MONTREAL
Saturday Night

VOL. 001. No. 2. MONTREAL, AUGUST 31, 1895. Price Five Cents.

THE CUSTOMS TARIFF OF CANADA.

(CONTINUED.)

In a young country with natural resources under favorable conditions for successful develop ment, or with manufactures that require the trade of its people for nourishment to give employment to its workers, any Government led only by an idea or theory disregarding indigenous circumstances is incompetent to legislate for the people; the welfare of a people so governed will be like to a chip on the ocean, not self-directive, afloat on the surface of circumstances.

T... Government is bound to remember that circumstances alter cases, and that the principles that may do for an amateur debating society upon free trade or protection must be subservient to the requirements of the public service, invested interests and trade developments within economical conditions that permit of extension and interchange with foreign countries.

The Government must be to the country what the heart is to the body; the Tariff to the country like the blood sent through the arteries; it must be vitalizing, inspiriting every member, not developing one organ at the expense of another, nor levying on one industry to cover the consequences of bad location or mismanagement in another. In practice, if not expressed, the conserving policy was the policy of the Government fifteen years ago; the policy that has governed the Government in the past ten has been the policy of selfishness in men who have influenced the Government to govern as they willed; and it is an open secret that such men have even influenced the Government in legislation outside of Tariff making, lest that legislation for which they cared little should imperil the seats of the men who serve as the instruments of their will.

The appointment of Commissioners for the promotion of trade in the countries of the Pacific is a good thing for the Commissioners, but of hardly any practical value to the exporters and manufacturers of Canada, if they are handicapped by Tariff rates on their raw material and a how-not-to-facilitate trade procedure in the Government.

The ambition of Canada is to be a great producer of iron, and the nation that is not a producer of iron is not much as a nation, but for successful development of this most valuable metal, ore, coal, experience, capital and market for her products are wanted.

The experience and the capital are now available separately, but, except in existing industries, not united in the same persons, therefore development is slow and slow for money reasons. The coal and the ore are in near proximity in Nova Scotia, but far away from the large markets of the Dominion, the distance handicapping the enterprises in the Eastern Provinces. Though ore is in sight where the markets are, in Ontario and Quebec, for lack of coal and the duty imposed thereon when brought from the near-by supplies in the U.S., or the freights, high, by reason of distance from the coal fields of Nova Scotia, the manufacture of iron from the ore in the Provinces affording the largest demand is still in the future; after years of agitation a furnace is now in course of completion in Hamilton, and just recently a proposal has been made to have a furnace at or near Kingston. The Hamilton furnace should be permitted to bring its coal and coke into the country free of duty. Meantime for nine or ten years the blacksmiths, carriage makers, machinists, foundry men, agricultural implement manufacturers and other manufacturers, in all more than ten thousand in number, have been paying duties ostensibly to develop the iron trade; for this every manufacturer in the country, from the largest implement works to the solitary horse-shoer in a cross-road's blacksmith shop, has been handicapped, and profits in every branch of business have been reduced on the average to less than the interest on the capital invested. Every Bank has its skeletons amongst the ac ounts that are supported from the savings of the dead and retired, the men who accumulated when in business in the years of good profits and practical economy.

We cannot always live upon one another and prosper; to be a nation our trade connections must be extended, not alone in the exports of the products of the field or the yield of the forests, but in the productions of the shops, factories and mills of the Dominion. To do so the Tariff must not operate as a forced bonus from developed interests to overcome geographical barriers or to help fool enterprise for the ostensibly undeveloped interests that Canada should have in blast.

Under the Tariff of 1879, amended in 1880, 1881, and finally in 1882, the principle of development conserving not one, but all industries, was in view, and the meritorious quality of that principle was manifested by a unification of manufacturing life throughout the manufacturing towns of the Dominion. At first pig iron was free and bar iron was 17½ p.c. Founders prospered and the latter rate was enough to tempt experienced capital from Ohio to start up the long silent rolling mills that belonged to the Great Western Railway.

Manufacturers of ornamental iron work and iron furniture and hollow-ware were vitalized at 25 p.c. on their manufactures, as the first grade above the raw pig and bar iron; Bolts, washers and rivets, the manufacture of which had hardly a place in Canada, became a leading industry on 30 p.c. with bar iron, the raw material at 17½ p.c.

Tacks, brads, horse shoes, horse nails, wire nails, skates, builders, cabinetmakers, upholsterers, carriage makers and undertakers' hardware were all originated or vitalized on 30 per cent.

Iron and steel screws, before manufactured in Canada, were made more prominent as a manufacture, at 35 per cent.

Now mark the militant confusion to the industrial interests.

Pig iron, first free, then \$2 per 2000lb, and bar iron 17½ per cent., advanced to \$4 per 2000lb, and bar iron to \$13 per 2000lb, reduced at last session of Parliament to \$10 per 2000lb, and a bonus of \$2 per ton to the manufacturers of pig iron from the ore; exclusive of this \$2, the per centage rating of the \$4 on pig and \$10 on bar iron based on the import values of last year as seen in the Government blue book report was

On pig iron 35.13 p.c. advalorem,

On bar iron 33 7 p.c. advalorem,

and on the manufactured goods therefrom as before specified, according to the rates on the imports for the fiscal year ending June, 1894, as worked out independent of given ratings, were 30 p.c; 34.48 p.c.; 29.14 p.c.; 22 24 p.c.; 30.43 34 44 p.c.; 27.83 p.c., 28.61 p.c.; 29.37 p.c.; 34.37 p.c.; 32.50 p.c.; 25.52 p.c.; 34.41 p.c.; 35 p.c.; 34.47 p.c.; 34 95 p.c.; 35 p.c.; 29.30 p.c. Showing no protection to labor nor to the manufacturer who established the works wherein the like goods are manufactured, and, now, not protected; on the contrary, by compulsion, contributors without knowing it to a few undertakings, ostensibly to develop the iron trade of Canada.

Exceptions there are, notably in favor of—the manufacturers of spades and shovels who were protected at the rate of 41.11 p.c.; those manufacturing axles, springs, car springs and other springs, 48.18 p.c.; the manufacturers of cast iron pipe 58.95 p.c.; forgings 38 56 p.c.; iron in slabs, blooms, hoops, puddle bars, all less finished than bar iron, but advanced over pig iron 58.3 p.c.; rivets and bolts 40 58 p.c.; nails and spikes 40.07 p.c.; railway fish plates 43 89 p.c.; skates 52.51 p.c.; with the exceptions excepted, it cannot be pretended that the tariffs now, or at any time in the past nine years, are either protective or conservative; high tariffs may be onerous without being protective, and a critical insight into the tariff as it is should open up the minds of most of the manufacturers, to see that in trying to keep prices as near as possible to bases of values that will hold the trade of the country within the country for the employment of the workers, they are obliged to sacrifice the legitimate profits they should find in their business.

Because of such conditions created in Ottawa, the universal saying is, there is little or no margin in anything, the trade is doing a large business supplying the natural consumption, but profits are insufficient to cover risks and shrinkages, the conditions discourage new enterprises.

Profits are so small that manufacturers cannot systematically compete for foreign trade in manufactured goods.

SELFISHNESS IS THE ROAD TO PERDITION.

Under a protective tariff the manufacturer is presumed to have regard to the fact that his own purposes are best served by a basis of values to the merchants and consumers that will save to his works, orders for goods, that otherwise might be sent to foreign manufacturers; in pursuing this policy he retains the work for his employees and benefits the State by founding homes, with contented operatives to help him in the work of industrial development. Unfortunately there are amongst our manufacturers, some one admittedly so, who has said, and became a malignant enemy to a competitor because he would not accept his *ipse dixit*, that the prices to Canada were to be the values in the United States, plus 30 per cent. duty and freight, though manufactured, under the same conditions, with the same kind of machines, at the same prices for labor and material; the 30 per cent. being according to him the capitalist manufacturer's perquisite.

Such manufacturers are always untrue to the Government which protects them; they are enemies to the workingmen who suffer from loss of work by the goods of foreign manufacturers, who take advantage of the selfishness of the home product by cutting under in prices and cutting workmen out of work.

Such manufacturers are dishonest to the merchants and consumers; the merchants in that they rob them of their business, and the consumer, in that they charge 30 per cent. more for the goods they manufacture than they would if their cupidity was not stimulated by the Tariff.