

THE U. S. TARIFF AND THE CANADIAN CONSUMER.

ON October 3rd, the Wilson-Underwood tariff became operative in the United States. It is too soon to gauge the effect of the new tariff on Canada, but there can be no doubt that it can only be in the direction of increasing the cost of living to the people of the Dominion. The United States has lowered its tariff avowedly for the purpose of helping to reduce the cost of living in that country. That the lowering of the American tariff will benefit some Canadian producers is true. But that it will do so at the expense of Canadian consumers is equally certain.

Lost Opportunities.

The Conservative party in striving to accomplish the defeat of Reciprocity contended that the Americans would lower their tariff anyway. Liberals admitted the probability of the American tariff being lowered but urged this rather as a reason for securing Reciprocity than as a ground for defeating it. Under Reciprocity, they claimed, Canada would gain admission into the American market for products which she has a natural advantage in producing, and gain as well in that market a preference over all other nations. To let the opportunity pass was, they held, not only to lose this preference, but to leave to the sole caprice of the United States the selection of such products as would be admitted free or upon reduced rates. To permit selection in this way, when it might be avoided through the known terms of a reciprocal arrangement was not only to be indifferent to what was best for Canadian production, but also to wholly ignore the possible serious effects of this kind of indiscriminate selection upon Canadian consumers.

How true all this has proven to be, is now wholly evident. Canada has lost the preference she would have had. She has lost the opportunity of exporting free of all duty, commodities such as wheat, hay, barley, horses and the like which might have been exported under Reciprocal agreement at great profit to producers without affecting Canadian consumers at all; and the Americans have made selections less beneficial to producers, and of a nature to seriously affect the interests of all consumers. Take the single item of cattle. The announcement of free entry of cattle to the United States served to immediately enhance the price of beef to Canadian consumers.

But this is the smallest part of the evil so far as Canadian consumers are concerned. The framers of the Reciprocity agreement saw that producers would benefit materially by the wider markets; but they saw, too, the danger to consumers in an arrangement which was all one-sided. Where, therefore, the American tariff was lowered the Canadian tariff was lowered also, though on account of the higher rate of duties in the then existing American tariff, the total reductions in the American tariff greatly exceeded those of the Canadian. But that was not all. Under the Reciprocity agreement the Canadian consumers' interests were specially cared for by the reduction of duties in the Canadian tariff on most of these articles of food which may be classed as among the necessities of life. The prices of many of these articles, it was recognized were controlled in Canada by Combines and under trade agreements.

Benefits Lost.

Here are some of the benefits which Canadian consumers would have obtained under Reciprocity, which they do not now obtain under the one-sided change that has taken place.

A reduction of duties on the necessities of life as follows:

- On **Bacon and ham**, a reduction of $\frac{3}{4}$ cents per lb.
- On **Pork**, barrelled in brine, a reduction of 18 per cent.
- On **Fresh or refrigerated meats**, $1\frac{1}{2}$ cents per lb.
- On **Beef, salted in barrels**, a reduction of $\frac{3}{4}$ cents a lb.
- On **Canned meat and canned poultry**, a reduction of $7\frac{1}{2}$ per cent.
- On **Lard**, a reduction of $\frac{3}{4}$ cents per lb.
- On **Salt**, a reduction of $7\frac{1}{2}$ cents per 100 lbs.
- On **Prepared cereals** a reduction of $7\frac{1}{2}$ per cent.
- On **Oatmeal and rolled oats**, 10 cents per 100 lbs.
- On **Flour** a reduction of 10 cents a barrel.
- On **Biscuits, wafers and cakes** a reduction of $2\frac{1}{2}$ to 5 per cent.
- On **Pickles, sauces and ketchup** a reduction of $2\frac{1}{2}$ per cent.
- On **Canned corn, beans, tomatoes and other canned vegetables** a reduction of $\frac{1}{4}$ cent per lb.
- On **Fruit in air tight cans** a reduction of $\frac{1}{4}$ cent per pound.
- On **Vermicelli and macaroni**, a slight reduction.
- On **Cement** a reduction of $1\frac{1}{2}$ cents per 100 pounds.
- On **Bituminous coal** a reduction of 8 cents per ton.

The removal of all duties on Fish as follows:

- On **fresh, smoked or kippered herrings**, a reduction of 1 cent a lb.
- On **Salted herrings**, a reduction of 50 cents per 100 pounds.
- On **Halibut, Salmon and other fish**, a reduction of 1 cent a lb.
- On **Lobsters** a reduction of 25 per cent.
- On **Oysters** a reduction of 10 cents a gallon.

The removal of all duty on Fresh Fruits and Vegetables as follows:

- On **Apples**, a reduction of 40 cents per barrel.
- On **Pears**, a reduction of 25 cents per bushel.
- On **Peaches**, a reduction of \$1.00 per 100 pounds.
- On **Grapes**, a reduction of 2 cents a pound.
- On **Blackberries, raspberries, gooseberries, strawberries**, a reduction of 2 cents a pound.
- On **Dried apples**, a reduction of 25 per cent.
- On **Dried peaches, pears and apricots**, 25 per cent.
- On **Potatoes**, a reduction of 20 cents per bushel.
- On **All other vegetables**, a reduction of 30 cents per bushel.

But the advantage to Canadian consumers under Reciprocity did not end with the reduction of duties on natural products, food stuffs, and other necessities. On farm implements and machinery necessary to production, farmers, as consumers, would also have gained by a reduction in duties.

In the place of all these reductions in the Canadian tariff, which would have meant a substantial gain to Canadian consumers, there has been substituted, through the Wilson-Underwood tariff, a letting down of American rates on most of these articles going from Canada into the United States, with no corresponding or any reduction in the Canadian tariff. Whatever advantage comes from purchasing in a larger and freer market is secured by the American consumer to the extent of the reductions made in the American tariff. All that the Canadian consumer gets is the disadvantage which comes through being one, not of eight millions as before, but of ninety-eight millions purchasing in a market the size of which remains unchanged. It is pretty clear that the combines and the food monopolists in Canada understood their business better than the Canadian consumer did his, when they attacked Reciprocity.