

produce and sell goods 20 per cent. cheaper than they could be imported; but since the finances of the United States have approached a specie basis, our market has been divided with them, thus limiting the demand for goods and eventually increasing the cost. Should have no cause of complaint if Canadians could export goods to United States as cheaply or on same terms as they can be imported into this country. Chown & Cunningham ask that the tariff be increased to 20 per cent. Stove manufacturers complain, as do all other manufacturers, that the Americans make Canada a slaughter market, entering their goods much below cost, and thus evading a great part of the duty. Are satisfied that a moderate protective tariff on manufactured goods never increases but invariably diminishes prices, care being taken to have all raw material come in free of duty. Pig iron, for some years to come, should come in free of duty, as any small duty would only be a direct tax on the manufactured article. Lehigh coal should also be free. With respect to the Patent Law, foreigners should be obliged to make applications for patents here before offering goods for sale in either this or their own country.

Clendenning, of Montreal, says, that unless the Americans make a slaughter market of Canada, the stove men have nothing to fear.

American tariff, 1.35 per pound. Canadian tariff, $17\frac{1}{2}$ per cent. *ad valorem*.

VARNISH AND PAINT.

The manufacturers of Varnish have great and good grounds for complaint. 1st, spirits of turpentine, which forms two-thirds of the raw material, is the product of the United States, on which the Canadian manufacturer pays a duty of $17\frac{1}{2}$ per cent. 2nd, the article of benzole, which costs 11 cents American currency, is charged a duty by the Government of 15 cents per gallon, thus paying a duty of about 150 per cent. on a portion of the raw material of an article that is admitted on a duty of $17\frac{1}{2}$ per cent. when manufactured; the superior quality of the Canadian-made article is the only advantage it has. If placed on an equal footing with foreign manufacturers, we could supply our own market and defy competition. Good and practical workmen, with long experience, and a knowledge of chemicals, are required in this line of business, with protection and a home market, the price would be materially reduced. R. C. Jamieson & Co., of Montreal, write as follows:—

We enclose herewith, as requested, our replies to questions regarding our manufactures:—

“It will be inferred from these replies, that we are in a *worse position to supply the Canadian market with Varnishes and Japans than the Americans are*; this is really the case.

“The remedy we would like to see applied is to *adopt the American tariff for varnishes*; this would effectually give the Canadian market to Canadian manufacturers. It would stop the importation of American varnishes entirely, but would not interfere with English coach-body and carriage varnishes. The manufacturers of which could well afford to pay a large extra duty and sell at present prices. They are doing this in the United States.

“Another remedy would be to take off the present duty on spirits of turpentine and benzine, but this would not meet the difficulty half as well, although it would ultimately help us very materially.”

Printers' ink, *free*. Raw materials for ditto are charged $17\frac{1}{2}$ per cent. duty.

American tariff on varnish, 50 cents per gallon, and from 20 to 25 per cent. *ad valorem*. Printers' ink 35 per cent.

Canadian tariff, varnish, $17\frac{1}{2}$ per cent. Printers' ink, *free*.

FLOUR.

Merchants cannot successfully compete with the Americans, as they are permitted to send flour into Canada free, whereas they shut us out by the imposition of a 20 per cent. tariff.

The business has not been successful, and we are of opinion that an increase of the duty, or else reciprocity, would have a tendency to increase the investment of capital. Increased