

purchase of a manufacturing plant in Galt, Ontario, and that a large part of the work which has hitherto been done at Hyde Park will now be transferred to Canada. **At the United States the tendency among the principal manufacturing interests is toward the establishment of plants in Canada.** This movement has been going on for many years, and it is estimated that from three to five hundred million dollars of American capital is now invested in these Canadian plants. The Sturtevant Company must join the procession in order to meet the conditions of the industry for the movement has now proceeded to a point where corporations failing to follow are faced with serious embarrassment. American manufacturers have completely filled the American market, and their production is now greatly in excess of the domestic demand. . . . If they had a reasonable outlet for their surplus products, under reciprocal trade agreements with other countries these industries could remain at home and grow, but under the conditions that exist they must remove in part to those countries whose markets they desire to reach. The Sturtevant Company. . . . is reluctantly obliged to accept the situation and remove to Canada a part of its work, thus curtailing production in Massachusetts."

Governor Foss hated to move, but had to do it.

He added:—

"This movement of American manufacturers to Canada could be stopped and they could remain intact in this country if it were not for the absurd conditions created by our tariff legislation. **We should have with Canada and other countries such trade agreements as would enable us to manufacture our goods in the United States, giving employment to American workmen and utilizing only American capital.** But such agreements would imply a recognition of the principle of Reciprocity."

Thus, because Canada rejected Reciprocity several hundred new workmen come to Galt with their families, to enlarge the home market for the Canadian farmer.

And Governor Foss' Factory is only one out of many.

The Americans are lowering their tariff anyway.

The Liberal-Conservative Party in 1911 predicted that if Canada simply maintained her position and her policy she would get for nothing what the Liberals wanted her to buy and they held that the United States was sure to lower its very high tariff anyway.