

Reciprocity a Big Sacrifice

Mr. T. J. Drummond Tells why the Iron and Steel Industry of Canada Opposes Reciprocity with the United States - Canadian Industry and Commercial and National Interests Would be Disastrously Affected by a Broad Measure of Reciprocity or Any Wobbling with the Present Tariff

Sir,—I do not consider that the present government, or any government having the interests of Canada at heart, would give serious consideration, at the present time, to any broad measure of reciprocity with the United States.

What Canada would gain by reciprocity with the United States can best be summed up in the famous words ascribed to a former Canadian Cabinet Minister—"There ain't nothin' to it."

Ideal and practical reciprocity should be based on trading or bartering something you have for something you have not. I could understand a reciprocity agreement being entered into with, say, some of the South American Republics, or with the West Indies, or any country that differs from our own in natural products, but to enter into an agreement of this nature with a natural competitor in products and manufactures would mean simply that the best of the bargain would go to the strongest.

One-Sided Advantage.

The country that had already developed its resources could retain its own market and capture that of its partner whose resources were only in a development stage. Our friends in the United States have always recognized this, and hence did not entangle themselves in any reciprocal arrangement with England, or any other country, during their own development period, and now when they have, under protection, developed their great industries, they seem disposed to consider reciprocity, and they consider it altogether from the point of view of extending their trade, and for this reason they have doubtless selected Canada to try their strength on. Why don't they try out this reciprocity idea with some manufacturing country in their own class, say England or Germany, for example?

U. S. Can Sell Cheaper.

If a reciprocal treaty that included manufactured goods was arranged between Canada and the United States, our industries would be at the mercy of their American competitors, and this would be especially true in connection with the iron and steel trade. This would not necessarily be because our American friends would manufacture cheaper, but because, with accumulated capital, their great corporations could afford to sell cheaper until their object of securing the Canadian market was accomplished. I do not say that the American manufacturers would all follow this policy, but it is not good to be at anyone's mercy, from a personal or national standpoint.

Iron and steel would feel such competition most because great capital is required in establishment and development, and then as iron enters into practically all other industries in one way or another, whether it was a cotton mill or a foundry that was crushed out in Canada, the producers of iron and steel would be, directly or indirectly, affected. Then, too, if iron and steel is not an "infant industry," well, it is only in its teens at best.

The Canadian Bounties.

Canada, by judicious assistance through bounties paid to the manufacturers of iron and steel, has given the "infant" a chance to develop, and its growth is becoming a matter of pride to all Canadians. Millions of dollars have been paid out as a result of the Bounty Act, just because the policy was successful and an increase in production occurred.

To those writers and speakers antagonistic to the bounty principle, and who roll out denunciations of the enormous payments made to steel manufacturers, I might say that Canada has invested these millions in the industry, and is therefore a partner. Why destroy it by a reciprocal treaty?

But, between ourselves, I must confess, at the risk of spoiling this sound argument, that the bounties have cost Canada practically nothing. Hon. Mr. Fielding clearly showed this in his Budget speech last year, and the blue books also show that increased customs receipts at the points where iron and steel industries were established, and due directly to such establishments, provided for the payments made under the Bounty Act.

Bounty and Increased Revenue.

If the industries had not been established, the customs receipts would have been so much less, so bounty and increased revenue worked automatically, and cared for each other, and the industry stands to-day, and so far as bounties are concerned, has recouped the Canadian treasury.

Then, too, help has been given through the tariff, and under the tariff not only the industries, but Canada as a whole, has prospered, and is prospering and fast developing. A change in tariff, or reciprocity in manufactured goods, would just undo all that has been done, and who would gain? The United States.

Someone says, the "consumer." Well, who is this mythical person referred to as the "consumer" anyway? This is a work-a-day country, and our consumers are our producers, and the consumer who is not a producer also is not of any special account, so as our consumers' produce and production would be hurtfully affected by a mistaken reciprocal treaty, I do not see who is to gain in Canada, but I see many in the United States. Some people who favor a wide open treaty of reciprocity with the United States picture great rivers of goods and wealth flowing in and out of Canada. Rivers do not flow up and down, and we would have the up-hill proposition. A true picture would show the manufactured products of the United States flowing into Canada, and our money and our people being raked out of it.

Can't All Be Farmers.

All but the farmers? Well, we cannot all be farmers, and

HOW AMERICA'S ARMY OF IMMIGRANTS IS DIVIDED



ONE YEAR'S IMMIGRATION INTO AMERICA AS AN ENGLISH ARTIST VIEWS IT.

LONDON. million mark, as it did in 1906, 1908 and 1907. This total included the following number of representatives of various races and nationalities—Italians, 223,483; Poles, 123,341; Jews, 84,300; Germans, 71,300; English, 62,000; Irish, 53,800; Magyars, 27,300; Black Africans, 4,900; Japanese, 2,700; East Indians, 1,200; Chinese, 1,700; Islanders, 81; Koreans, 19.

In the above view the artist has endeavored to visualize as a portion of this huge invading army. For more effective arrangement of the whole the numerical order has not been followed. Italians are shown on the left, next come the Poles, a smaller group of Chinamen, Jews, and so on through the many nationalities represented.

The arm band of the United States administration was shown in the 1,270,000 alien debentures. There were 100 postquam six, anarchists, 100 idiots, imbeciles and feeble minded, 100 insane, 5 professional beggars, 11 paupers, 1,471 persons with diseases, 11,000 persons likely to become public charges and 1,000 contract laborers.

even farmers' sons may wish to become artisans, and if their fathers send their orders for their implements, etc., to the United States the boys must follow the orders to secure work. Then, too, even the farmers might grow a bit weary of sending everything away, and hunger a little for the days when they had a home market for their dairy products, vegetables and fruits, for even the farmers cannot all raise grain, and we surely might give some thought to the farmer who raises more perishable goods and needs the near market that a manufacturer provides.

After all there are no two classes in our country whose interests are so closely bound together as the farmers and manufacturers, the near manufacturing town being always the farmer's best customer.

That is the position in the East to-day, and that, under the present policy, will be the condition in the West within a few years, as the manufacturers locate plants further west, and the western farmer finds that he will ultimately require a market for varied crops.

If I were a western farmer I would bend my efforts toward encouraging manufacturers to extend their operations throughout the west, rather than crying over some seeming difference in the cost of implements due to the small percentage of protection given to the agricultural implement manufacturer.

Western Farmer's Position.

If the Western farmer will just estimate the value of his last crop of grain, and then take the percentage of difference in cost that he thinks he has to pay for Canadian implements under the present tariff, and spread that difference over the average life of such implements, I am certain that he will realize that he has nothing to complain of, and that in view of what the East has done and is doing towards the development of the West, that the share he is called upon to pay towards the building up of Canada on a sound basis is infinitely small, and really not worth talking about.

There may be some classes of raw goods—products of the mine, the forest, or the farm, that it might be well to freely exchange between the United States and Canada, but these could all be covered by a mutual understanding through the tariff, and it is clearly up to the United States authorities to take the first step, as many of these items are on the Canadian free list, and few enter free into the United States. Then, too, the United States tariff generally is much higher than ours, and why do not the United States authorities show good intent by coming down to at least our basis? I think, however, that the only way to persuade the United States authorities to consider this would be by raising our own tariff to the level of theirs. Then there would be something worth swapping for.

A National Viewpoint.

From a national point of view it seems to me that a broad basis of reciprocity between the United States and Canada would mean commercial union, and we know what that would lead to. If we disorganized our commercial system and affected our industrial and general development disastrously, our national position would naturally be affected too, and with diminishing instead of increasing revenues, there would be only one way to recoup ourselves, and that would be by delivering Canada body and soul into the arms of Uncle Sam, and perhaps that is really what our dear cousin has in the back of his wise old head when he puts forward this innocent little reciprocity proposal. Like the pirate chief of song and story, he whispers to himself, "Once aboard the lugger, and the girl is mine!"

If we would retain our national wealth and our national position, we must sail our own ship, leaving ourselves always free to steer the course that seems best to us, unbound by reciprocal trade treaties. Our sailing orders—

"In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, nor fear to breast the sea,
Our hearts, our hopes, are all with thee."

I do not feel that it is necessary to go into details of the various lines of manufacture, iron and steel and otherwise, class by class, to show how hurtful a broad treaty of reciprocity would be. There is not much use to dissect in advance

those that would be swamped by such a cloudburst as would follow a treaty of that nature.

I know there are many writers and speakers who will clearly prove to their own satisfaction that we who are in the industrial and commercial boats would be perfectly safe. I know too that most of the magazine articles on the "upbringing of children" are written by spinsters, and that therefore the man who is not in the trade and knows nothing whatever about it, should be best able to advise and direct us. Yet, I am old-fashioned enough to think that for the "kiddies" mother knows best, and for industry and commerce, those who have staked their time and money can best judge what will, and what will not affect their interests; and, speaking broadly, Canadian industry, commercial and national interests as a whole, would be disastrously affected at this juncture by either a broad measure of reciprocity with the United States or a "wobbling" tariff. What we need is a firm and steady "national policy" in the broadest and best sense of this still grand old term.

Biased Towards Canada!

Of course many of your readers will say that I am biased. Well, I am naturally biased towards my own interests and interests under my care, but biased too in a stronger sense towards my home and my people, so when I consider this question of reciprocity with the United States, I guide my thoughts in a most biased way along the lines of what is best for Canada, and I give no consideration whatever to what is best for the United States. The United States people will attend to that phase of the question.

Considering the reciprocity question on these lines, I can only conclude that it is best for Canada in every way that she should sail her own course, and be her own mistress in tariff matters, day by day. As I have said before, this has been called "Canada's century." Let us see to it that we keep it, and do not allow even our dear friends to the south to steal it from us, charm they ever so wisely.

In closing I might refer to a suggestion which I understand was seriously made, to the effect that a reciprocal treaty between the United States and Canada would be favorably received in Great Britain, as tending to the increase of "brotherly love" between the great English-speaking nations.

How About the "Child"?

A lovely idea, 'tis true; sort of throwing your child into the den just to make the hungry "beasties" feel good, but how about the child?

Might I again suggest that this being the object, the United States and Great Britain might enter into a reciprocal treaty all by themselves, but alas—Great Britain being, from a tariff point of view, naked (and just growing ashamed) has nothing to exchange.

Yet, still I object to sacrificing the child, and we had better await the success of the tariff reform movement in Great Britain, and then the Old Land may place itself in a position to enter into such a treaty, that is, if the United States is willing to deal with a developed competitor. I wonder!

Montreal, Nov. 17, 1910.

T. J. DRUMMOND.

DUNGARVON.

J. A. McKay's Camp, Nov. 18.—Seeing so many pieces in your valuable paper, we thought we would let you know how we are living. Our camp is situated on the bank of McKay Brook, about a mile from Dungarvon. Our crew consists of 27 men, all jolly good fellows. Our cook is Mrs. J. A. McKay, from Ladlow. She rises very early in the morning and just hits the high places through the day. There is nothing can touch her in the line of cooking, and lots of it. Ray McDonald drives the big Clydes and he is the boy can yard, providing old Tom is good and willing. His team tender is the right man in the high place 'ow. Furry Fowler drives a splashing span of pure thoroughbreds, and he can haul anything put before him on Dungarvon.

Will Black, from Holtville, is his team tender. You can't find a better one nor a bigger one.

Our sawyers make such noise in the woods with the fall of their logs coming down so fast, you would think it was a tornado. The undercutters are right on to their job. In fact, we have not a man in our crew that don't understand his work, and they are not afraid to do it.

J. A. McKay is our foreman, who has contracted for many years, and he is the man understands lumbering, and always has a pleasant look for the boys, and I must not forget the cook; he will not let the men sleep away their time in the morning. He is always on to his job. Cloney Arsenault, from Moncton, is his name. Clarence McKay, from Hivesville, is our under-cutter; he keeps the sawyers with a hot jacket. He knows how the work ought to be done. He is also our fiddler. He would make the dead arise, or come to life with music.

Ray McDonald is a bird on a step.

GOMPERS SURE OF RE-ELECTION



Rev. Chas. Stelzle, who represents American Board of Missions at Labor Conference.

(By the Rev. Charles Stelzle.) St. Louis, Mo., Nov. 21.—There have been a lot of rumors and much wild talk about what the socialists are doing to do to Samuel Gompers at the convention of the American federation of labor.

This much can be said here and now: Gompers will be re-elected president at this St. Louis meeting, probably unanimously.

The socialist delegates will also get out a statement in which it will be distinctly declared that the socialists will not attempt to secure office in the federation or to spring on the convention any kind of a resolution which would tend to give the appearance of trying to force the federation into the socialist party.

This statement will indicate that nothing of a political character will be introduced by the socialists. The usual "socialist resolutions," which have always been the source of the bitterest controversy in previous conventions, will be omitted.

So far as the backers of the socialist party in the convention are concerned, the time has gone by, the socialists say, when such tactics are necessary, the growing strength of socialism throughout the country and in the labor movement is bringing the party into sufficient prominence without spending time and strength in what seems rather a useless discussion in the convention of the American federation of labor. The recent election seems to justify this position.

The presence of Congressman-elect Victor C. Berger, of Milwaukee as a delegate to the convention has given warrant to considerable speculation as to what he would do in advocating his well known views, but Berger is also committed to the programme indicated above. Unless something unexpected occurs, Berger will remain silent on the question of socialism, insofar as making any attempt to affect on its yearly policy of introducing socialist resolutions and trying to secure enforcement for the programme of his party.

Our foot teams are Charles Clowater and Alex. Carson, from Holtville. They don't spare their horses, and they have the best kind of teams. Our time-keeper is Gordon R. Hovey, from Ladlow. I tell you he will give you the worth of your money and the right change back. Elby Hunter is our straw teamster. He can hold the ribbons over old Cap, and not let the leaves turn over under his feet.

Dec. 6 is the date of the Langford-Jeanette boat at the Armory A. Boston.