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MANUFACTURERS' ASSOCIATION.



PROCEEDINGS

OF

ANNUAL CONVENTION,

HELD IN THE

CITY OF TORONTO.

THURSDAY & FRIDAY, OCTOBER 25TH & 26TH, '77.



TORONTO:

J. ROSS ROBERTSON, 67 YONGE STREET.

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OCTOBER 25th AND 26th, 1877

J. Ross Robertson, 67 Queen Street, Toronto, 1877

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# ONTARIO MANUFACTURERS' ASSOCIATION.

## OFFICERS FOR 1878.

### PRESIDENT:

W. H. HOWLAND, Esq., - Messrs. W. P. Howland & Co. - TORONTO.

### FIRST VICE-PRESIDENT:

DONALD McINNES, Esq., - Messrs. McInnes & Co. - HAMILTON.

### SECOND VICE-PRESIDENT:

WILLIAM BELL, Esq., - Messrs. W. Bell & Co., - GUELPH.

### TREASURER:

GEORGE BOOTH, Esq., - Messrs. George Booth & Son. - TORONTO

### SECRETARY:

W. H. FRAZER, - - - - - TORONTO

### EXECUTIVE COMMITTEE:

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ROBERT BARBER, Esq.	Messrs. Barber Bros.	STREETSVILLE.
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J. M. CURRIER, Esq., M.P.	Messrs. Currier & Co.	OTTAWA.
W. BYERS, Esq.	Messrs. Byers, Penn & Byers	GANANOQUE.
M. K. DICKINSON		OTTAWA.
W. F. COWAN, Esq.	Oshawa Malleable Iron Works	OSHAWA.
A. ELLIOTT, Esq.	Messrs. Elliott & Sheard	ALMONTE.
ISAAC WATERMAN, Esq.	Messrs. Waterman Bros.	LONDON.
GEORGE MOOREHEAD, Esq.	Moorehead Manufacturing Co.	LONDON.
JOHN RIORDON, Esq.		ST. CATHARINES.
ROBERT McKECHNIE, Esq.	Messrs. McKechnie & Bertram	DUNDAS.
JAMES WATSON, Esq.	Strathroy Knitting Co.	HAMILTON.
W. ILKIE, Esq.	Messrs. Wilkie & Osborne	GUELPH.
WILLIAM ROBINSON	Messrs. Robinson & Howell	GALT.
ADAM WARNOCK, Esq.	Messrs. James Warnock & Co.	GALT.
E. GURNEY, Jr., Esq.	Messrs. E. & C. Gurney	HAMILTON.
G. Z. BEACH	Burlington Glass Works	HAMILTON.
J. PERRYLY, Esq.	Messrs. Perryly & Pattie	OTTAWA.
W. COULTER, Esq.		OSHAWA.
WILLIAM TOOLE, Esq.		PETERBORO.
S. S. FULLER, Esq.		STRATFORD.
CHARLES MCGEE, Esq.		OTTAWA.
JAMES SMART, Esq.		BROCKVILLE.
J. D. RONALD, Esq.	Chatham Fire Engine Works	CHATHAM.
E. BURRILL, Esq.		BELLEVILLE.
N. GORHAM, Esq.		LANARK.
GEORGE LANG, Esq.		BERLIN.
JAMES LIVINGSTON, Esq.	Messrs. Livingston & Bro.	BADEN.
JACOB BECK, Esq.		BADEN.
F. CLEMOW, Esq.		OTTAWA.
ALBERT GOEBEL, Esq.	Mitchell Knitting Factory	MITCHELL.
L. H. LEE, Esq.	Toronto Reaper and Mower Manufacturing Co.	TORONTO.
H. P. COCKBURN	Messrs. L. D. Sawyer & Co.	HAMILTON.
M. B. PERRIN, Esq.	Messrs. Perrin	DOON.
SAMUEL MERNER, Esq.		NEW HAMBURG.
JOHN HAGGART, Esq.	Messrs. Haggart Bros.	BRAMPTON.
D. H. HARRISON, Esq.	St. Mary's Flax Mills	ST. MARY'S.
WILLIAM LUKES, Esq.		TORONTO.
RICHARD BLAIN, Esq.	Messrs. "Dickson's Mills."	GALT.

JAMES GOLDIE, Esq.....		GUELPH.
JOHN RITCHIE, JR., Esq.....	Messrs. Ritchie & Son.....	TORONTO.
J. H. BROWN, Esq.....	Woodstock Flax Mills...:	WOODSTOCK.
DR. COLEMAN.....	Messrs. Coleman & Gowanlock.....	SEAFORTH.
CHARLES CLARK, Esq.....	Cobourg Matting Co.....	COBOURG.
MR. HAMLIN.....	Whiting Manufacturing Co.....	OSHAWA.
JOHN ABELL, Esq....	Woodbridge Agricultural Implement Works....	WOODBIDGE.
B. ROSAMOND, Esq.....	Rosamond Manufacturing Co.....	ALMONTE.
R. PATTERSON.....		BELLEVILLE.
MR. BANNERMAN.....		RENFREW.
JOHN R. BARBER, Esq.....		GEORGETOWN.
GEORGE A. WILKES, Esq.....	Waterous Engine Co.....	BRANTFORD.
DAVID PLEWS, Esq.....		BRANTFORD.
G. T. TANDY, Esq.....		KINGSTON.
MATTHEW ANDERSON, Esq.....		FERGUS.
M. STAUNTON, Esq.....	M. Staunton & Co.....	TORONTO.
CHARLES ROGERS, Esq.....	R. Hay & Co.....	TORONTO.
JAMES WILSON, Esq.....		FERGUS.

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# ONTARIO MANUFACTURERS' ASSOCIATION.

## THE ANNUAL CONVENTION.

### FIRST DAY'S PROCEEDINGS.

TORONTO, Oct. 25th.

The annual convention of the Ontario Manufacturers' Association was held this day in the Agricultural Hall. Among those present were: W. H. Howland, President; Robert Barber, (of Barber Bros., Streetsville), Vice-President; George Booth, (of Geo. Booth & Son, Toronto), Treasurer; and W. H. Frazer, Secretary.

The following delegates were present:—

FROM HAMILTON.—D. McInnes, Cornwall Cotton Mills; James Watson, President Strathroy Knitting Co.; Hamilton Young, of Dundas Cotton Mills Co.; E. Gurney, of E. & C. Gurney; W. G. Beach, of the Burlington Glass Works; H. Burkholder, of J. H. Davis & Co.; James Reid, G. H. McKenzie, Mr. Cockburn, of L. D. Sawyer & Co.; D. Galbraith, Hamilton Felt Hat Works.

GUELPH.—W. Bell, of W. Bell & Co.; W. Wilkie, of Wilkie & Osborne.

OSHAWA.—John Cowan, Malleable Iron Works; Mr. Hamlin, of A. S. Whiting Manufacturing Co.; W. F. Gibbs, Oshawa Cabinet Manufacturing Co.

BOWMANVILLE.—F. F. McArthur, of the Upper Canada Furniture Co.; Geo. Piggott, of the Dominion Organ Co.

MITCHELL.—Albert Goebel, of the Mitchell Knitting Factory.

GEORGETOWN.—J. R. Barber, of Barber Bros.

GANANOQUE.—D. F. Jones, M.P., of D. F. Jones & Co.; W. Byers, of Byers & Matthews

STRATFORD.—S. S. Fuller, of the Stratford Flax Mills.

ST. CATHARINES.—John Riordon, of the Merritton Paper Mills.

MARKHAM.—T. Speight, of Speight & Sons.

LIMEHOUSE.—James Newton, of the Limehouse Paint Works.

BELLEVILLE.—Hon. Senator Reed.

DUNDAS.—R. McKechnie, of McKechnie & Bertram.

TORONTO.—R. Hay, George Craig, Charles Rogers, of R. Hay & Co.; E. Gurney, jr., of E. & C. Gurney; L. H. Lee, of the Toronto Reaper and Mower Co.; John Gillespie, of Gillespie & Co.; John Ritchie, jr., of John Ritchie & Son; James Morrison, Wm. Lukes,

Joseph Simpson, Mr. McKenzie, of McKenzie, Musson & Co.

MONTREAL.—E. K. Greene, of Greene & Son; H. Shorey, of H. Shorey & Co., &c., &c., &c.

The President, W. H. Howland, called the meeting to order, and the Secretary, Mr. Frazer, called the roll.

The President then delivered his opening address. He said he had to congratulate the members of the Association that they had assembled in such strength, and that they represented such large and influential interests. There were about fifty members present—about half the number that constituted the Ontario Legislature—who were practically the largest employers of labour in Canada, and consequently he thought that the decision such a meeting might arrive at as to what policy would best protect the industries of the country might be accepted as correct. The meeting was an important one, because before parting they would come to the conclusion that the time was past for making vain appeals for alterations in the tariff, and that the time had come when they must divide the people of Canada at the polls on the question of free trade and protection. (Hear.) It was also an important meeting for the reason that up to the present time there had been no real discussion of these questions. Whether it was that the minds of the politicians were so fully occupied with steel rails, the Neebing Hotel, etc., that they could think of nothing else, he could not say, but at any rate those questions had so taken up their time in discussing that he failed to find a single speech that afforded much evidence of any real consideration of so vital a matter. He noticed that the Hon. David Mills, in a speech recently delivered, made a great show of what might be called argument, but which for mis-statement of facts in that fanatical way peculiar to free traders was certainly sublime. He would give one or two instances. The hon. gentleman said that the country had gained half a million of dollars in 1874 by the importation and exportation of corn. They would scarcely think it possible for an intelligent, educated man not to know that the great bulk of this margin was in freight and insurance, the larger proportion of which went into the

pockets of American shipowners and insurance agents, and the Canadian exporter would not get probably more than four per cent. or from \$60,000 to \$70,000. The inference was that if a duty was put upon corn, this trade would be lost, whereas the fact was that the export of corn would go on just as easily in bond through Canada as it did now. Another statement equally wrong was that the Maritime Provinces could not have been induced to enter the Union if a protective policy was to prevail. The facts were entirely to the contrary. Near the time of Confederation the Nova Scotia Legislature imposed a duty of something like 50c. upon American flour. The Hon. Mr. Tilley's main argument was that Confederation would open to New Brunswick the great markets of the Dominion, not that it would give them to the Americans. Another undeniable answer was that if the people of Quebec and Ontario had apprehended that such an idea had ever been in the minds of the promoters of Confederation, the opposition to it would have been as intense as it was in the Province of Nova Scotia. They would never have submitted to Confederation based upon the destruction of the home trade. They found everywhere cropping up in the papers that "put off" of the free traders that in all probability there would be reciprocity with the United States. The time had passed for trifling with such follies as these. Every right-thinking man had come to the conclusion that the Americans were too wise and too far-sighted to give Canada any advantages in markets she did not now possess, especially as they had the benefit of our markets without giving anything in return. It was, however, within the bounds of possibility that if we shut out their products from our markets by a heavy duty they would have an inducement to concede something in order to gain something. His own impression was, that while the Americans gave the free traders every possible opportunity to talk big and make long speeches, they took care when forming their Governments that men holding free trade opinions should have nothing to do with the fiscal policy of the country, and he did not believe that in our time they would see a free trader controlling the fiscal policy of the United States. The main question for discussion by the Convention would be the depression of trade in Canada. Various reasons had been given for the depression, but it simply came to this, that some class or other could not pay their debts and were unable to incur fresh liabilities. Who were these people? The answer was very simple. They heard a great deal said about the fine crops this year, and that they were to put things right. Why, they had had as good

crops for the last ten years, and the farmers were better off than they ever were before. The farmers were less in debt than in any previous year. The farmer certainly was not in a depressed condition, and so far as agricultural produce was concerned, there was no question about it that this country had produce sufficient to make the best times they could desire, if upon that the prosperity of the country depended. Another class of people were the villagers, mechanics, and workmen dependent upon manufacturers. Here would be found quite a different state of things; their trade or position was depressed financially, and they were suffering. The next thing to do was to discover the reason why the circumstances of this class were in a depressed condition. It was owing to an abnormal and extraordinary competition from the United States in manufactured goods. (Hear, hear.) In 1872 the Americans had begun to come down to hard pan, and when wages and the price of everything had been brought to a low point in 1873, they were producing as low as goods were ever produced in the world. While, therefore, their goods cost no more in depreciated currency than we paid in gold, they were able to send over their manufactures, and with the difference between gold and currency pay 14 per cent. of the duty, leaving only 3½ per cent. difference between their protection and our free trade. The result was shown clearly in the change of trade that took place between this country and the United States and Great Britain. In 1872-73 the imports from Great Britain were \$62,000,000, and in 1876-77 \$40,000,000, showing a decrease of \$22,000,000. The imports from the United States in 1872-73 were \$35,000,000, and in 1876-77 \$46,000,000, and this in the face of depression, and a reduction of \$33,000,000 on general imports. Now this increase of \$11,000,000 practically meant an increase of double the amount, because we had reduced our purchases to the extent of \$33,000,000, showing conclusively that American goods had come in and replaced our own manufactures. In the export trade the reverse was the case. In 1872-73 the exports to Great Britain were \$25,000,000, and in 1876-77 \$40,000,000, an increase of \$15,000,000. In 1872-73 the exports to the United States were \$36,000,000, and in 1876-7, \$29,000,000, a decrease of \$7,000,000, which meant that the American goods had shoved so much of ours out, and that we had been driven out of our own markets and compelled to send our raw material 3,000 miles away. The balance of trade, owing to the extraordinary state of the tariff, was now turned to seventeen millions against us. For fear that somebody might say that the in-

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crease from the United States was on free goods, he had looked at the figures, and had found that in 1872 the free goods from the United States amounted to \$31,000,000, and in 1876 to \$25,000,000, a decrease of \$6,000,000. The dutiable goods from the United States in 1872 were \$17,000,000, and in 1876 \$21,500,000, an increase of \$4,500,000. This four and a half millions excess was in the period of a general decline of our imports of \$33,000,000. It was not possible to deny the fact that the Americans had got a market here for their manufactures during the last four years. There was no doubt that they were able in the first place to secure this market from the premium on gold paying the duty, but before the premium went down the resources and capital of our manufacturers had been so weakened that it was impossible for them to fight the Americans under the present tariff. The American dealer had his drummer here just the same as in any city in the Union, and in every case he came here with the intention of selling. The American could succeed under the present duty in getting a fair price for his goods in spite of us, because our manufacturers could not produce so cheaply as they could three years ago. It amused him to think that so many of the free traders were ultra-loyalists, and that nevertheless they allowed Great Britain to labour under such disadvantage as a 17½ per cent. duty, while to-day the Americans paid only equal to 15 per cent. They had the strongest possible evidence from a disinterested source that the American manufacturers were turning their attention very seriously to this market. It was given in the report of the United States Consul to his Government. He said in effect: "You have nearly the whole of the Ontario market, and you can get it all." If the tariff remained unchanged Canadians would have to drop manufacturing and become hewers of wood and drawers of water for the Americans. The cruel way in which the Government had allowed our manufactures and labour interests to be sacrificed would forever be a blot upon their fame. He thought that if they took proper means of showing their representatives in Parliament the value of the home market, good results would follow. As it was, the members of the House, finding that their leaders were not clear on the subject, were frightened to venture into unknown waters. The matter had never been fairly placed before the country. The figures he had quoted clearly showed that for every pound or bushel of American produce introduced into this country the farmer would

be compelled to send a pound or bushel to a market 3,000 miles distant; in other words, to an unfavourable market. The farmer thoroughly understood the advantage of trading with the cities about him, and of having a market near him, because the working classes were purchasers at fair prices. When it came to dealing with the manufacturer for raw products, he got a better price and more consideration than if he sold to some storekeeper for export. The question of taxation was what really worried and clouded the mind of the voter. Everywhere he was told he would be taxed more heavily if a certain duty was increased. Now, if the citizens of Toronto gave a bonus to a railway to come to the city, it would be given in the belief that the railway would bring in additional population to an extent to render the charge on the original population less than before the bonus was given. In the same way, if the farmer could be got to understand that protection to manufactures meant getting extra population, and that duty will be collected from ten men instead of from say five as now, he will see he is not to be taxed higher than at present, but that he will obtain a larger home market, with a larger population over which to spread taxation. In examining the Canadian census figures he had been surprised at the result. In 1861 the population of the Canadian Provinces was 3,432,000. The average annual rate of increase in the ten years preceding—during which occurred a year of great depression—was as follows:—Ontario, 4.37, Quebec, 2.50, New Brunswick, 2.60, Nova Scotia, 1.82, Prince Edward Island, 2.07. According to these figures the population of Canada in 1871 at the same ratio of increase should have been 4,700,000, but the last census showed that it was under 4,000,000, an annual increase during the ten years of only one per cent. The most stagnant nation under the sun had a better ratio of increase than our boasted Dominion. All over the United States Canadians were to be found, most of them occupying responsible positions. Every year Canada must have lost an enormous population. The cost of raising a man in Canada had been estimated at \$800—that was until he was able to take care of himself. At the lowest calculation, Canada had, between 1861 and 1871, lost 80,000 people a year that had been educated in the country, and who were worth to her half a million of such men as we get by assisted emigration. (Hear, hear.) To use a vulgar expression, our country was getting little better than a breeding ground for the Americans. Another question for discussion would be whether it paid to send our labour out of the country to buy the result of foreign

labour. We had bought the results of foreign labour to a larger extent than we had shipped labour products out of the country, and the fact remained that the balance must have been paid for in money in some shape. As we had not that money, he concluded that it must have been borrowed. This kind of thing would have to stop soon. We were buying all the time more than we were sending out labour for, and he asked in what sort of shape would we be when we could not borrow to pay for our purchases. The result would be a more frightful depression than we ever had before. So far as the Government were concerned, when that happened—and the time would come sooner than was anticipated—direct taxation would have to be resorted to in order to pay our debts. When this fact was properly put before the people, they would come to the conclusion that direct taxation was a greater bugbear than the impalpable taxation of the protectionists. Our expenditure for the last five years had been \$17,000,000 for iron, and for articles which could be manufactured here \$20,000,000 in addition. What a short-sighted policy, when the materials were in the country only waiting to be taken out of the ground. What would they think of a farmer who would buy milk because he was too lazy to milk his cow? Yet we occupied such a position, and the time may come when we will have no cow to milk. The remedy was to put on sufficient tariff so as to encourage manufactures, which would reduce the imports to the extent of \$25,000,000. It would not take a very high rate of duty to accomplish this under this policy. In five years the whole import of manufactured goods would come down to 30 or 40 millions. The benefit of protection was exemplified in the case of the United States, where, after so great a calamity as the civil war, they had already turned the balance of trade in their favour. This could not have been done under any other system. We could never become a great country until we produced our own manufactures, and used up the raw material that God had given us. The tendency of the free trade policy had been to separate rather than to bind together the different Provinces of the Dominion, and under such a system community of interest was prevented, and national feeling rendered impossible. The speaker proceeded to refer to the sugar refining business, which he asserted free trade had ruined in Canada. He contended that it would be useless to subsidize a line of steamers to do the West India business, so long as they carefully destroyed the only means of working such business. The only thing to do was to put on a tariff which would enable Canada to manufacture. With regard

to the proper policy for them as manufacturers to pursue, there could be no doubt that they would have to enter into the next election. The fact that many of them were Reformers and strong party men did not lessen their duty to themselves and their country so far as this question was concerned. They should see that the men who were nominated at the next Reform Convention were men who would tell the Government that on this question they would have to change their policy or get out. He had no confidence in the honesty of either party, but if the course he recommended were pursued he fancied that as much could be got from the fears of the Government who were in as from the promises of the party who were out. If there were only twenty members in the new House who were pledged to protection, they could, at the right time, get the controlling power of the Government. Their interests in this case were the interests of the country, and, in determining upon better measures to preserve our industrial life, they would, at the same time be doing everything to preserve the national life. (Hear, hear.)

The following committees were then appointed:—

Business—Messrs. J. Booth, J. Ritchie, W. H. Frazer, Watson and Warnock.

Finance—Messrs. McInnes, E. Gurney, R. Hay, Warnock, Wilkie, Riordan, and Pig-gott.

Resolutions—Messrs. McKechnie, Dickenson, Bell, Elliott, Simpson, Gurney, D. F. Jones, Barber, McArthur, Green (Montreal), and Senator Read.

The Convention adjourned till 7:30 p.m.

#### EVENING SESSION.

The President took the chair at half-past seven.

#### ORDER OF BUSINESS.

Mr. John Ritchie, jr., presented the report of the Committee on the Order of Business recommending that each speaker be limited to fifteen minutes.

The report was adopted.

#### RESOLUTIONS.

Mr. James Watson, of Hamilton, presented the report of the Committee on Resolutions, embodying the various resolutions which were to be brought before the Convention.

The report was received.

#### FINANCE.

Mr. D. McInnes, of Hamilton, presented the report of the Finance Committee, which represented that there was a deficiency in the Association's funds of \$867, from which was deducted the subscriptions of that day, amounting to \$130, leaving an

actual deficit decided to proceed for circulation would The Finance that the ge iately contr relieve the and that al be notified delay, so th funds for further rec local comm Ontario to ciation in i

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1. That Canada su present on farm produ while our entering t justice to o exacted on equal duti also that t be extende ests.

He said here to ha ing a few but I mu pleasure t I am not an invita present, a ral intere mind, is t something the coun fancy I k require, interests, into the p been con for over 4 first arriv the Front a moneta

actual deficiency of \$737. It having been decided to have 2,000 copies of a report of the proceedings of the Convention printed for circulation, at a cost of \$165, that expenditure would increase the deficiency to \$902. The Finance Committee thought, therefore, that the gentlemen present should immediately contribute about \$1,000, in order to relieve the Association of its entire debt, and that all the members in arrears should be notified by the Secretary to settle without delay, so that there should be no lack of funds for future needs. The Committee further recommended the establishment of a local committee in every city and town in Ontario to promote the objects of the Association in its particular locality.

The President remarked that these committees would be very useful when the fighting time came on. There would be a great deal of printed matter to be distributed, and no better system could be formed for circulating it than these local committees.

The report was received and a short time was occupied in obtaining contributions and in appointing gentlemen to form local committees in the respective towns from which they came.

#### AGRICULTURE.

Hon. Senator Reid, of Belleville, commenced the discussion on this subject by moving the following resolution :

1. That the great Agricultural interest of Canada suffer grievous wrong through the present one-sided system of allowing American farm produce to enter our market duty free, while our produce has to pay heavy toll on entering the American market; and that justice to ourselves requires that we meet duties exacted on the other side of the border with equal duties on our side, no more and no less, also that the same measure of justice should be extended to our milling and mining interests.

He said :—I little expected when I came here to have the pleasure and honour of saying a few words in support of the resolution, but I must say it gives me the greatest pleasure to do so. I came here by accident. I am not a delegate, but I think I received an invitation, and I am very happy to be present, and to speak of the great Agricultural interests of this country, which, to my mind, is the greatest interest. I have had something to do with the general interests of the country for the last 20 years and I fancy I know what the Agricultural interests require, and what will be for their best interests, and if I should look back a little into the past, you will excuse me. I have been connected with Agricultural interests for over 40 years. I can recollect when I first arrived at Kingston, and at that time the Frontenac country was almost foreign in a monetary point of view, as the Americans

had the whole trade. The American people, when they granted us the Reciprocity treaty, thought we would become one of themselves, but it did not seem to have had that effect, as it had acted for the benefit of both countries. We all remember certain circumstances that occurred at the time the "Munro doctrine" was promulgated. I am a staunch Britisher in feeling myself, and have looked with a great deal of jealousy when anything of this kind turned up. In 1864, when Mr. Galt, Mr. Howland, and Mr. Smith went to Washington to enter into negotiations for a reciprocity treaty, I well recollect that the Americans led them to understand that Canada was to become a part of the Union. At that time we were about acquiring the North-west, and in the course of the discussion one of the American Commissioners (Mr. Morrell) asked Mr. Galt what we would have to pay for the North-west, "because," he said, "we look upon it here as if we should have to pay your debts some day." Mr. Galt also proposed building canals in common with the United States, but Mr. Morrell said he had no authority to enter into negotiations of that kind, "that, gentleman," he said, "will have to remain in abeyance until you take your seats here." Such was the state of feeling in the United States in 1864, and it is quite evident that since then our American friends have not lost the idea that the Munro doctrine is the one for them to adopt. However, I believe since then we have established a nationality north of them that will rise up a great country. This cold climate is calculated to give our people vigour, and I do think we can thrive with our neighbours in all that makes a country desirable to live in. The resolution speaks of allowing American produce to come in duty free, while they tax ours heavily. I recollect a meeting at Detroit at the time of the repeal of the Reciprocity treaty, a gentleman came into the room and said : "I have just come from Washington, and the Government do not wish any resolution passed in favour of Reciprocity." I made it my business to tell Mr. Ryan, of Montreal. The result was, we have no treaty, and therefore have to take care of ourselves. While, I believe, it would be as well to have some produce come in free, still I think we would rather suffer than put up with an unfair bargain. Mr. Reed then gave the following tariffs of duties upon different descriptions of grain going into the United States from Canada, at the same time saying that any of these coming from the United States to Canada came in duty free: Wheat, 20 cents per bushel; rye, corn, and barley, 15 cents per bushel. Mr. Reed con

tinued—Take the article of Indian corn, for instance, a large quantity of which goes into the production of spirits. I contend there should be a duty on it, and if this would increase the price of spirits to a great extent, we should reduce the excise duty on it. Our grain went into the same mash tub with a duty of 73 cents paid to the Government, while the American corn goes in free. Is that a fair way of treating the produce of our soil? I contend it is unfair. I will go further and say, that spirits can be made just as reasonably out of the produce of our own soil as that of any other. Barley will make spirits—rye will make spirits. Now, if a fair duty is placed on the American corn that goes into the production of spirits, the distilleries of the country would be looking for our rye, buckwheat, barley, oats, &c., and it would increase the price of our own soil. We fill ourselves up with American corn when freights are cheapest, and are then able to say to farmers who are "carrying" these products. "We will pay you whatever we like, we are full of American corn," and we make our own prices. But when the duty of 10 cents was placed on American corn we began to see what corn to buy to make spirits the cheapest. The consumption of grain by distilling is large, one establishment in the city uses, I have no doubt, 2,500 bushels per day. Yet how far we should go in the direction of a protective tariff I am not prepared to say. I am pleased to see such a resolution as this entertained by the Association. I am firmly convinced that it should be the great aim of the farmers of this country to encourage the establishment among themselves of manufacturing industries, because they consume the articles that are now exported. I ask would any reasonable man take up a farm in a country where the farmers supply a population of 40,000,000 of their own and 4,000,000 of ours, or would he buy a farm where there is only the 4,000,000 to supply.

Mr. Howland—The farmer has not even the 4,000,000 to supply.

Mr. Reed—Where would a man grow barley? Throwing a stone across the St. Lawrence, could there be such a difference between the soils of the two countries that you can afford to pay 15 per cent. to come into that country. In the State of New York they grow more barley but it is not quite so valuable. I met a gentleman named Mr. Ferris going to the States to buy land. I asked him why he was going there and he said, "If I grow barley here and send it there, I have to pay 15 cents per bushel duty to ship it to the States. If I raise cattle here and send them over there I have to pay 20

per cent; while, if I ship them to Canada I have to pay only 10 per cent. Also, if I ship wheat to the other side I have to pay 20 cents per bushel, while to ship from there to Canada costs nothing." I am quite prepared to support the resolution and I hope the meeting will favourably receive it. (Applause.)

Mr. Wm. Lukes, Toronto, said—I have great pleasure in having the opportunity of seconding the resolution, especially in relation to the important subject of the milling interests, which, I am pleased to see, have been included in the resolution, and had these not been taken up I should have left the meeting. It had been said by some that the manufacturers were opposed to agricultural protection, but I believe they are prepared to carry out the pledges they have made to the agriculturalists of this country, and I have to vindicate the Secretary, Mr. Frazer, against a misconception that has been going through the country, viz.: that it was not the desire of this Association to have agricultural interests protected, but I contend that both the agricultural and milling interests are entitled to receive some consideration at the hands of the Government. I have been a Reformer all my life, and attended a Reform picnic at Newmarket this summer, and I put the question to the Premier, "Why the Agricultural and Milling interests were not receiving the attention they demanded?" The reply was, "He did not know they wanted protection; if they did they could not get it, and if they had it, it would do them no good." I asked to be allowed five minutes to reply to this, but was refused, and of course had to keep my mouth shut. I did not, however, believe what the Premier had said, and had I been allowed the opportunity, I was prepared to prove that a change from *free trade* to *protection* would be an advantage not only to the farmer and miller, but also to the country as a whole. In exporting our wheat we have to pay one per cent. to one and a quarter for freight per bushel; if ground into flour, nine cents, therefore showing as conclusively as possible that there is 8 or 9 cents per bushel or 50 cents per barrel to be expended among the labourers and artisans, which reverts into the farmers' hands, and if you calculate how much benefit the country would receive, considering the enormous amount of wheat shipped—were it ground into flour—I say the benefits would be immense. I ask why it is that wheat or cattle are worth more on American soil than on ours. It has been said that England fixed the price of our wheat, &c., but this I do not believe, as I think the States a better market. I do not know anything liberal

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enough in the nature of an Englishman that would induce him to give \$1.50 for wheat that he could get for \$1.00, or 12 cents for beef that he could get for 6 cents. Suppose a farmer has five horses to sell and only one buyer, the buyer will get the horses at his own price; but if there are five buyers, the farmer will have more to say than in the other case. The Premier said at one place that the exporter paid the duty and at another that the consumer paid it, but as Senator Reed has just stated, it was the farmer who paid the duty. A friend of mine went over to Rochester and took over a span of horses to sell, and received for them \$1200, of which amount he had to pay \$240 to the American Government for duty. I ask who paid the duty? the buyer over there, the consumer or the producer? The duty on flour going into the United States is 20 per cent., and, when they have a short crop there, instead of our being able to supply them they can come over here, buy our wheat, take it over there, manufacture it and then send it back here and undersell us. I have travelled considerably through the United States to see if I could learn anything of advantage to the milling interests of Canada, and I attended the American Millers' Association at Buffalo recently as a delegate from the Canadian Millers' Association, and I found that the trade there is so thoroughly organized that they are determined that they will not only make flour for their own forty millions, but they are firmly bound to make flour for the four millions of this country as well as for the English markets. So much has this entered into their minds that it has drawn the attention of the English millers to the subject, but the Americans are determined to take advantage of either an Englishman or an Indian. The farmers in the United States know the value of selling in their own country and are in favour of protection to manufactures. They don't, therefore, want reciprocity, as it pays them better to sell for manufacturing purposes than for export. Wherever there are milling industries they pay as a rule more than the consumer can, that is if there is any profit on the manufacture of flour, and I am sorry to say there has been little of late years—until this year. Where would our cheese manufactories have been to-day but for legislation? I maintain that but for the duty of 3c. per lb. placed on cheese—equal to 30 per cent.—there would not be a pound manufactured in Canada to-day, but as it is we are able to supply our own demands and ship large quantities to England as well. And now let me ask does the consumer of cheese pay an unreasonable price for it to-day? I say he does not; and, but for this three cents per lb. duty, we

should now be eating American cheese. The Premier was wrong in saying he did not know these industries wanted protection. I have to charge him with a very short memory or something else as, two years ago, (after this Association having passed a resolution to that effect) we sent a copy to every member of Parliament, and, besides the gentleman who had drafted the resolution—at the time the Premier was speaking—stood just behind him and I could have referred him to that gentleman. I can also say, on sound authority, that the Grangers are taking up this matter of Protection, and that their voice will soon be heard on the subject. I have spoken to many farmers on this subject and only one in five thousand had a word to say against protection. This was a Mr. Dunn, but although that gentleman declared he would not protect the staff of life, I have yet to hear of his preferring to take the 25 cents of the poor man to the 30 cents of the rich man. I will now give you a little experience in connection with milling as regards protection, and as Senator Reed says, "experience is better than theory." I have two brothers engaged in the milling business. They have been millers in this country and England, and no inducement would retain them on Canadian soil, simply because they can get better paid for their labour in the United States than in Canada, and the question for me now, personally, is "Will I go to the States, or remain in Canada." In fact, I may say I am in a state of transition. I have been told by some generous politicians that if I go, the vacuum will soon be filled up, but if we all go, where will the vacuum be found? One year ago last June for the first time in twenty-five years, I had to turn away wheat from my mills, because I could not manufacture at a profit, on account of American flour coming in which put me out of the market. I can now go across the Detroit river and manufacture flour and have the benefit of the forty millions, but are you prepared to allow men who have been here for twenty-five years to go over to the other side simply because the Government will not protect them in manufacturing? Some politicians are going round the country trumping up emotion because some of their grandfathers were hung, but the right kind of emotion is that called up at the sight of men breaking up the friendships of years, and being obliged to remove to a foreign country in order to protect their own bread and that of their children. I am, however, prepared to stay with you a little longer, and see if you are not going to give the Canadian farmer and manufacturer the same privileges as their American neighbours enjoy. (Loud applause.)

Mr. James Watson, Hamilton, said, I have been told that the Americans are buying up as rapidly as possible our iron mines, but had we a protective tariff we could manufacture our own ores, without having them sent to the United States, manufactured there and then resold in Canada.

The first resolution was then put and carried unanimously.

2. That this meeting is of opinion that the carrying of American produce through Canadian routes in bond is perfectly practicable and easy of accomplishment, as is shown by every day experience in the carrying of goods and produce to and from Canada, in bond, by American routes.

The above resolution—No. 2—was moved by Mr. M. K. Dickinson, delegate from Ottawa. He thought there was a special propriety in submitting this resolution next to the one just adopted, for the reason that one of the standard arguments (used by those advocating the continuance of our present suicidal policy, whereby agricultural products of the United States are admitted free of duty into our country, while ours are subject to heavy duties on entering theirs) is, that imposing duties on American wheat and other grains would have the effect of seriously reducing the revenue now accruing from our canals and unfavourably affect our carrying trade. In rebuttal of this stereotyped argument, the speaker contended that the bonding system suggested in his resolution, one made simple and inexpensive as possible, would prove unanswerable arguments to all reasonable objections that can be advanced against the fullest reciprocity of tariff with the United States in agricultural products, for the bonding system would continue to secure the transport of American grain, via the St. Lawrence route—in bond for export. Without of necessity causing any diminution in the volume of that trade now existing, or prove any obstacle to its future increase, affording, as now, to the Canadian miller the manufacture of flour from American wheat, in bond, but for export only, thus more fully securing the markets of Canada to Canadian farmers, much to their advantage, while no injury would be done to other Canadian interests, for the cost of bread to our consumers would not necessarily be increased thereby, from the fact that Canada would still have a surplus of wheat for exportation to foreign market but to our own advantage the volume of same would not be so great, for our present jug-handle policy crowds from our home markets a portion of the Dominion produce that otherwise would be absorbed by ourselves, much more to the advantage of our own producers. And further, our exports of grain would then show

the actual surplus of this country, after the farmers of this Dominion (not the American) had first supplied all that our own markets require for home consumption. (Applause.)

Mr. H. Shorey, of Montreal, seconded the resolution.

Mr. Lukes, Toronto, said he thought a denial should be given to the Premier's assertion that the views embodied in the resolution would destroy the carrying trade of the Dominion, and requested some member to give the meeting his views on the subject.

Mr. W. H. Howland said:—We are very large exporters to Great Britain, and every day we have the question of freight come up via New York or Canada, and although we are of course in favour of the Canadian route, yet I am sorry to say we are compelled to ship three-fourths of our goods via New York in bond.

The second resolution was then put and carried unanimously.

Mr. McInnes, on rising to move the third resolution, as follows:—

That while the commercial depression of the last four years has been in great part due to general causes, affecting nearly all civilized countries, the injury to Canada might have been greatly lessened by wise legislation, thereby making employment at home for both capital and labour, and a profitable home market for the products of the soil.

Said: They had not met to deliver abstract essays on the principles of Free Trade or Protection. He understood the object of the meeting of the Association was to enable its members to place their views before the country in such a practical manner, that a question so deeply affecting its welfare might be understood by the people. Politics had unfortunately become mixed up with it, and a cloud of dust would be thrown up to blind men's eyes to the truth. The great question was what the circumstances of the country required at the present time. There ought to be no doubt in the mind of any one giving the subject the least consideration, that a fiscal policy suited to the condition of an old manufacturing country like England with its realised wealth and abundance of trained labour, was quite unsuited to a young one like Canada. The manufactures of all young countries required Protection, and it was good policy and wise legislation to foster their development by a sufficient measure of Protection. We have a very high Free Trade authority in support of this view, the late J. Stuart Mill. The reasons for it are obvious, and he would endeavour to make them clear before concluding. This principle applies with exceptional force to Canada from its geographical position alongside that great country to the south of us,

whose people which exclude them in their was practically understand ho vocate the cor Trade policy. good reason to reap all the be believe that such an exce tariff as their expenditure war, along with necessitated a question of if stated, he did be wise in fortunately, t They are now not free trad mission of ra manufactures free. Their c five years been gold, and ther an immense manufacturing The enormous manufacturing strated at the superior quali well as their c prise and ala and English their fears in now not only merly possess period of about war, they had ones, even in porting consi cotton and ments have l of the presen to the effect t ports to those visible increas of their civil v ports. But tak tion the marv recover lost m ing a new ma finding one for of time and di overcome in d had possession which are bett arrangements Looking at th celleuce of one can dou continue ea

whose people were protected by a tariff which excluded us from any competition with them in their own market, while our market was practically free to them. He could not understand how any one in Canada could advocate the continuance of this *one-sided Free Trade policy*. The Americans alone have good reason to be satisfied with it. They reap all the benefits. He did not, however, believe that any one here wished for any such an excessive and indiscriminate high tariff as theirs. The enormous waste and expenditure caused by their great civil war, along with their depreciated currency, necessitated a high tariff, aside from the question of Protection. But, as already stated, he did not believe that Canada would be wise in following their example, and fortunately, the necessity did not exist. They are now considering and discussing not free trade, but freer trade in the admission of raw materials required for their manufactures at a nominal duty, or altogether free. Their currency has for the last four or five years been gradually approaching par in gold, and there has been in the same period an immense reduction in the cost of manufacturing every description of goods. The enormous strides they have made in their manufacturing industries were fully demonstrated at their Centennial Exhibition. The superior quality and finish of their goods, as well as their cheapness, were such as to surprise and alarm European manufacturers, and English exhibitors gave expression to their fears in the English press. They are now not only regaining foreign markets formerly possessed by them, and which for a period of about ten years, owing to their civil war, they had entirely lost, but gaining new ones, even in England, whence they are exporting considerable quantities of their cotton and other manufactures. Statements have been published by advocates of the present one-sided Free Trade policy to the effect that comparing their present exports to those of ten years ago there is no visible increase, artfully ignoring the period of their civil war when there could be no exports. But taking that period into consideration the marvel is that they should so soon recover lost markets and find new ones. Finding a new market for manufactures, unlike finding one for produce, was always a matter of time and difficulty. Prejudices have to be overcome in displacing the goods which have had possession of any market, even by those which are better or cheaper, besides financial arrangements existing for long periods of time. Looking at the marvellous increase and excellence of their manufactures, no one can doubt that their exports will continue yearly to increase year by year.

This is the country alongside which we are placed, and whose manufactures have been allowed under the present one-sided Free Trade policy to enter our markets at a nominal duty, while we are excluded from theirs by a prohibitory one, gradually displacing English goods of a similar class and destroying our young manufacturing industries. The difficulties and expenses attending the commencing of manufactures are much greater in a new than in an old country, and where manufacturing industries has been carried on for many years. You have inexperience to encounter, the want of skilled operatives—and no other will answer; these operatives have to be imported or trained. Importing means emigration to these operatives, and no man will emigrate unless with a prospect of bettering his condition, which means an increase of his wages. Training operatives to their work is an expensive process, it means small product of an inferior quality for a considerable time, which is simply ruinous. It may be said that those engaging in such industries should take these difficulties into account at starting, but he would venture to say that scarcely any one at first engaging in them did so except very partially. Then there was the important and vital question of market, and to this it may also be said that it should have been taken into account at starting; but he believed he was correct in stating that the whole of the manufacturing industries of this country were started at a time when the condition of the market was very different from what it is at the present time, otherwise the greater part of them would never have been commenced with the existing one-sided Free Trade policy. Our competition for supplying our own market was then with Europe—England mainly—we were prepared for that competition—which has always been a fair and legitimate one—but we were not prepared for the ruinous competition with our neighbours alongside of us, whose goods entered our market (a small one at best) virtually free of duty owing to the premium on gold which nearly paid our duty, for it is well known that the prices of American goods are not affected by the premium on gold. When their manufacturers could not dispose of the whole of their product at home at market rates, it suited their purpose to send the surplus to Canada or any foreign market at a considerable reduction from the prices attainable at home. Canada is thus made a *slaughter market*. The ruinous competition and fluctuation caused by sudden imports, whenever our neighbours may happen to have an accumulation which they decide to clear at a sacrifice price with-

out disturbing their own market values, can hardly be over-stated, and this is not all. It has been found that after they have once introduced their goods into this market, a systematic attack is made on the Canadian manufacturer by reducing prices far below cost of production, in order to crush him out of existence for the purpose of securing the market for themselves and obtaining their own prices. This is surely a ruinous competition for the Canadian manufacturer, who has to contend with the difficulties already mentioned of higher wages, &c., and who in starting could not have taken this into account. The advocates of the existing policy contend that the people, especially the farmers, are greatly benefited by the influx of American goods, and that this country is being enriched because its imports are greater than its exports. This would be true if we exported our products and received in return imports exceeding in value the cost of the articles exported, the difference would be profit and the country enriched to that extent. But it is surely a fallacy, as applied to imports which we have largely to pay for in gold, as the Americans tax every article which the Canadian farmer can sell them by the imposition of high duties, while the same articles exported by their farmers to Canada are admitted duty free. As regards the question of price it is not merely one of dollars and cents. The important point to the farmer of Canada was the amount of the purchasing power which the produce of their farms placed in their hands each year; if, by a protective policy, and the consequent building up of local markets this was increased, the balance of course was in the farmer's favour, whatever the prices might be. That manufacturers conferred the greatest advantages upon a country was indisputable, and experience had fully proved that internal competition kept prices within bounds. It has been stated by the foremost man in the Government that an increase of duties might or would lead to *direct taxation*. He believed on the contrary that the rate of taxation did not affect the volume of importations; that is, that their amount would not be lessened from an increase of the duties, excepting as regarded the articles which we manufacture, and their number and variety were limited. He believed that the farmers were far too intelligent to be frightened by such a fallacy, and that they were in favour of protection to home industry.

The necessity of resenting to direct taxation can only arise when the industries and commerce of the country become so depressed as to cause the amount of importations to fall so low that the revenue therefrom will be inadequate for the expenses of carrying on the

Government or the payment of interest on the public debt, and this state of affairs the present policy of the Government is well calculated to bring about.

We had passed a series of years of abnormal prosperity, which caused a large increase of manufacturing industry of various kinds, and in which the savings of the people were invested to a considerable extent. The majority of them were entirely unremunerative, and, with a continuance of this present *one-sided* free trade policy, their savings would be swept away and thousands thrown out of employment.

At this period of the proceedings an individual giving the name of Johnston Jones, (which was afterwards found to be a fictitious name, said person being a lawyer from a country town, who evidently was ashamed of the uncalled-for interruption), interrupted the meeting.

The Secretary, Mr. Frazer, asked Mr. Jones what firm he represented, or if he was a member of the Association, as if not he had no right to speak.

Mr. Jones said he was not, but merely wanted to know what class of legislation Mr. McInnes thought would accomplish the object in view.

Mr. McInnes — I am afraid the gentleman is a politician. Different classes of manufacturers required different classes of protection. We have not come here prepared to propound any scheme, as that should be the duty of the Government who would take the subject into consideration. We understand the present Government have made up their minds that there are going to be no additions to the tariff, but I think it will be the duty of the new Government who are prepared to listen to the evidence of the manufacturers. (Loud applause.)

Mr. Robert McKechnie, Dundas, in seconding the resolution, said: I have much pleasure in seconding the resolution. There can be no doubt but that we have felt a greater depression in Canada than our neighbours on the other side. In the United States the people felt the depression very severely, the cause of which was their civil war. This war was of great benefit to Canadian manufacturers for the time being, but now without protection our markets are flooded with American goods of all kinds. The manufacturers of Canada are crying out for protection, but how did the Government treat the gentlemen who went down to Ottawa and gave their evidence on this point. The manufacturing interests of this country have been treated by the authorities with indifference in fact, and the Government organs treat every manufacturers' meeting in

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the same way. Instead of treating manufacturers with respect, they treat them with ridicule, and also treat with ridicule any resolution they pass. I was pleased with the opening remarks of the President, and I think the points in his address were very ably brought out indeed. The depression in Canada is caused from want of employment by the masses of the people. If we had plenty of buyers for our manufactures there would be no such depression, as there would be no lack of employment for the working classes. Take the article of furniture for instance. Had the Government placed a fair duty on furniture coming into Canada, there would not be many mechanics in that business idle to-day, and I say the Government ought to try and find a remedy when any portion of the community is suffering. Agriculture is very important, but I believe the manufacturing interest is the main stay of a country, as without it the farmers cannot find a home market for their produce. In 1876 we imported into Canada \$267,000 worth of furniture, without exporting one dollar's worth. This shows there must be something wrong; bringing wood into a wooden country, for here we have the material, the manufactories, and, in fact, everything which produces the article. Mr. McKechnie then read the following imports and exports for 1876:—

Carriages and harness imported.....	\$179,000
Do. exported.....	17,000
Cotton goods imported.....	3,623,000
Do. exported.....	6,000

Regarding cotton, we have not as large mills, but we can make as good an article. We can get cotton (the raw material) very nearly as cheap, but still the Americans are able to send over their surplus here and keep prices down, so that I believe there is not a cotton factory in the Dominion that has been able to pay a dividend except one in Dundas.

Fire engines.....	\$17,000
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Mr. Ronald, of Chatham, makes as good an engine as any firm on the other side, but he cannot ship his goods over there on account of the prohibitory tariff, while American agents come over here and undersell him, no matter what price he asks.

Axes.....	\$15,000
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One firm in Hamilton alone having imported \$8,000 worth of these goods.

Hoes, forks, spades, and shovels imported.....	\$49,000
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But of this class of goods we exported \$95,000; these, however, went to Great Britain.

Nails, imported.....	\$228,000
Stoves, do. ....	393,000

Why is it we should import such a large quantity of stoves, and not export a single one?

Machinery, imported.....	\$392,000
Factory machinery, imported.....	165,000

We have, according to these figures, imported in all of iron goods \$1,405,000. While, if the Government had put on a protective tariff, we might at least have retained \$1,000,000 of this in the country. Of woollen goods we imported \$9,180,000, and I am informed by a gentleman representing those goods that there are no factories suffering more from the want of a protective tariff than they are. The imported goods are not as good as ours, being all mixed up with shoddy.

Musical instruments imported in 1876.....	\$1,008,000
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These are articles of luxury, and why should they not be made at home? There can be no question but that it is protection to manufacturers, &c., that is enabling the United States to pay off their debt of four thousand millions, while we in Canada, whose debt is a mere bagatelle, are becoming more and more involved. In regard to Confederation, I agree with the President that we are no nearer being harmonized with the other Provinces than before Confederation. We have been cultivating a trade with the United States rather than with them. Protection enables them to send arms (\$7,000,000 worth) to Turkey, and cotton, sewing machines, watches, locomotives, &c., all over the world. This, too, in a country which it has been said is "protected to death." There have been far more failures in Canada, in proportion to population, than in the United States, and I think that with Government aid we might have come out of the hard times with much less loss than we now possibly can do. I am satisfied we are now coming to a crisis in the history of our country, when unless we have protection, men like Mr. Lukes will leave us and go to another country, where their interests will be better protected, and where they will have the advantage of trading with a population of forty millions on their own side, and four millions on this side. I am glad to see so many leading men present from all parts of the country, and although the number is not so large as I should like to have seen it, yet I believe this will prove the most important meeting we have ever held, and I have, no doubt it will bear the best fruits at the ensuing elections. We ought, in a question of this kind, to steer clear of politics. We want protection no matter who gives it to us, whether Reformers or Conservatives, and if neither

will do so, we must start an independent party of our own who will give it to us, for I am convinced that, without protection, we will soon as a country sink into insignificance. (Loud applause.)

Mr. McInnes, Hamilton, said—Allow me a moment to state the fact that there has lately been erected in Londonderry, N. S., a blast furnace, which I am glad to say produces the best iron which has been offered in the markets of Canada for a long time. There is also another blast furnace in the City of Rochester, N. Y., and the markets for the production of both of these is in Ontario. The iron from Rochester comes in here free of duty, and you will easily understand that freight on an article of that kind is an important item, so you can see the great disadvantage at which the Londonderry enterprise is placed as compared with its Rochester competitor of whose production, I know from personal knowledge, nearly seven-eighths is sold in Ontario. Now, it appears to me, that for a state of things like this there should be some remedy. I think it is a great injustice to admit the iron from Rochester free, and I am sure this could be remedied without doing injustice to anyone.

Mr. Barber, Streetsville, said—I wish to draw your attention to the fact that a duty of forty per cent. is charged on ore going into the United States from Canada, which after being manufactured is again admitted to this country free of duty.

Mr. Jones, Gananoque, said—My experience is that the United States are not only making a slaughter market of this country, but are also doing their best to crowd out our manufactories altogether. To give you a practical illustration of this, I will read you a letter I received from the other side a few days ago. I had been purchasing an article of malleable iron for some years in the United States, as I could get a better article there than in Canada, but latterly a factory of this kind was started in Oshawa. They quoted prices to me (8½c) and finding them low, and the article first class, and feeling that I could not do better as I thought, the article being equal, I determined to purchase in Oshawa. I therefore wrote to the parties to return me my patterns as I was getting the iron cheaper and had made other arrangements." (Mr. Jones here read the letter referred to, which expressed the regret of the parties in the United States that he had not communicated with them before making other arrangements, as on going over their calculations, they found they could deliver the iron—duty and freight paid to Gananoque—for 8½c., the same as asked by the Oshawa company in Oshawa.) "Previous to this they had not paid the 17½

per cent. duty or freight and had charged me more than the Oshawa company quoted. I have read this to show what they will do to wipe us out altogether, just to carry out their Munro doctrine. It is quite evident they could not afford to sell me at the price the Oshawa Company quoted, but to make up the loss as far as possible, they would, in case they received an order, ship the goods to their representative invoiced at four or five cents, so as to reduce the duty to eight or ten per cent. I am of the opinion that on a question of such great importance as we are now discussing all party politics should be set aside and any party supported that will protect the interests of the country. You all know what a loss it is to a manufacturer to be obliged to shut down. We have to pay the same insurance, &c., &c., and often have great difficulty in getting our hands together again, and the Americans find it better rather than do so to manufacture, instead of \$150,000 on which they make a profit of 15 per cent. in their own country, \$200,000, on \$150,000 of which they get 15 per cent., although they lose 10 per cent. on \$50,000, as on the whole they have a good profit, but the Canadian manufacturers have to suffer. Applause.

Mr. McInnes said—I hold a letter in my hand addressed to my firm from one of the largest houses in the city of New York. It reads: "We desire to keep the Canadian market open to sell any lots we may wish to dispose of under regular prices."

Mr. E. Gurney, Jr., said—I met some gentlemen from Hamilton recently who had started an establishment for the manufacture of curry-combs. They told me that shortly after starting they had been made an offer of \$5,000 to stop manufacturing. They replied that, as they had put their "all" into the business they did not propose to stop. They were then told if they did not stop they would soon be obliged to, and shortly after this the price of curry-combs fell from \$2.40 to \$1.60 per dozen.

Mr. Shorey, Montreal, said—There is a young industry started in Ontario, the manufacture of some lines of cotton goods, and our firm having seen their samples, thought it best to patronize them and try and use their goods. United States manufacturers have agents in Montreal for the same class of goods, and these parties on learning of the Canadian enterprise, came to us and said, "No matter what prices they quote, we will sell you for less." This, I think, is another argument that they are fully determined to crush our manufactures.

Mr. Lukes said—I notice that the St. Louis millers are now shipping flour to Toronto and are prepared to sell at less than

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the cost of the wheat—although we are exporting wheat to them—while our mills are standing idle.

Senator Reed—I think the Government of Canada is very unmindful of our manufacturing industries. A Canadian railway company can send its iron to the United States and have it re-rolled without paying any duty at all, but on coming back to Canada it is subject to a duty. A Canadian vessel winter bound, or in distress, or disabled, and requiring repairs to her machinery, the patterns being in Canada, duty is charged not on the repairs alone but on the entire machinery to which the repairs have been made. These are the regulations furnished the Customs officers. In three years there had been a balance of fifty-five millions of dollars against us in trade with the United States, or in other words, we had paid them that amount more than they had paid us, and last year our imports of goods from that country that might have been made at home exceeded twenty millions of dollars.

Mr. Dickinson, Ottawa, having made some remarks showing clearly the benefits American manufacturers enjoyed over those in Canada, read the following extract from the *Philadelphia Press*: "The wisdom of the protective policy is just now being signally vindicated. The protective duties have enabled us to establish and develop a manufacturing system that permits us to compete with the most industrial nations of the world. Our manufacturers have attained to such a degree of skill and excellence that they can nearly equal foreign manufacturers in their own markets and defy competition at home. The products of our looms and workshops are finding their way into every country and are successfully contending hand-in-hand with British genius and wealth in Sheffield, Manchester, in the Indian Empire and in the Colonial possessions of England. Another curious incident growing out of protection is the emigration of foreign capital and labour to the United States. Rather than continue a non-profitable competition abroad, foreign manufacturers are transferring their establishments to this country, and this is owing to our healthful and protective resources. To this add the cheapening of every species of fabric by the rivalry created between home and foreign industry, to say nothing of the means of existence afforded to the labouring classes, and we have a sum total of benefit flowing from the protective system that fully justifies the support it received from Washington, Jefferson, Hamilton, Clay, and other American statesmen, and from political economists of cosmopolitan reputation like Henry C. Carey

and others. In Switzerland also American machine-made watches are killing the manufacture of their own hand-made, and it has been determined to establish a factory on the American principle in that country. After half a century of continued progress and improvement the Swiss now find themselves obliged either to yield the field to their American rivals or to adopt their system."

The resolution was then put and carried unanimously and the meeting adjourned till Friday at ten o'clock.

## SECOND DAY.

The President took the chair at 10:45 a.m.

### ELECTION OF OFFICERS.

Mr. James Watson moved, seconded by Mr. McKechnie, "That Mr. W. H. Howland be re-elected President."

The motion was carried unanimously.

The President, in returning thanks, said that he had made up his mind to retire from anything of a public character, because several years ago he made a resolve never to enter into politics. He was almost afraid that the position might draw him into politics, although he had tried hard to render himself politically dead. They all knew that he had been associated with a movement called "Canada First," and had ventured to express confidence in the future of Canada as a nation. He had ventured to run a tilt with the exponents of both political parties, and had thought that he had thereby succeeded in making himself a political impossibility. The protection agitation would be so successful that he might be forced into public life, but if it were understood that he was not to fight their battles in a constituency he would yield to the desire that he should be again their President, a position that he felt honoured in filling.

Mr. Donald McInnes, Hamilton, was elected 1st Vice-President, and Mr. Bell, Guelph, 2nd Vice-President.

Mr. Booth was re-appointed Treasurer, and Mr. W. H. Frazer Secretary.

The following gentlemen were nominated for the Executive Committee:—(See *Front Page*.)

Mr. Green, Montreal, on moving the following resolution

That a policy under which millions of money are annually sent out of the country, making employment for people abroad, while our own workmen at home stand idle, is unpatriotic and suicidal; that our own people have the first claim upon the country for employment, in preference to foreigners, and that a system which annually sends over twenty million dollars to the United States for manufactured goods which we can as well make at home is a crying injustice to our working men, taking the bread from their mouths and giving it to foreigners, and

should be stopped by the adoption of a patriotic National Policy.

said—I have much pleasure in being with you to-day, and of having the pleasure of moving this resolution. This is not the first time Montreal has united with Toronto in endeavouring to obtain in this country a judicious tariff. In 1859 a number of gentlemen came to Montreal where the seat of Government then was, and some very strong representations were made and a great agitation was created over the country. In Montreal our organization was very strong indeed. Meetings were held and the result was that a tariff was formed under Sir A. T. Galt, and raised from 15 per cent. to 20 per cent., and on boots and shoes, I think to 25 per cent. Previous to this boots and shoes were largely imported from the United States, and for years before that there was not a manufactory in the Dominion of Canada. After the tariff had been raised, however, Messrs. Brown & Childs and Smith & Cochrane went across the lines and brought in machinery, and within fifteen months there were from fifteen to twenty boot and shoe manufactories established in this country, and in 1861, during the American war, they were able to supply the Dominion with their own boots and shoes as cheaply as they could be purchased in the United States. Now, on travelling through the country I have been struck with the fact that the manufacturing interest is everywhere stagnating; real estate and rents have fallen 25 per cent., and everywhere there are signs of general depression. Even here in Toronto I find rents have fallen considerably within the last four or five years. I recollect when this depression first came on in 1873, at the time of the failure of Jay, Cooke & Co., and in 1874 we felt the first effects of that depression. At that time those who looked at the future of the country met together and discussed this question and sent deputations to the Government representing to them that unless a change was made in the policy of the country the changed condition of the United States would annihilate the Dominion. The Finance Minister said to these gentlemen that the depression was merely temporary. The next year and the year following we again sent deputations to Ottawa, who were only, however, receiving less and less attention, and were always met with the answer, "The depression is only temporary and in a short time prosperity will return." We are now in the third year of this depression, bordering on the fourth, and the failures of the last nine months show a larger amount than those of the preceding nine months. What is to be our remedy?

Let us take the history of any country without manufactories and we will find that no nation has been prosperous. The nations of Europe without their manufactures would not be what they are to-day. A country rich in agriculture but poor in manufactures, is poor. Take Russia, for instance, who sends her wheat and other produce all over Europe, and yet without manufactures, how poor she is to-day. It was a fortunate thing for this country the Galt tariff of 1859. That tariff brought to life nine-tenths of the industries that are alive in Canada to-day. I recollect an article in the *London Times* in 1861 which called the tariff they were adopting a "Chinese wall," and predicted that it would end in commercial disaster. Yet the same paper in an article on the Exhibition of 1876, admitted that it had been a disappointment to England, for instead of copying their designs, the exhibits of the United States were far ahead of the English exhibits in textile fabrics, iron, &c., &c., and that as far as price was concerned there was very little difference. Lying, as we do, alongside the United States, unless we can establish and advocate manufactures within ourselves, we are going to lose our population. The Reform papers are constantly copying articles from the United States press recording failures as they occur, and heading them "Ruined by Protection," but comparing the failures in the United States according to population, the comparison is a bad one for Canada. In 1873 the failures in Canada according to the population engaged in business were one in 47, in the United States, one in 108, which is 2½ times greater. In 1873, in the United States, the failures were one in 83, and in Canada, one in 28, which is three times greater. In 1876 the failures in the United States were one in 39, and in Canada one in 32. For the nine months of the present year, the failures in the United States amounted to \$142,000,000, and in Canada, \$21,000,000, (which is \$3,000,000 in excess of last year), so that in the ratio to the population, the failures in Canada would represent \$210,080,000. Our failures are on an average, three times greater than theirs, but taking into account the war they have passed through, they should not be 1 to 4 that occurs in the United States. Mr Green then compared the National Debt of Canada with its four millions and the United States with its thirty millions, showing that the debt of the latter, according to population, is double that of the former. He also called attention to the number of men put into the Army in three years (2,150,000), and pointed out that 2,000,000 of men out of a population of 30,000,000 was one third of the working pop-

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ulation of the country. Just consider, he said, the simple withdrawal of the productive force of the country to that extent. How disastrous it must have been to their trade, while the amount of property destroyed was five times greater. Mr. Green also called attention to the enormous national debt, \$4,000,000,000, which had increased to that amount from \$1,000,000,000 during the war; also to their internal taxes, \$300,000,000 per annum; to the immense amount of property destroyed by the Alabama, and other Southern cruisers, and drew the inference that the United States could not possibly recover as she is doing from the effects of these losses, were it not for the protective tariff. It is evident, Mr. Green continued, that there are only two sources of wealth in a country—that is, creative wealth—namely, agriculture and manufactures. If I purchase £50,000 worth of goods in Europe, I have to take the money out of the country to pay for them, but if I manufacture £50,000 worth out of the raw material that is in the country, I save to the country that much money. Now, are we going to employ this money to develop the products of our own country, or are we going to send it abroad to maintain foreign manufactures? I think that in this country to-day, the tariff could be remodelled. Our revenue is \$13,000,000, which is laid on without discrimination, the object being simply to raise that amount of money, no matter how. If that tariff was revised by men who are competent and who understand such things, we could have an equitable tariff, and I blame the Finance Minister for forming a tariff without first consulting the leading men of the country. Mr. Green then related a circumstance to show the wretched manner in which England carried out protection, of a gentleman who was going to start a hat factory in New Brunswick, and being about to ship the machinery from England, was arrested and fined, being informed by the Custom authorities that it was against the law in England to ship any machinery out of that country to the colonies. He finally, however, got it shipped and set up by water power, not far from the city of St. John. England, Mr. Green continued, made it a point to protect her trade when she could produce goods cheaper than any other country in Europe. In relation to tariff, I would like to make a statement. A nation which draws its revenue to meet its obligations chiefly from customs duties, as in the case of Canada and the United States, may so distribute these duties as to make them the means of industrial development and wealth to the country, or they may so be arranged as to destroy existing industries and prevent new ones from being estab-

lished within the country. It is the wise and skilful statesman who can so arrange his tariff as to make it a means of contributing to an increase of wealth of the nation. He has thereby a richer country to draw his revenue from, and the people are better able to contribute to the needs of the Government. A farmer may say, if you increase the tariff I will have to pay more for my goods, and will get no more for my produce; but this is not the fact. Nova Scotia contains more coal than Great Britain, and an equal quantity of iron lying side by side. What is the value of her coal and iron to the Dominion? While to England it has been the nucleus of her wealth, Nova Scotia has it in more abundance, yet it is of no use to her. The duty on iron in the United States is \$7 per ton, in England nothing, and we pay 17½ per cent. more for iron in Canada than they do in the United States, owing the difference in tariff. In 1876 we imported:—

From Great Britain, edge tools.....	\$ 12,000
From the United States.....	24,000
Spades imported from Great Britain.....	5,000
" " " United States.....	15,000
Sundries " " Great Britain.....	817,000
" " " United States.....	1,549,000

Not all the statesmen in the world can contradict the fact that the United States consumer is getting his iron cheaper by the difference in tariff. In discussion with a Montreal gentleman not long ago, he stated he was willing to have a revenue tariff in this country. I put the question to him:—Suppose the Government do not require a revenue, and there exists an industry in the country which produces millions of wealth, would you recommend a reduction of that tariff if boots and shoes were to be 5 per cent. cheaper in this country? What is the effect upon the manufacturers of the Dominion? He said: "Let the manufacturers become importers." I asked him how many importers it would take to meet the wants of the Dominion. He said one half the number of importers would be sufficient. I asked him, "What becomes of the other half?" He said, "Let them go to farming or leave the country." I asked him, after they left the country, what would become of their employees, for in Montreal alone boot and shoe makers give employment to from ten to twelve thousand persons. He said, "Let them also go to farming or leave the country." I said, "If these men leave the country, how many houses will they vacate? About fifteen hundred, and rental will drop about 35 per cent. If you are an owner of the buildings, your income will be, instead of \$4,000, \$3,000, and your real estate will also decline in value; so much less imported goods will be needed in the country; and now let us

sum up and see how we stand in a profit and loss account of the country.

The value of boots and shoes imp't'd, \$20,000,000  
Saving of 5 per cent..... 1,000,000

\$19,000,000

Now supposing these goods had been made in the country, and cost the consumer twenty millions, instead of nineteen millions. The interest on twenty millions for one year will be \$400,000, and the aggregate of this in 20 years is what Great Britain bases her wealth upon. Take an industry of any kind—the moment it is not running a dividend will annihilate the capital. I find that, as a rule, this is seldom brought up, but it is one of the most important things in this country. Redpath & Sons, of Montreal, (whose refinery is now closed for want of protection) whose machinery cost \$350,000, offered to sell the whole of it the other day for a little over the price of scrap iron. In Nova Scotia they are attempting to make iron at Londonderry. The company have already spent two million dollars in blast furnaces, &c., but if the history of the country is not at fault, it is only a question of time as to when the Londonderry enterprise will follow the fate of similar enterprises, which were started in Moistic and Marmora. I have seen some of the iron from Londonderry made into stoves, and am convinced that it is the best iron we have ever had in Canada. Yet if the company does not get protection it cannot stand. The statement has been made that the mechanics of the United States are in a worse position to-day than those of Canada. I recently had occasion to go over there to secure the services of a foreman for my factory. On hearing that a man such as I wanted was out of employment in Danbury, I went there after him, but although I offered him a salary of \$1,500 a year, he said "he guessed he would not come to Canada for that." This did not look like to me as if the mechanics were very badly off over there. Mr. Green then made a comparison between the mineral wealth of Nova Scotia and Massachusetts, and read from statistics, showing that the former contained large quantities of gypsum, coal, iron, all kinds of stone, zinc, and precious stones, while the latter contained none of these. Also, that Nova Scotia far excelled Massachusetts in her lumber, timber, fisheries, hydraulic power, and quality of the soil. Also that Nova Scotia was on an average 40 miles nearer navigation than Massachusetts, yet although our natural wealth surpassed theirs, and although we were as industrious and as ingenious, yet we are not as prosperous because our legislation is against the interests of the country and in favour of other countries. (Applaus.)

The resolution was seconded by Mr. Watson, of Hamilton, and carried unanimously.

Mr. S. S. Fuller, Stratford, then moved the following resolution :

That while twelve years' experience has proved that Reciprocity in natural products between Canada and the United States is convenient and beneficial to both countries, the extension of the principle to manufactured goods is impracticable; and further, that as the late Reciprocity Treaty was terminated by our neighbours and not by us, it is against both the interest and the dignity of the Dominion to seek Reciprocity as if it were a favour we stood in need of, though we should be ready at any time to entertain any reasonable proposition in that direction.

and said—I am not prepared to make a speech but I will try and point out how the want of a protective tariff has affected the industry in which I am engaged, namely the flax interest. A number of gentlemen met together and passed resolutions to go into the manufacture of flax provided the Finance Minister would give us a protective tariff of 25 per cent. We sent that petition down to Ottawa signed by a large number of manufacturers, but the authorities never deigned to answer it, and the result was that the gentlemen who proposed to put their money into the enterprise refused to have anything to do with it, and now we send all our raw material to the United States to be returned in a manufactured state. After some further reference to the flax interest, Mr. Fuller read the following extract from the *Springfield Republican* relative to the Manufacturing Industries of Massachusetts: "The second volume of the census of Massachusetts, recently issued, contains detailed statistics in regard to the standing of the industries of the State at the close of 1875 and comparisons with 1865. A recapitulation of the statistics for 1875 shows that during the ten years there was an increase of 10,405 to the number of industrial establishments, representing an increase of capital of \$108,322,222. The total product of the State for 1865 is reported as \$495,673,929 in currency, or \$315,715,875 in gold. This includes \$51,149,576 in currency or \$32,579,347 in gold, for the products of agricultural and mining, leaving the balance for the product of manufactures and fisheries. In 1875 (though the fishery product fell off from more than \$14,000,000 in 1865, to less than \$8,000,000) the whole currency product of manufactures and fisheries went up from \$444,524,353 in 1865, to \$600,016,678 in 1875, and the total product, including agriculture and mining, to \$643,478,227—an apparent increase of nearly \$148,000,000, or 30 per cent. over 1865. Reduced to a gold basis the gain appears greater, the total for 1875 being \$574,534,175. and the gain in ten years \$258,818,000, or more than 80 per cent.

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"These figures," says the *Springfield Republican*, "are misleading, however, the real gain having been perhaps 50 per cent. while the population increased 30 1-3 per cent." There are 10,915 establishments of the manufacturing classes reported, and 11,318 which come under the head of occupations, such as blacksmithing, bleaching, coastwise and ocean commerce, coopering, painting, glazing, plastering, upholstering, etc. The total product of the 10,915 manufacturing establishments (goods made, including stock bought and wages paid) was in 1875 \$532,136,133, the capital invested being \$267,074,802. Of these establishments 8,678 are devoted to 24 chief industries, with a product of \$448,313,933." The *Springfield Republican* comments thus on the results of introduction of new machinery in some industries: "The effect of improved machinery is to increase the product manufactured in proportion to the number of hands employed—and some results of this kind, as shown in the tables, are really surprising." And went on to explain how their own manufactories were prospering and how foreign iron was kept out of their market through their protective tariff. Regarding reciprocity, Mr. Fuller said—I believe it would be advantageous to Canadians, but we must not ask for it from the United States, but must meet them with a tariff as they meet us. Free traders say the farmers do not want protection, but, gentlemen, I say the day has come that they do want it. I find now that oatmeal millers are buying their grain on the other side, as they can get it cheaper and have no duty to pay, and I know personally of two millers who have contracted for 5,000 bushels of oats in Chicago. Hon. Mr. Mills tried to show the farmers that it was not they who were paying the duty on the cattle they exported to the other side, but the Americans who imported them. Well, now take the State of Michigan; the farmers there produce as good sheep and lambs as we do in Ontario, and consequently can obtain as good prices in Detroit for their sheep as we can, but when Americans come over to Canada to buy, they know they have to pay 20 per cent. duty before bringing the cattle across, and consequently instead of paying us \$4.00 for our sheep, they only offer us \$3.33, as they have to pay the 67 cents duty, while the Michigan farmer gets his \$4.00. Mr. Fuller concluded by saying that the farmers of Canada would soon see that it was to their interests to join the manufacturers in seeking protection.

Mr. Shorey, Montreal, seconded the resolution, and said—There is very little for me to say in this regard, as I think the resolution fully explains itself. At the time the

Reciprocity Treaty was annulled, the people thought we should have felt a great deal of inconvenience, but we have got along better without it than we expected to do. I believe it is impossible at any rate, and perhaps impracticable to extend the principle to manufactured goods. We are alongside a people older in manufactures than we are, and who have a larger population for their manufacturers to cater for. They have their own population of 40,000,000 and do a great deal towards supplying our 4,000,000. This, seconded by the high tariff on that side of the line—which almost amounts to prohibition—completely shuts our manufacturers out from their markets, while they make Canada a "slaughter market" for their surplus goods. I mentioned yesterday about a cotton factory being started in Canada to manufacture a certain class of cotton goods, and I also related how the Americans were determined to crush it out, even if they sold their goods at cost. I will also now mention another industry recently started, viz.: the manufacture of sewing silk. I mentioned to Mr. Cartwright that if he put a duty on these goods, a factory would soon be started in Canada. The protection was given, and Messrs. Belding and Bros. commenced making the article, but no sooner had the agents of the United States manufacturers heard of this, than they declared their willingness to put their prices below those of Messrs. Belding, no matter whether they made anything or not. This is only one industry. I know of others, but I need not repeat them. Mr. Green has covered the ground so well in regard to manufacturing interests that the seconder of this resolution can hardly have anything to say. Mr. Green spoke considerably of boots and shoes. Now, gentlemen, there other industries that are in the same boat with boots and shoes, although of course I do not intend taking up your time by going over the others. Mr. Green only spoke of the boot and shoe interest because he happened to think of it first. The clothing trade is in the same condition. That industry employs a great deal of labour and there are others in the same way. What we want is a higher rate of interest on manufactured goods than on the raw material. That seems to be lost sight of a great many times when people are talking protection, as though we wanted the duties raised on everything. I fear protectionists sometimes forget to say enough about having a larger duty on manufactured goods than on the raw material. There are different kinds of raw material. For instance, cloth. I contend this is raw material. The Premier says "No." Yet it is raw material to the clothier. I speak of this industry because I happen to be acquainted with it. But the

same rule will apply to pig iron, &c. The Premier says if we put a higher duty on clothing we make it dearer for the poor man, and if there was only one clothing house in Canada, doubtless he would be right. But there is so much competition in this and other lines now-a-days that there is very little chance of anything being too high-priced. Now the clothing and the other industries which have been spoken of, give employment to a great many people and these people use our potatoes, our beef, and our agricultural produce. It is therefore to the interest of the farmers to have them retained in the country. Yesterday afternoon the wheat growers and the millers convinced the meeting that it would be to the benefit of the country if they had some protection, and I heard a gentleman say who left the meeting, that he had never been in favour of having any protection, but after hearing the arguments yesterday he had changed his mind. Nova Scotia abounds in coal and iron. They used to send large quantities of coal to the United States, and I was told that this summer the gas in Boston was all made from Nova Scotia coal and it was used for other purposes in the United States. The United States people being wide-awake in looking after their own industries, put a large duty upon coal going into the country to keep the Nova Scotia coal out and the consequence has been that the mines of Nova Scotia last June were almost closed and the people had felt very blue over it. There have been a good many of the people of that province free traders since confederation, but now they want protection on their coal although they say Ontario and Quebec are not willing they should have it. I do not think Quebec has opposed it, and I do not think it is best for Ontario to oppose it. I think they should have protection in some way, and as there is no tariff on coal I would recommend the Government to give them a bonus on every ton of coal they produce and let all the Provinces bear it alike. (Applause.)

Mr. Simpson moved in amendment that the words "absolutely objectionable" be substituted for "impracticable" in the resolution. He thought that reciprocity applied to manufactured goods amounted to free trade, and was therefore objectionable.

Mr. McInnes thought the resolution was better unaltered. The question of free trade between the two countries was scarcely under discussion. Many would think it a benefit to have opened to them the large markets of the United States.

The discussion was postponed till the afternoon.

The President left the chair till 2:30 p. m.

#### AFTERNOON SESSION.

The conference was called to order at 2:40, when

Mr. Simpson withdrew his amendment, and resolution 5 was declared carried.

Mr. James Watson, Hamilton, proposed the following resolution:—

6. That commercial confidence can never be fully restored until it be settled as a certainty which all may count upon, that Canada has deliberately adopted a National Policy of Protection to home production and manufacture, as the permanent policy of the Dominion; that this once settled the details of such a policy need present no great or insuperable difficulties; and that this Association offers to any Government, sincerely desirous of carrying out this policy, its best advice and support.

and said—I have great pleasure in supporting this resolution. One great point to be kept in view is—what is to be the future of Canada? Now, we are not Canadians at all, we are all foreigners, and if a stranger came into the country he would not think he was a Canadian. We are at present a lot of English, Irish, Scotch, &c., and no Canadian raises his voice to keep his country from going to the wall. What have we got to do with the politics of the old country? Why should we not legislate for ourselves and our country, and advance it, and not be tied to the policy of other countries? Another point is that if we do not follow a right course, we cannot have success. Incidental protection, I think, is one of the greatest humbugs that was ever before the country? It is simply free trade, and if we do not stand up and say we want protection we cannot succeed, and the sooner we put down the words "incidental" the better, because if we look at the meaning of protection, it means that we are going to protect the industries of this country. I am tied to no tariff, nor would I tie myself to any tariff, but I would allow no industry in Canada to suffer by competition with any other country. For instance, if I saw furniture suffering, I would put on a 25 per cent. tariff, and if this would not be enough I would make it 50 per cent. I would not put on a "Chinese wall" tariff, but where a nation suffers I would put on a tariff to prevent them. I started an industry here and asked a foreign company to come in with me. They said they would not buy me out for 10 years, and by that time I would be compelled to sell out at their own price. Another principle of protection is with regard to Government rails. We have built the Intercolonial Railway, and are now building the Pacific Railway. Why then do we not get our rails in this country? made by Canadians out of Canadian ore, instead of importing rails. If we ever want to carry out protection, no one manufacturer must look at his own business. We must not say,

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I want 25 per cent., but I don't want another to get more than 17½. We must help each other in carrying these things out. I would rather pay 50c per ton extra for coal from Nova Scotia than from the United States, but I want a duty put on flour, so that we can trade with each other. We can only fight protection out on national grounds, and by doing so show that we have the best interests of the country at heart. Now that we are building the Pacific Road, why is it that we cannot manufacture the locomotives for it? The reason is, that the Americans with their protective tariff can undersell us, and I do not believe in our sitting calmly down and waiting for our own funeral. Again, if we send goods into the States, we have the greatest difficulty in getting entries made, but where goods are coming here there is no difficulty whatever. Politics has taken such a hold of the people in this country that some men would sell their soul to the devil for party politics, Reformers and Conservatives alike. Even the press has become so jaundiced on this point, that it is impossible to tell when the newspapers are telling the truth or a lie. These things are different in England. When a man does a wrong there he is put down and never rises again. My principle is, I am going to fight for a Government that will give us protection. (Applause.)

Mr. Bell, Guelph, seconded the motion, which was carried unanimously.

The Secretary, Mr. W. H. Frazer, on rising to propose the following resolution,

"That this meeting cannot too strongly condemn the fatal want of policy through which our direct tea trade and our direct sugar trade have both been annihilated, inflicting upon Canada immense loss and injury, which by wise legislation might easily have been prevented."

said—In regard to the tea trade, you will doubtless remember that for some years Canada imported tea direct from China profitably, at which time the Canadian and American tariff was equalized, *i.e.*, the tariff on both sides was the same. To import teas profitably, it is necessary to purchase a whole chop, which means the entire crop of an estate; in this chop are found a certain quantity of fine teas unsuited to the wants of the Canadian market, but which were disposed of by our importers in the markets of the United States by reason of the equalization of the tariffs. It will also be remembered that when the American Government abolished the duty on tea, Sir Francis Hincks, at that time Finance Minister, to place the two markets on the same footing, also placed tea on the free list; then the American Government put on a differential duty of 10 per cent. on all teas imported, except from the place of growth. Sir Francis

Hincks again, to equalize the two markets, placed a similar duty of 10 per cent. on teas not imported from the place of growth, the advantage of which was to retain our own markets for our own importers. When the present Administration came into power this 10 per cent. differential duty was taken off, the result of which policy has been the withdrawal of the capital invested in the importation of teas and the transfer of that capital to the city of New York, thereby building up the commerce of a foreign country at the expense of Canada; it is therefore an unwise and unpatriotic policy to deprive Canada of the opportunity of cultivating foreign markets profitably, as for instance the trade of Australia, which promises to be a profitable outlet for Canadian manufactures, and to do this trade satisfactorily, it must be done from Canadian ports; at present we are obliged to ship to these markets by Boston or New York, and to suffer the objectionable hindrances placed in our way by the American Government, such as the payment of the following charges: \$2 50 for the United States Consul's certificate; \$4 00 bondage charges in Boston or New York; and \$4 00 Consuls' fees at the port of destination. The American vessels, in consequence of being able to secure freight for the round trip of an assorted cargo to Melbourne or Sydney, from thence loading coal to China—returning with cargo of tea to Boston or New York—they are thereby enabled to offer lower freights than can be obtained from shippers from Montreal. It is therefore evident that by depriving Canada of her direct tea trade we also injure our shipping interests. In reference to our sugar trade it is a deplorable fact that our trade with the West Indies has been decreasing in place of increasing. We find that the total imports and exports in 1864 and 1865 was \$6,641,046, and in 1874 the amount was \$6,057,129, showing a decrease of \$583,917 or 8.79 per cent. We also find that the entire volume of trade of the United States with these markets increased from \$80,000,000 in 1865 to \$145,000,000 in 1875. It is a deplorable fact that today we have not a single sugar refinery in operation, and that we imported in 1876 over \$5,000,000 worth of refined sugar. Not only has this unwise policy deprived Canada of the profit of refining our own sugar, giving employment to thousands of our own people, but it has also deprived us of the opportunity of doing business with the people of the West Indies. When it is considered that the most profitable markets for that of which we always have a surplus—such as lumber and food products—are the markets of the West Indies, Brazil, Central and South America,

how can we expect the people of these countries to purchase our commodities when our fiscal policy prevents us from exchanging them for their raw products? A return to a National Policy would enable us to cultivate these markets to the advantage of the agriculturist and manufacturer, and in place of purchasing \$5,000,000 worth of refined sugar it would have been wiserto have invested this sum in our lumber, flour, and other Canadian products required in these markets. We can never expect to succeed in our commerce and manufactures under the present fiscal policy and it is indispensable to their profitable cultivation that we should have direct communication from Canadian ports to the West Indies, and that the Government should subsidize a line of steamers for that purpose, thereby utilizing the harbours of Montreal and Quebec in summer and Halifax and St. John in winter, and also using the Intercolonial railroad. This is a vital question for the consideration of the people of Canada and one which should receive the serious consideration of those who are legislating for the commerce of Canada.

Mr. Gillespie, Toronto, in seconding the motion, said—That although the Association had not yet effected the main object in view, namely, bringing about a change in the fiscal policy of the Government, we should not be discouraged, as the constant dropping of water makes a hole in a stone, so the Association should continue holding its meetings and passing resolutions expressing the views of the manufacturers, and in time any government will yield when the change demanded is clearly in the interest of the country at large. The popular cry against a protective tariff is, that it is class legislation, and politics seems to have descended to holding on even to a fallacy if such be held by the majority. If in case it be proved the legislation sought is only in the interest of the few to the detriment of the many, then the Government would be justified in resisting the demands of this Association. But I believe the manufacturers can make good their claims that it is necessary in maintaining an increasing population and even to retain the help we have at the present time, and that unless some protection is afforded to the industries of the Dominion we are in great danger of losing a considerable percentage of our working people. With our present tariff we are of more service to our neighbours than being a State of the Union, as if the manufacturers there can make a fair profit on what their own people require, they can well afford to dispose of their surplus here at a loss and yet make a profit on their whole productions. They can

thus maintain the market value of their production in their own country. This is clearly their policy. How is it possible for our manufactures to exist under such circumstances? Our complaint is not against fair competition, but against our tariff being framed for the convenience of our neighbours. If we look at the United States we will see that they maintain their population, and the large proportion of emigration going to that country as compared with Canada proves that the policy of our Government is suicidal. Whatever policy a former Government may have had in trying to secure a portion of the trade of this country for England would not hold good as regards a foreign country, and, if it is true that the trade of this country has changed from England to the United States, and that they have become our suppliers to the extent of twenty millions in three or four years, it is to my mind convincing that they are taking away the trade we ought to retain. There is nothing, to my mind, in the natural resources of that country to have secured to them that trade. I say they have secured that trade by legislation, and by legislation we have lost it. If England, with all its wealth and low rate of interest, could not retain that trade, and the United States, with its high rate of interest, could secure it, there has nothing brought it about but legislation—the legislation this Association demands, and which this country must eventually get. If the present policy of the Government is pursued, I am just as convinced as I can possibly be that before a long time the Government will awake to see the folly of the legislation they now think very wise. (Applause.)

The President said that the trade and navigation returns show an increase from 1872 to 1876 of our sugar imports from Great Britain and the United States of £35,000,000, and a decrease of £12,000,000 from the West Indies, on account of the stoppage of the sugar refining interests.

The resolution was then put to the meeting and carried unanimously.

Mr. Currier, of Ottawa, moved the following resolution:

That it is desirable to develop in Canada the production and manufacture of iron, which is a main element of national and commercial strength, the raw material for which has been bountifully bestowed by Nature upon this country, the only lack being that of a wise commercial policy, for which we are ourselves to blame.

and said that about 12 years ago a Montreal company erected iron works for the manufacture of pig iron, and carried the business on a few years, but at the time of the fire in 1870 the works were burned and have never since been rebuilt. Since then an attempt

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was made to carry on a similar enterprise in the township of Holland, which also proved unsuccessful, although the iron made in both these places was superior to that made in England. As far as my own views are concerned, I am in favour of this country extending protection to manufacturers, speaking generally. In my own city (Ottawa) that question was brought prominently before the people within the past six months, and this was really the great issue as to whether they would support a Government of free trade or a Government who would give protection. The result of that election shows that the people of Ottawa are in pursuit of a different policy to that of the present Government. As far as it is possible to do it, I would place on goods imported from the United States the same duty as they impose on our goods going there. I would adhere to the principle that we should legislate solely to our own interests either as regards the United States or any other country with whom we deal. It is well known that since the abrogation of the reciprocity treaty the United States had imposed a duty of \$2 per one thousand feet on sawn lumber. This has been a very great drawback to the lumber interests of this country, and I would be in favour of imposing the same duty on American lumber coming into Canada. The Americans can bring lumber from Michigan to Quebec and then export it to Great Britain without even making an entry. I believe a duty of 17½ per cent. is imposed on sawn lumber coming in here, but this amounts to nothing, as very little of it comes here. As to the protective policy of the United States not being a successful policy, we have only to look at their exports for the year 1865, which were fifty-one millions, but which had increased in 1876 to one hundred and twenty millions. I claim this as a positive proof that the manufactures of that country are in a prosperous condition, and the newspaper reports which the free trade papers of this country are constantly publishing amount to nothing compared with the large number in the country. I say that although I am opposed to the gentleman at the head of the Government it is solely on account of my own convictions, and I think if Mr. Mackenzie when he came into power four years ago, had given encouragement to the manufacturers of iron it would now have assumed large proportions. (Applause.)

Mr. Cowan, Oshawa, seconded the motion and said—I agree with what Mr. Shorey said in the morning, viz., that a bonus should be given to the producers of pig iron and coal, as the production of these articles would also give employment to our vessels, which could then take our

wheat to the Lower Provinces. In manufacturing iron into a more elaborate state than the pig, I have been met with the remark, why cannot you manufacture and compete with the United States. The reasons appear very few, but they are very significant. One thing is our inexperience in manufacturing compared with the United States. Every manufacturer who has been in business knows that each year adds to his experience in manufacturing goods cheaper than formerly. The demand in Canada also for any particular line of goods is small, and would compel each of us to manufacture a number of articles in the same factory which is much more expensive than manufacturing solely one article. Another matter which is connected with the other two, is the smallness of our business. Now it is well known that it is easy to increase production without increasing expenses, such as salaries of foremen and office expenses, and the same machinery answers, &c. I may also say, that I think, in a general way, no country can be prosperous by agriculture alone. I have heard the principle of "free trade all round" advocated. This, as far as I can see, would be of very little benefit to us, because we would go into the United States without any prestige. Americans are also too patriotic to come over to Canada to buy anything they could get as cheaply at home. Mr. Cowan concluded by saying our policy should be to encourage home manufacture, and gave as an evidence of how large a distribution manufacturers gave of the returns they receive from their products, that in the village of Oshawa, where the productions amounted to only about one and a quarter millions, they gave employment to from 900 to 1,000 hands, while an importing house in Toronto dealing in the same kind of goods, and whose sales would amount to fully as much, would not give employment to fifty hands. (Applause.)

Senator Reed, Belleville, said—Thirty years ago I was a director in a company that made iron in Marmora, but we could not make it pay and had to sell out, and we thought we sold out well, as we did not lose much. We have a gentleman in Belleville who has invested \$180,000 for the purpose of bringing ore to Belleville and having it turned into iron, and the town of Belleville had offered him \$75,000 to erect smelting works there, on certain conditions. This gentleman is also building a railway twenty miles long (which will connect with another road of fourteen miles), for the purpose of carrying the ore from the mines, yet I believe that after all his expenditure he cannot make the smelting works a success as long as our tariff is in its present shape. Mr. Reed concluded by saying that

although iron had been manufactured as far back as fifty years ago—he having a stove in his house made from it—yet it has never been a paying enterprise to its producers.

Mr. Frazer (the Secretary) said that the Snowdon Iron Mining Company were about to send fifty thousand tons of ore to the United States, which would then be returned again and disposed of to Canadian dealers.

The motion was then carried unanimously.

Mr. Barber, of Streetsville, moved, seconded by Mr. Smith, of Toronto,

That this meeting recommends the establishment of a Dominion Bureau of Manufactures and Commerce, with the view of securing, among other things, full and reliable statistics relating to the same. Carried.

Mr. McKechnie then moved, seconded by Mr. Adam Warnock.

That each manufacturer be drawn on to the amount of \$5 to be applied for the purposes of the Association.

Mr. Howland said that the motion was a very sensible one.

The motion was carried.

Mr. Howland then moved, seconded by Mr. Elliott,

That this meeting recommends that the support of this Association be given only to those candidates for the House of Commons who will support the policy laid down in the above resolutions. Carried.

Mr. Lukes then moved, seconded by Mr. Elliott,

That this meeting, while expressing no opinion on the political course of the *Mail* newspaper cannot separate without giving expression to the obligation which that journal has conferred on the manufacturers of Canada by the bold avowal of protectionist principles, and the constant advocacy of the manufacturing interests of the country; also that the thanks of this meeting are tendered to the *Toronto Telegram*, the *Hamilton Spectator* and other papers that advocate the same principles. Carried.

Mr. John Riordon then moved :

That this meeting desires to tender condolence to the family of the late Mr. M. Staunton, who was an active member of the Association.

Mr. Elliott seconded the motion, which after a few remarks from the President, ulogistic of the deceased, was carried

Mr. Staunton, a son of the deceased, replied, confirming the Chairman's remarks as to the interest the deceased always took in the proceedings of the Association, and thanked the Association for the respect paid him.

Mr. Dickinson moved the following resolution :—

That great injustice is done to the inland carrying trade of the Dominion—and through this important interest also to our shipbuilding—by the operation of the past and present legislation of our country, on account of the privileges granted to United States vessels in our canals

and rivers which are denied to us in theirs ; and also in regard to privileges enjoyed by the United States under our laws regulating the registration of American built vessels, but which are denied to us by the registration laws of the United States.

On introducing the above motion, the mover said :—

Mr. President and Gentlemen—With your kind permission, and, I trust, with the approval of this Association, I have taken the liberty of submitting the resolution just read. It will doubtless be conceded that it embraces two important producing interests, to the wealth and prosperity of any country that properly appreciates them as a source of employment for thousands of its citizens, viz., "The Inland Merchant Marine," and its equally important auxiliary, "The Ship Building Interest." In respect to these two subjects, I shall confine my remarks to our own inland and the international carrying trade with the United States, for the reason that my own personal experience relative thereto has not extended beyond tide water.

Now, sir, I claim that these interests have not received that consideration at the hands of the past or present Government of this country, to which their importance, in a national point of view, justly entitles them. And in proof of this assertion, allow me to refer back to a date prior to the late so called Reciprocity Treaty with the United States (which came into force June, 1854, and ended March, 1866.) During 1851 or 1852, I may here say, I was a party, with others then personally interested in the subjects of my resolution, resident in the cities of Hamilton, Toronto, Kingston, Ottawa, Montreal, and Quebec, in making a representation by way of petition to the late Lord Elgin and the then Hon. Francis Hincks, Commissioners on the part of Canada in the negotiation of that treaty, prior to their departure from this city to Washington, setting forth the disabilities under which these two interests of our country were then labouring, praying that these points would not be overlooked in the proposed treaty, viz., that "while United States vessels had all privileges in common with ourselves in the navigation of the canals and rivers of Canada (the coasting trade excepted) the craft of Canada were debarred from the use of their canals and rivers on any terms. And in regard to our Ship-building interests, American built vessels could obtain British registers with all privileges pertaining thereto free of duty, while craft of Canadian build could not obtain American registers on any terms whatever. The treaty, however, was consummated, but contained no correction of the grievances referred to, and they to this day

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continue practically in full force and effect with the inevitable result of transferring to the American forwarders, I may say, nearly, if not quite, all the material benefits arising from our own international carrying trade with United States, both of imports and exports; and also the benefits which should accrue to the industries of this country from the extensive outlay by our Government in the enlargement and improvement of the canal system of Canada, have so far actually accrued more to the benefit of our neighbours than to our own people, depriving thousands of our own citizens of employment, and taking millions of money from our country that otherwise would be retained in it. This is notably the fact in respect to the canals of the Ottawa and those connecting with Lake Champlain in the transport of hundreds of millions of feet of sawed lumber, yearly, from that section to the United States, aggregating in freights one million dollars. It was supposed, Sir, and with good reason, that the Washington Treaty of 1871, clause 27, tardy though it was, furnished a redress for these grievances, at least so far as concerned our carrying trade, a fair field for competition with the Americans in our own and their canals and rivers being all this country desired or claimed. The clause to which I have referred reads thus:—

ARTICLE XXVII.

The Government of Her Britannic Majesty engages to urge upon the Government of the Dominion of Canada to secure to the citizens of the United States the use of the Welland, St. Lawrence, and other canals in the Dominion on terms of equality with the inhabitants of the Dominion; and the Government of the United States engages that the subjects of Her Britannic Majesty shall enjoy the use of the St. Clair Flats Canal on terms of equality with the inhabitants of the United States, and further engages to urge upon the State Governments to secure to the subjects of Her Britannic Majesty the use of the several State canals connected with the navigation of the lakes and rivers traversed by or contiguous to the boundary line between the possessions of the High Contracting Parties, on terms of equality with the inhabitants of the United States.

A fair and equitable interpretation of the above clause clearly provides for the reciprocal use of the canals of the two countries, and their respective lakes and rivers connected therewith. Well, Sir, the Dominion of Canada, British-like, without subterfuge or hair-splitting, have fulfilled towards the United States the fullest text and spirit of their obligations under this clause. Indeed, sir, since 1851 or 1852, Canada had voluntarily, unsolicited by the

Americans, unwisely, I think, granted to them (without receiving the slightest like concessions therefor) all the material privileges included in the clause quoted. Notwithstanding all this, I regret that I feel justified in asserting that the Government of the United States by prevarication, subterfuge and duplicity, unworthy of the nation, have so far and still do evince a disposition to repudiate even their present Treaty obligations towards us in this respect, by practically depriving Canada in a most important sense of privileges in their river and canals to which we are clearly entitled to under the foregoing clause, while they coolly and as a matter of right not only claim, under the same clause, and are now enjoying (and as stated have enjoyed since 1851 or 1852), the same privileges that they persistently refuse to Canada. And this is the country from whom great expectations are entertained in some quarters of obtaining for this country a reciprocal trade policy or treaty, on mutually advantageous and fair terms. I say, sir, such expectations, as in the past, will prove on our parts a delusion and a snare—the lobster can joke to wit. My remarks in this respect refer to the somewhat recent refusal on the part of the United States to allow Canadian craft to navigate the Hudson River. In respect to this point, I may first explain that either from real or pretended difficulties on the part of the Federal Government of the United States to induce the State authorities to grant like privileges in their canals to Canada craft, as is enjoyed by Americans in ours, it is only about one year since the opening of the Whitehall Canal to Canadians was effected, giving us access to the Hudson river, but this, our right, was not granted till the Treaty was five years old, and not until the United States Government had apparently provided themselves with another pretext for an objection that practically nullified all benefits to Canadians from the use of the Northern or Whitehall Canal, by refusing to allow our craft to proceed past Albany. The Federal Government of the United States now takes the stand “that the Hudson River is not stipulated in the Treaty,” the evident object from their standpoint being this, that unless our craft can navigate the Hudson the same as American craft enjoy the Chambly and Ottawa Rivers, (though neither of these rivers either are mentioned in the Treaty,) both our export and import trade with the United States, from the Ottawa Valley, Montreal, Quebec and all points of these sections bordering on the St. Lawrence, in fact our entire trade, as is now the case, will continue to be monopolized by American craft, as they can take return freights from New York and

other Hudson River points, but which is denied to the craft of Canada; and by thus closing the Hudson against us, as in the past, scores of our barges and tugs are lying idle, moored, as it were, within the shadows of the Parliamentary walls of this Dominion at Ottawa, and their crews wandering through our streets without employment, while scores and even hundreds of American boats are doing our work, and for occupation some of our most enterprising and energetic Ottawa forwarders have to tie up their own craft and are turning an honest penny as best they may by acting as Brokers and Shipping Agents for our cousins over the way. Does such a state of things tend towards the cultivation of a national feeling of pride and respect towards this Dominion of ours, on the part of its citizens? I think not, but on the contrary tends to render us unworthy of the glorious Constitution under which it is our privilege to live, as it also tends to lessen our claims upon the closest possible alliance with the Crown and Flag of old England, which it is, as it should be, the hearts desire of every true Canadian to perpetuate. I have said that the clause quoted from the Washington Treaty, in my humble judgment, contains our remedy for the jug-handle interpretation on the part of the United States by which they would exclude us from the Hudson River, and only requires enforcement on the part of our Government. And so thought our Hon. the Minister of Customs of the day on being informed of the exclusion of our craft from the Hudson, whereas American craft enjoy all the privileges in the use of our Ottawa and Chambly rivers, neither of which, as well as the Hudson, as stated, are mentioned in the Treaty; and he was at the moment, very properly I think, disposed to accept the United States interpretation at the moment on their own ground, and a communication from our Government to that of the United States was about being prepared, to the effect that inasmuch as the craft of Canada had been denied the use of the Hudson River, it would be the duty of this Government to likewise exclude American craft from the Chambly River. But at this stage, it is understood, the Premier intervened, and decided to pass this great injustice to our country without even a protest, by the rather novel argument against ourselves—I take the liberty of saying—*i. e.* that the Chambly River was a canal, because it had been dredged, hence the course as decided by his Minister of Customs was not adopted. Now, sir, I take it that the Chambly River in reference to the Chambly Canal occupies precisely the same position as the Hudson River occupies relative to the canal at Albany, and the Huds

has some day also been dredged, and in consequence is a canal. This matter appears, in my humble judgment, to stand thus according to the Premier's interpretation. He should claim the Hudson River as included in the Treaty, because it is a canal, this river having been dredged. On the other hand, if the United States continue to refuse the navigation of the Hudson to us on the ground that it is not stipulated in the Treaty, then surely on their own argument this country has an equal right to exclude their craft from both the Ottawa and Chambly rivers for the same reason, *i. e.*, these rivers are not stipulated in the Treaty, but in this, as in other matters of our treaties with the United States, they invariably so choose to interpret so as to make it "heads they win, tails we lose," and small blame to them so long as this country meekly submits to such sharp practice on their part. In conclusion on this subject I cannot do less than express a hope that our Government may at an early day find backbone sufficient to correct this grave injustice to the Canadian carrying trade. I have shown also that our present system of registration to foreign vessels is a species of legislation discriminating directly against the success of our Dominion Ship-builders, but in reference to this important branch of manufacturing industries there exists, connected with our registration, this still more extraordinary anomaly, *i. e.*: while for example, a steamer complete in every respect, engine, &c., &c., is admitted free from the United States, our Ship-builders, in importing iron tubing (not made in this country) or any other material entering into the construction of steamers or vessels, are compelled to pay a duty of 17½ per cent. A word more, sir, and I have done, as I have I fear intruded perhaps too far upon the time at this late stage of your proceedings. It might not be amiss for me to add that I have no personal interest whatever, directly or indirectly, in the subjects of my resolution, though prior to 1868 my entire pecuniary interests for 25 years were continuously involved therein; hence my opinions, be they right or wrong, are the result of the hard knocks of personal experience, and in consequence I suppose I have a soft side towards my old trade; but I have a still stronger sympathy and desire for the advancement of the general industries of our country and its national honour and integrity.

Mr. J. M. Currier, M. P., in seconding the resolution, said there was no doubt but that there was something wrong with regard to the inland carrying trade.

The resolution was carried.

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Mr. Howland then moved, from the chair,

That the thanks of this meeting be and are hereby tendered to the Managers of the Grand Trunk Railway and Great Western Railway respectively, for their kindness in granting reduced fares to those attending this meeting. Carried.

Mr. W. Bell then moved, seconded by Mr. R. McKechnie,

That any person may become an honorary member of this Association by subscribing not less than \$5 annually, or may become a life member by paying \$100, if proposed by a member. Carried.

Resolutions of thanks were passed in favour of the President and Secretary, after which the Association adjourned, to meet again at the call of the President.