

Canada, he felt sure, would contribute her share. And he hoped that this would be the result of his present visit to Canada. Well, Sir Charles has put his hand to the plough, and he is one not likely to turn back.

THE NEW GLASGOW STEEL WORKS.

A PARAGRAPH has been going the rounds of the press to the effect that the Nova Scotia Steel Company (Limited), of New Glasgow, N.S., have experienced difficulty in floating their issue of preferential stock. This is not the case, as almost the entire amount, that is to say \$95,000 out of the total of \$100,000 is already taken up, the larger proportion by the original shareholders, too—thus showing that they have all confidence in the success of the enterprise. The original capital of the concern was \$160,000, which would have been sufficient had operations been confined to the few lines of production at first contemplated. The Canadian market for each particular line of goods being limited, however, it was found necessary to go into some additional branches of output—in other words, to diversify the production—and with this view other plant and machinery to a large amount was put in, being provided for by the issue of the preferential stock above mentioned. It is desired that the Canadian public, but especially in the west, where the facts relative to this and other iron-making ventures down by the sea are apt to get mixed up, should understand that the New Glasgow concern is now in full blast, with the best plant and abundance of capital to run it, and turning out steel and steel manufactures at the rate of ten thousand tons per annum.

In this connection it should be remembered that the present duty on steel is \$3.00 per ton and 10 per cent. on the value, which comes to from 12½ per cent. on the higher grades to 18 or 20 per cent. on the lower. Canadian steel producers would certainly be better protected than they are now were the old duty of 17½ per cent. still in force. The fact is that, as we have so often had occasion to contend, rational and effective Protection to the important interest of iron and steel production is something which we have never had in Canada so far—something which is yet to be. Let us hope that though long delayed it soon will be, after all.

TAKING WARNING BY EXPERIENCE

"Does Protection protect?" is a question that has time and again been raised by free traders; and it is generally put in a sneering way, as if the failure of Protection to protect were a fact so notorious that only one answer could be given. In 1879 the scoffers at protection, who are always waiting for something to turn up to help their waning cause, had a windfall come to them in the shape of the extraordinary turn in the iron market the latter part of that year. That remarkable event, its causes and consequences, have time and again been explained in our columns. This time we avail ourselves of an article from the *American Manufacturer*, which will be found on another page, under the heading of "The Fall of 1879 and the Fall of 1886," in which the difference between the situation of seven years ago and the situation of to-day is clearly pointed out.

Not only is the situation of 1886 materially different from that of 1879, but the policy of American makers of iron and steel has in the meantime undergone a great change. The sharp lesson of 1879 and years following has been taken deeply to heart, and the blunder of seven years ago will scarcely be repeated, in our time, at all events. Not soon will the allurements of a "boom" again induce them so to advance prices as to make the coast clear for the importation of English iron and steel, even in spite of the high duties. After this they will take good care always to keep home quotations several points below the figure at which importations could be made *without loss*. So much they have learned in the dear school of experience, and they propose that for the time to come they shall profit by the lesson.

One feature there was in the experience of 1879 which is worth recalling. While "boom" prices prevailed, British iron and steel firms rushed over, not merely enough to meet apparent demand for the time being, but a vast surplus in excess of all this, supposing that the extra demand would continue. Afterwards, when American makers had recovered from their surprise and had got their mills started up, it was found that the bonded warehouses were full of imported iron and steel to which there was no sale. And this imported surplus remained on hand and blocked the market for years after, a terror to American makers, and preventing any improvement in prices to speak of. The British exporters themselves, or some of them, must have lost by their long "wait" for a market; and indeed it would not be easy to say who gained by it. The surprise of 1879 did a great deal of damage all around, and no good to anybody. It was, as we may say, a great commercial *accident*, for the repetition of which English exporters of iron and steel will look in vain.

TORONTO'S GREAT EXHIBITION.

THE great improvement which Toronto's Industrial Exhibition shows each and every year over the year preceding, suggests a mathematical problem, namely:—what the result will be if this progress goes on *ad infinitum*. One of the most remarkable improvements of this year is the Electric Railway, reconstructed by Mr. J. J. Wright, who built his new motor in Toronto. This motor has as many "attachments" as a twentieth century sewing machine may be expected to have, and appears to be quite capable of running itself. Toronto has now the first electric railway and plant manufactured in Canada, which leads us to remark that perhaps protection does protect, after all. Visitors will note a conspicuous advance in other departments of the Exhibition as well. We 'aesday next, 8th inst., is the opening day for the public.

AN ERROR CORRECTED.

WE have to correct a certain mistake, but not our own. In an article in the *Canadian Manufacturer* of August 6, we said:

"Wherever Canadian's National Policy is objected to, either directly or by implication, Sir Charles Tupper may be trusted to speak out for the Dominion, if he be there to hear, or to see. It is no mere dummy or "Lumber Log" High Commissioner, to quote an expression of Carlyle's, that represents us in Lon-