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## Postponement of Tariff Issue Urged

**Manufacturers' Association Maintains That Present Tariff Should be Retained—Reply to Western Grain Growers—Burden of Reconstruction Falls on Industry—Revision Should be Postponed for Some Time**

A PLEA for the retention of the present tariff, including the war levy, is contained in a statement issued on January 29th, in reply to the Grain Growers. It says:—

The Canadian Manufacturers' Association wishes to state clearly its position with regard to certain demands now being made, especially by the Western Grain Growers, for a radical change in the tariff of Canada.

The chief of these demands are:—

"1. An immediate and substantial all-round reduction of the customs tariff, including the removal of all duties on farm and household machinery, lumber, cement, oil and a number of other articles which farmers buy.

"2. Complete free trade between Great Britain and Canada in five years.

"3. The acceptance of the reciprocity treaty with the United States, which was rejected by Canada in 1911.

"4. That any further reduction of the tariff of the United States toward Canada be met by a similar reduction of the Canadian tariff towards the United States." (Presumably free trade with the United States at any time the United States is ready for it).

It is fair to assume that the above resolutions are designed not merely to make slight changes in the tariff, but rather to abolish it entirely, thereby revolutionizing our present fiscal system.

The Canadian Manufacturers' Association urges most strongly that all tariff controversies should be postponed until the country has settled the immense problem of readjustment from war to peace conditions. It is believed that this view is held, not only by the manufacturers and their employees, but also by nearly all the financial and commercial institutions and their employees, by the transportation companies and their employees, and, in addition, by great numbers of farmers who have found a steady market for their produce in factory towns and cities.

It is a general and familiar law that, in any country, when fundamental tariff changes are anticipated, trade depression follows. During such periods of uncertainty, investment is curtailed, enterprise is limited, commerce lives from hand to mouth, consumers buy sparingly, and building languishes. Timidity replaces confidence and resolution, and the general attitude may be described as "wait and see."

This is exactly the opposite of what is required to-day. If ever Canada needed courage, initiative and united effort, now is the time. The chief problem is: How can this country adjust itself from war to peace? It is no reflection upon the farmers to recall the fact that only a small percentage of the Canadian army came from the farms, because it is recognized that the chief duty of the farmers during the war was to produce food, a duty which was performed by them with singular courage and success.

Consequently, the bulk of the Canadian army will have to be reabsorbed by commerce, and especially by the manufacturing industries, which must also try to provide work for those of the war workers who really need it.

Yet, at the very time when "reconstruction" seems to be crystallizing into the hope that the manufacturers will be able to furnish employment, a fiscal policy is advocated, which, if put into effect, would close many factories and reduce the staffs of others.

How can the commercial interests make plans to provide employment if they fear that the ground may suddenly shift beneath their feet? How can they continue the struggle to maintain and develop an export trade, a course which is being strongly urged upon them, if the Canadian market is suddenly invaded by competitors from other countries?

The possibility of the introduction of anything approaching free trade would create immediate and wide-spread unemployment. Unemployment breeds social unrest, something which does not require encouragement in Canada at the present time.

In the manifesto issued to the electors of Great Britain before the general election, signed by Mr. D. Lloyd George and Mr. A. Bonar Law on behalf of the Coalition, it was declared that if the Coalition succeeded in the election, "a preference will be given to our colonies upon existing duties and upon any duties which for our own purposes may be subsequently imposed." It was further declared that the British government would preserve and sustain key industries in the way which experience and examination might prove to be best adapted for the purpose, and that in order to maintain production at the highest limit at home, security would be given against the unfair competition to which British industries might be subjected by "the dumping of goods produced abroad and sold on our market below the actual cost of production."

Since 1878, the national policy of maintaining the customs tariff, which will at the same time raise revenue, and provide moderate protection for Canadian industry, including agriculture, has been consistently supported by the greater portion of the population of Canada. Both political parties, while in power, adhered to it, differing only slightly in regard to the degree of protection which should be maintained. Under this policy Canada progressed so continuously, in agriculture, in industry and in commerce, that at the outbreak of war, it is doubtful if there existed a nation whose people were more intelligent, more prosperous, or less burdened by taxation. During the war this young nation enlisted an army of over half a million. We clothed them, fed them, paid them, and maintained them and their dependants, until their great task was victoriously completed. Such a feat could have been accomplished only by a nation in which all departments of activity were well balanced and equally developed. Farms, factories, commercial institutions, banks, transportation companies, and wage earners have all profited. We have come this distance safely and successfully. Is this then the time to urge the people of Canada to turn off that road which they have traveled in security alike in peace and war or to a new and untried road, the ultimate advantages of which can only be surmised?