

035284

CANADIAN MACHINERY AND MANUFACTURING NEWS

Volume XXXV

APRIL 15, 1926

No. 15

Making the Part Protect the Whole

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¶ This is the third of a series of articles which not only emphasize tariff stability and production efficiency as essentials of industrial prosperity, but stress the inconsistency of several automobile manufacturers in their dealings with Canadian makers of automotive parts.

¶ While a number of the components under discussion are entirely dissimilar, the production problems of each manufacturer are very similar—at least so much so as to vanish entirely if the present tariff were revised in as far as exemptions and drawbacks are concerned—the main reason for all automotive parts business not being placed with Canadian plants.

tion of any part that can possibly be wanted, they cannot get a single order from several car builders.

300 Plants in Canada

There are more than 300 plants in Canada getting business of one kind or another, but with the exception of the orders placed by two or three builders, it is unsatisfactory business, obtained at ridiculously low prices.

One manufacturer, who does a profitable business in other lines, was asked a few months ago to quote on a quantity of the drag links, used on the steering mechanism of an automobile. He was

told he would have to meet a certain figure—the Detroit price, plus freight and duty. The price he submitted was away below the laid down price, yet up to the present time he has been unable to get a dollar's worth of the business.

He has repeatedly asked the automobile manufacturer about the order only to encounter some evasion or other inferring that his product does not conform to American standards; or that the approval of the head office has not been received, and the like.

In other words, the builder does not intend, in this case, to give him or any other Canadian producer, the business.

TO WHAT extent is automobile manufacturing a factor in the prosperity of the metal working industry? Such a question is pertinent, for while it is true that several builders are buying or making the wheels, springs, axles, chassis, body, fenders, lamps, windshields, motor transmission, differential, battery and top of their cars in Canada, it is just as true that because of lower prices, tariff exemptions and drawbacks, millions of dollars are being spent in the United States by other builders, for components that should and could be made in Canada.

In the twenty-two years in which automobile manufacturing has been carried on in the Dominion, around 1,100,000 motor vehicles have been produced, the output in recent years having advanced tremendously, the figures in 1920 being 94,144 cars as compared with 161,389 in 1925, of a value of \$107,500,000. Nevertheless the increase has by no means been shared with the part maker, importations of components having increased proportionately, the value of the parts and engines alone brought in reaching no less than \$80,314,414 in 1923, as a result dozens of part makers claim that although their plants can be equipped in short order for the produc-



Opening the prosperity circuit breaker!

MEIGHEN PAPERS, Series 3 (M.G. 26, I, Volume 12)

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