

that this did not satisfy the greed of the manufacturers, and competition was merged into combinations—that “the National Policy, instead of fulfilling its mission, became the means of taxing the consumers for the benefit of the manufacturers, the consumers paying in the enhanced price of the articles they needed a sum equal to that imposed on the imported article, which sum, instead of going into the coffers of the Government went into the pocket of the manufacturer.” If combinations existed nowhere else than in protected countries, and in protected industries, it might fairly be charged that they were the direct result of protection; but when we know that this is not the case—when we know that combinations in trade are common to all countries, and to none more so than to Great Britain, the only free trade nation, the question is answered. In free trade Britain it does not seem possible for governmental interference against injurious combines, but in protected countries this is possible by judicious changes in the tariff. The Government should have the power, in the face of an injurious trade combination, to lower or even to entirely remove the duty when the breaking of it cannot be accomplished in any less heroic manner. If the duties are judiciously rated, the tariff can be and should be used to guard the people against the formation of injurious combinations and for breaking them when formed. If consumers confined themselves entirely to the use of home-made merchandise—if the tariff were prohibitive—the *Shareholder* would be correct in saying that the enhanced cost thereof went into the pocket of the manufacturer instead of into the coffers of the Government—that is, so much of it as represented the difference between the labor cost and the selling price. But our tariff is not prohibitory, as is shown in the fact that we import millions worth of finished products, made by cheap foreign labor, most of which could be made at home. There are those who consider that no Canadian-made merchandise can be equal to the foreign article, and it is this class who contribute most largely to the revenue. Perhaps it is quite as well that this class should exist, else the revenue would not be sufficient, or would have to be raised in other ways.

The most startling and iconoclastic proposition of the *Shareholder* is that a protective tariff should only be applied to goods manufactured in the country, a tariff for revenue purposes only being imposed upon such goods as are not manufactured here. If the National Policy had been formulated on these lines we would have had but very few manufacturing industries to protect. It is true that at the formation of it we had some industries in operation, but with these exceptions the industries which we now have are the direct outgrowth of the N.P. and we would not have had them if it had not been for its encouragement. It was this idea, we suppose, which placed steel rails on the free list. No steel rail has ever been manufactured in Canada, and never will be as long as the article can be imported free of duty, although we have sent millions upon millions of money abroad to pay for what we have required. And this in the face of the fact that our annual requirements are sufficiently large to give employment to several large rail mills; and that we have every requisite in Canada for making rails.

It is true we want our unoccupied lands peopled with farmers, but we also want home manufacturing industries which will give employment to multitudes who will consume what

these farmers produce. It is not to the interest of the country to produce wheat and cattle for export when these products of the farm could be consumed at home. Our best customers are ourselves, and only our surplus should be exported. The nearer the home consumption equals the home supply the more prosperous the farmer will be. But the *Shareholder* wants to reduce the power of consumption by reducing the price of labor, or by depriving the workman of his employment, thus injuring the farmer; and turning those consumers into producers of farm products, in direct competition with the farmers. It advocates a suicidal policy.

#### AN OPINION WANTED.

EVEN at this late date and stage of the game, our esteemed contemporary, THE CANADIAN MANUFACTURER, desires us to again express an opinion on the at present settled canal tolls controversy. All that can be said now, is, that after September 1, reciprocal courtesies will be exchanged with Canadian tonnage using the St. Mary's Falls canal, so that, while two apparent wrongs may not make a right, both parties now feeling aggrieved, yet, as the MANUFACTURER pertinently remarks, “saUCE for the goose should be saUCE for the gander.” Even so with an equitable adjustment of canal toll charges, although we do not believe in the reprisal retaliation spirit, which a portion at least of the *Dominion press* has so wantonly indulged in of late. The national question of extended courtesies through artificial waterways, forming the gateway to neutral or international waters, is now a question for diplomatists to negotiate, though it would seem that the ill-advised discrimination practised in favor of Montreal as opposed to U.S. ports, will have the effect of more clearly determining the lines between strictly national waterways and those leading to, or commanding the traffic over international territory. It is a forgone conclusion, however, that foreign vessels will not be permitted to use the state canals, nor to enter and clear between U.S. ports, nor will their seamen be allowed to navigate American vessels. At the same time, the Dominion is perfectly justified in asserting all rights conceded by treaties, and to show cause wherein these rights may have been violated at any time.—*Cleveland, O., Marine Record.*

This is in reply to our request for the *Marine Record* to venture an opinion as to the fair dealing, or we might have said the unfair dealing of the United States with Canada, anent the treaty which is supposed to be existing by which the United States guarantees the same treatment to Canada in the matter of the use of American canals as Canada guarantees to the United States in the use of Canadian canals. By way of a pointer we had requested our Cleveland contemporary to express an opinion as to why an American vessel employed in transporting coal from Albany or New York city, through American and Canadian canals, to Ottawa, taking return cargo of lumber from Ottawa, through Canadian and American canals to Albany or New York city, should be accorded this privilege by Canada, while a Canadian vessel is denied this privilege by the United States. This is just the question we wish the *Marine Record* to discuss. There are many phases of this canal question which are exceedingly interesting, and which we are ready to consider, but at this time it is well to examine the matter with some minuteness of detail; and we desire to discuss this particular phase of it. We insist that what is saUCE for the goose should be saUCE for the gander. Suppose our Cleveland friend should be the possessor of two