of 1911, the acreage under field crop in Manitoba, Saskatchewan and Alberta in 1900 was 3,600,119 acres. This crop area was increased in the decade ending 1911 to 17,677,091 acres. In the four years 1908-1911, when the growth of the prairie provinces was at its height, the acreage under crop increased 4,300,000—nearly 50 per cent. The next three years showed an increase of less than 95,000 acres. It is estimated that upwards of 3,000,000 acres of land was brought under cultivation in 1910 and a like amount in 1911, since which very little land was broken until last summer. Further, this arrest of progress in development of farm operations was in the face of the fact that according to immigration offi-

Here is the Granary You Need

for an economical threshing and for safe grain storage, you need a *thoroughly good* Portable Granary

Saves you labor — "Eastlake" Portable — Saves you money

Corrugated Steel Granary

meets every requirement of the Western Grain Grower.

Norman N. Ferguson, of Abernethy, Sask., says: "I have the "Eastlake" set up. It went together fine. It is a dandy piece of workmanship."

Note these many excellent features:

Filled from any side. Two unloading Chutes with pad-locked cut-offs. Two Pressed Steel Doors. Machine-made throughout. Interchangeable and removable side and roof sections. No cast-iron used anywhere.

Not expensive. Write for complete illustrated circular.

The Metallic Roofing Co., Limited

Mfrs. of all kinds of Sheet Metal Building Materials

797 NOTRE DAME AVENUE WINNIPEG, MAN.

The "Waterloo Boy" Kerosene One-Man Tractor

DOES NOT REQUIRE AN EXPERT TO RUN IT

So simple is its mechanism that any farmer can run it without any previous engineering experience. No intricate parts to get out of order. Couple this feature with the fact that it is built to operate on Kerosene with no special attachments whatsoever for the heavier fuel, and you have the ideal light-weight tractor—the tractor you want. Gasoline is too expensive for ordinary farm purposes. The Waterloo Boy Kerosene One-Man Tractor will save you money the year around.

Here's the Proof!

Smiley, Sask., May 27, 1916
The Gasoline Engine & Supply Co.,
Winnipeg, Man.

Dear Sirs:—I suppose you would like to know how the machine works. Well, it sure has done well, for I knew nothing whatever about an engine of any kind until I got this one, and I ran it myself. It pulls the plows as guaranteed, starts easy, and runs fine on kerosene. Yours truly.

(Signed) M. B. CARLEY

Weight only 4800 lbs. Brake Test 24 h.p.; Draw Bar 12 h.p. Ignition, High Tension Dixie Magneto, with Impulse Starter

The striking point about this testimonial is that in the Kindersley district it requires five horses to pull one 14-inch breaking plow and six for steady work. The Waterloo Boy will pull two 14-inch plows in any prairie breaking and three in stubble. Enough said! Let us mail you further particulars Free. Write today. We also handle Gas Engines, Grain Grinders, Cordwood and Pole Saws, Electric Lighting Machinery, Hand and Power Washing Machines, Grain Elevators, Pump Jacks, Small Threshing Machinery, Belting and Threshers' Supplies.

GASOLINE ENGINE AND SUPPLY COMPANY Ltd., WINNIPEG

GET STARTED RIGHT

IN HEATING YOUR HOME

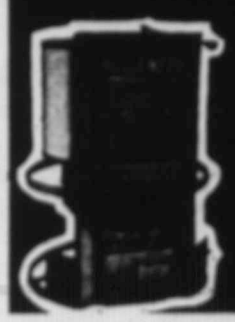
FIND OUT JUST WHAT THE

HECLA

WARM AIR

FURNACE

IS BEFORE YOU INSTALL A HEATING PLANT



Among other things it sends the heat through your house and not up the chimney and it saves one ton of coal in every seven used

If You Are Interested

in Hot Water or Steam Heating, ask for our Catalogues telling you in detail about our "Adanac" and "Imperial" boilers and Hydro-Thermic (Steel) Radiators.

CLARE BROS. WESTERN LTD.

DEPT. E., WINNIPEG, MAN.

TEAR OFF COUPON

CLARE BROS. WESTERN LTD., DEPT. E, WINNIPEG, MAN.

Please send me "COMFORT AND HEALTH"—Catalogues of "ADANAC" and "IMPERIAL" BOILERS and "HYDRO-THERMIC (Steel) RADIATORS." Mark which publication you would like to receive.

Name ..... Address .....