

people. When the protective policy was first submitted to the people of Canada, it was claimed that it would have the effect of driving the United States into a reciprocal arrangement with this country, and this feature was largely urged as an excuse for introducing the measure. Now, however, that a movement has been made in the United States in favor of reciprocity, our people have received the proposals largely with unconcern, if not with manifest hostility. This certainly shows a growing feeling in favor of protection in this country, or at least of commercial independence of the United States. Perhaps, however, the fact that our duties would have to be increased under a reciprocal arrangement with the United States, has something to do with the apparent apathy with which the matter has been viewed in this country. Although Canadian customs duties are protective in their nature, yet they are considerably lower than those of the United States. Under a complete reciprocal arrangement between the two countries, the customs duties of each would have to be equalized, which would, of course, mean that Canadian duties would have to be increased to correspond with those of the United States.

At the late general meeting of the Canadian Manufacturers' Association, the question of full reciprocity, or commercial union, was discussed fully, and as might have been expected from such a body, was vigorously condemned. Whatever sympathy there may be in favor of such a measure, it would not be expected to exist to any extent among the manufacturers. A resolution unanimously passed by the association read as follows:

"Resolved, that this meeting of Canadian manufacturers is unanimously opposed to any treaty between this country and the United States which would admit American manufactures into Canada free of duty, and that a copy of this resolution be forwarded to the Dominion Government with a request that our manufacturing interests be closely guarded in any negotiations which may take place between the two countries."

It was generally urged by the manufacturers that the opening to them of the market of the United States would not compensate for the competition which would result in the home markets with United States manufacturers. In some lines Canadian manufacturers might receive benefit from such an arrangement, but in a majority of instances it is evident that the older established and more wealthy corporations of the United States

would have the advantage over Canadian manufacturers. After the period of protection which has called into existence a large number of industries of one kind and another, it is more than probable that a sudden change to commercial union with the United States would for a time at least have a depressing effect upon Canada as a whole. It is urged that though some interests would be seriously affected, the loss would be more than counterbalanced by the flow of United States capital into the country for the development of our natural resources and other industries. Our great iron resources are among other things pointed to as an inviting field for development, were the markets of the United States to be thrown open for the product. However, it must be borne in mind that any reciprocal arrangement would be subject to termination at the instance of either Governments, and capitalists would not therefore be free to invest large sums of money merely upon the strength of a commercial policy which might be abrogated at any time. This makes it clear that Canada would be at a disadvantage, as compared with the United States, for capitalists would be certain, under similar conditions, to invest in the latter country, where they would continue to have the larger market, should the reciprocal relations be terminated.

LABOR LEGISLATION.

The persistency with which labor agitators have of late pressed their claims before the legislative bodies, is having the effect of arousing employers of labor to a sense of their position, and leading them to consider what effect some of these proposed measures in the interest of labor would have upon their interests. The Canadian manufacturers discussed the question of labor legislation at their last meeting, and they seemed to be of the opinion that labor was having too much its own way of late, and receiving too much attention from legislators. One manufacturer stated that "a few more measures such as the Employers' Liability Act would make it unhealthy to manufacture in this country at all." The petitions now before Parliament from the Knights of Labor were condemned, and a committee was appointed to oppose the demands of the Knights. The Knights ask Parliament for legislation prohibiting employers from asking employees to sign any agreement other than for the render-

ing of an equivalent for wages, and they ask that it be made a criminal offence, punishable by imprisonment for an employer to insist upon his employees signing any such document. They further ask that the importation of foreign workmen under contract be made an offence punishable by a fine of \$2,000. These are sweeping demands on the part of the Knights, and it is not to be wondered at that the manufacturers should be moved to oppose them. Labor certainly has rights, but employers likewise have rights which must not be usurped. To say that an employer shall be treated as a criminal because he asks his employees to sign some simple agreement, would seem to be going too far, and it is not at all likely that Parliament will adopt any such measure as that demanded by the Knights. The manner in which labor is organized and directed, however, enables it to press its claims to the best advantage upon Parliament. Votes count to better advantage with members of Parliament than any other mode of persuasion, and labor, by making its influence felt at the polls, has brought a force to bear upon the Government and legislators which must tell to its advantage. A Toronto labor journal takes this view of the case and remarks: "Never in the history of Canada has a legislature been so willing as the present to meet the view of labor organizations. We had not much apparent success at the general elections, but had we not made ourselves felt then, we would not now be getting the needed legislation we are getting."

THE SITUATION.

Mr. Watson's disallowance resolutions have not yet come up for discussion in Parliament, but it has been made clear that there will be no change in the policy of the Government regarding this great question. In a discussion in the railway committee upon a bill to charter a British Columbian railway, which is projected to cross the boundary in that province, Sir Hector Langevin stated that the policy of the Government would not be changed. "Parliament had," he said—

"made an agreement with the Canadian Pacific and the Government was bound to carry it out. The same might be said of Manitoba, where the same principle must be maintained."

Does this mean that disallowance will be enforced in this Province for the balance of the twenty years which the O.P.R. Co. is given a monopoly in the Territories? Such is the only inference to be drawn from the statement. If so, are the people of Manitoba prepared to submit to monopoly for thirteen years longer? "The east must be recompensed," says Sir Hector, for the many millions expended in building the C.P.R.; therefore "the Government is of opinion that the policy of disallowance in Manitoba, the Territories and British Columbia must be maintained." We know now what to expect. What are we going to do about it?