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THE SITUATION.

Commissions to enquire into the operation of tariffs with a view to their revival, are not new; though a commission of experts, which is suggested in the United States, if the word expert be used in its best sense, would be a novelty. In the meantime, we, in Canada, are not departing from the methods which have been in vogue here for some time, in resorting to a commission composed of some members of the Government for this purpose. A commission of experts would give promise of a scientific tariff, for which, however, there is no reason to believe that the country is prepared. On the present tariff commission, there is one member whose acquaintance with the subject should qualify him to act as an expert; but this qualification would stop short of the ideal expert, from the political element with which it is associated having hitherto been preponderant. But, in this respect, the commission is not more open to criticism than similar commissions which have preceded it.

Any tariff enquiry, to be effective, must take into view the general bearings of the trade of the country. The principal trade of Canada is with two countries, the United States and Great Britain. How does the actual tariff bear upon our trade with these two countries? Those who affirm that the tariff discriminates against Great Britain can confidently appeal to the facts in support of their statement. Of the goods which we imported from the United States in 1894-5 less than twenty-six millions (\$25,795,588) paid duty, while nearly twenty-nine millions (\$28,888,988) were admitted free. In other words, far more than half the goods imported from the United States paid no duty at all. At the same time, only about one-third the imports from England were free: the figures being, free goods, \$7,819,826, while the dutiable goods were valued at \$23,811,911. So far as the goods consist of raw materials, the trend of the trade is natural and its operation beneficial; but it does not follow that a system which opens the door to free admission of the manufactures of one country, though for the purpose of entering into other manufactures, while those of all others are charged with duties, is economically sound or politically just.

It does not follow that there was a set design to discriminate against British goods, though such was the effect of the operation of the tariff. To a large extent, the tariff makes American manufacturers partners with Canadian manufacturers. It is done in this way: The Americans send here materials of manufacture, wrought up into different stages, some of them being complete in themselves, but capable of entering into other manufactures. As a rule, these American manufactures are in the free list. The Canadian manufacturer works them up into what he makes; and on these manufactures no duty is paid at either end. English manufacturers do not largely supply ours with materials wrought to different degrees of completion, and the gross inequality in the distribution of the duties, which has been noted, results. That the actual discrimination was intentional, it is not necessary to assert; it is very real, nevertheless. This favor, being extended only to some Canadian manufacturers, others are asking that it be extended to them.

Another form of discrimination incidental to the present tariff, operates as between provinces. Ontario pays duty on more goods than she gets in free (\$16,096,829, against \$18,621,197); in Quebec, though the total figures are very much larger, the free goods are not much more than a million less than the dutiable goods. In Manitoba the dutiable goods are twice as great as the free. Is there any compensation for this inequality between the provinces? The inequality arises largely out of the operation of the tariff as it affects manufactures. Are these virtual discriminations due to natural causes or are they the result of the tariff? This enquiry lies at the root of the tariff question.

No one can read the reports of the examination of witnesses before Sir Richard Cartwright and his colleagues in the commission, without feeling that the present tariff is on its trial. The chief business of the witnesses interested in manufactures, is to plead for the retention of the present duties. One hears an occasional threat of closing if the duties be lowered beyond a certain point. The Government requires the witnesses to furnish data, showing the cost of wages, raw materials used in manufactures, etc., not for publication, but for its own guidance. As far as its platform pledges go, the Government is bound to adopt a tariff for revenue only. But this permits of great latitude, in the opinion of those American politicians who are clamoring for duties higher than those of the Wilson tariff, which are above 40 per cent., on the ground of revenue necessities. When looked at in this way a tariff purporting to be for revenue only does not forbid rates of duty which would satisfy most protectionists. The Canadian Government is pledged to an economical administration, and we hear of considerable savings to be made in at least one department, though the promises made in other directions do not justify the hope of great results from this single effort.

Should the settlement of the Manitoba school question be accepted by the principal parties interested as satisfactory, there will be good reason to rejoice. In theory all the schools which are to receive public aid are to be national schools. One hour each day is to be devoted to religious instruction. This instruction is not to be furnished by the regular teachers, but by ministers and priests, and it is not to be given to any child without the consent of its parents. As a practical possibility, different ministers and priests could not all attend on the same day, and if they could confusion would ensue. Mutual consent may effect some