

it was not for that interest income Britain would have to earn the \$80 per family before they would have a cent to call their own. The logical result is that Canadians who have to earn \$60 per family for government with no interest accruing from foreign nations, to be on a financial industrial level with the British producers should not pay a cent out of earnings for government otherwise that we should have a protection tariff equivalent to our cost of government, or \$60 per family, or three times what it is. Britain pays no interest to foreign countries. After deducting from the \$35,000,000 interest we pay to Britain about \$13,000,000 for interest embraced in the \$60 per family for government, there is still \$22 per family of protection for Britain in Canada in favor of British producers. The \$22 added to the \$60 for government shows that, besides having Britain's low rates of interest to put us on an industrial level with British producers, our tariff should average \$82 in place of \$20 per family. This readily accounts for the immense annual import of goods from Britain and other countries, and therewith the enforced idleness of so many thousand Canadian producers, and amply accounts for the business failures and slow progress of Toronto and Canada.

While this double obstruction of cost of government and interest cannot at once be entirely removed, the evil must and can be counteracted.

Those who desire to see a far fuller exhibit of the statistics from which this is partly selected can find them in THE CANADIAN MANUFACTURER for April 17th, May 1st, July 3rd and 17th, 1896.

THE REMEDIES.—Let Mayor Shaw and President Rogers take prompt action to secure the prohibition of all shoddy, fraudulent and worthless imports, and their confiscation and destruction as Britain confiscates and burns impure teas, and on all goods to require the producer's name as under the British Guild system, a guarantee that they are rightly made of right material. The Globe recently advocated that this should be required of every Canadian producer for fear they will cheat the foreigner, and as the government now requires of Canadian cheese makers. Let our government thus protect Canadians from fraudulent importers and it will save Canada about \$10,000,000 a year toward reduction of debt.

Raise the tariff on all goods we can produce so as to give our producers a protection to correspond with that which Britain has in the Canadian market, in the \$80 protection she has indirectly secured in having the whole cost of her government paid through interest paid to her out of the earnings of foreign nations. This would secure constant employment for tens of thousands of toilers in Canada.

Let the banks stop paying interest on deposits, something which no bank should do. Many thousands of depositors would then pay their debts. Others would use their money in developing the country, which cannot be expected when it is so risky

to do so, and the deposit rate so secure and so high that it is more profitable for them to deposit than to use it for productive purposes. The saving of interest to the banks and protection of the banks from a large proportion of their bad debts would enable them to discount at rates which would enable their customers to borrow with profit in place of loss. And the increase in casual deposits would soon overbalance the withdrawal of deposits on interest which the banks to-day are aware is a losing factor in their business, leading them to cry for a reduction of interest. This suggestion carried out would between interest, bad debts and increased volume of business, save to them and their customers, and that really means to the whole country, more than \$20,000,000 annually. The writer can prove it.

After deducting receipts from post office and public works recouped from their earnings, the cost of our various governments averages \$36 per family in excess of what it was at Confederation, whereas with increase of population there should be a reduction. For example, in the United States in 1870 the average was \$80 per family—which, by the way, their statistics prove was \$45 per family in excess of their earnings after feeding and clothing themselves—all the deficiency being covered by borrowed money. But by increase of population the cost of government has been reduced \$20 per family. The increase in Ontario in municipal government alone, has more than doubled and is now over \$8 per family in excess of the average total cost of all our governments in 1867. To bring down by simplification the total cost of government to what it was in 1867 would be a reduction of \$26 per family and it can be done. The aggregate of savings through cheaper government, cheaper currency and prohibition of all shoddy and other fraudulent goods would be about \$66,000,000 annually, which would enable us to pay all the interest on our \$1,000,000,000 of debt, for which the importers gave us no value, and a margin of millions annually to reduce it. And the minor obstructions to be removed would add millions to the margin.

The question now is:—Will Mayor Shaw and the City Council and President Rogers and the other members of the Toronto Board of Trade, and Parliament with them, if no better suggestions are offered, unite to secure the removal of the great obstructions above outlined, which have so oppressively injured the producers, decreased the value of property and disastrously retarded the development of the industrial, mercantile and financial interests of Toronto and Canada?

PARRDALE, March, 1898.

The value of the merchandise entered last month for consumption in the Dominion of Canada was \$9,887,256, and the duty collected was \$1,786,572. The value of the free goods entered was \$3,799,267. The total exports amounted to \$10,614,210, of which \$9,583,539 worth was the produce of Canada.

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