

8 PROTECTION IN CANADA CH.

factures which were protected by the tariff of 1897; and at the very time that the Crown Prosecutor was accumulating evidence as to these thirty-nine trusts,¹ the Tariff Commission, which it was my fortune to be accompanying, was holding its sessions in Toronto, London, Windsor, and Hamilton; sessions at which the manufacturers pressed, usually with success, for increased duties in the tariff on the output of their factories.

Combines and trusts were developed in Canada within a few years of the enactment of the first National Policy tariff in 1879. The cotton industry, in which in 1871 dividends averaged as high as thirty per cent first came into complete combination in August 1886;² and between 1886 and 1906 there was scarcely a manufacturing industry in Ontario and Quebec in which there was any competition, as competition is understood in England and in many lines of industry in the United States.

With a protective tariff, most of whose schedules are framed at the dictation of the protected interests, and with trusts and combinations firmly entrenched, it is plain that there can be little or no competition; and obviously there need be no great effort on the part of manufacturers for excellence, because whether the output is excellent or otherwise,

¹ Cf. *Globe*, April 18, 1907.

² Cf. *House of Commons Debates*, February 26, 1884.

³ Canadian Annual Register, 1886, p. 311.