

say that to any student of national economy this is an absolute fact.

As against all this it may be urged that Canadian manufacturers were not able to furnish either raw material or finished product as cheaply or as well as other sections can; as before said, this may have been true formerly, but certainly has not been true of later years, and in manufacturing industries, when once the impetus has been given, their forward progress increases relatively very much more rapidly after they have once obtained a foothold, and it is only ignorance of industrial conditions that would permit of taking the stand that because any new industry has languished for a number of years it is bound to be unsuccessful, or that conditions are naturally against it; take your industry here and compare it with the Southern, and look back to the number of years that the Southern Iron Industry languished, was pronounced a failure, was practically abandoned except by a few persistent far-sighted men, who, realizing the truth of above statements, clung to it and finally brought it out to its present large dimensions and its enormous advantages to its own section of country, and I do not hesitate to say that some of your industries in special lines are now far ahead of some of theirs. You have here the same experience to go through, and from what I have seen and studied of the progress of the last few years, it appears to me that the industries here are decidedly on the upward trend and have obtained that foothold from which, if not checked, their forward progress is likely to be as rapid, with the advantages of greater diversification than the Southern industrial system.

You will pardon this digression, yet it was made in view of the enormous strides made by the Southern industries, especially raw material, which have not only built up industrially a large portion of the United States but have also furnished to the general consumers of the country an article, that through its low cost and good quality has been a most potent factor in stimulating its iron industries.

Roughly speaking the average cost of Southern iron is about \$4 to \$5 cheaper than Nova Scotia iron, of which probably \$3 or more is due to the peculiar labor and commissary conditions, caused by the preponderance of ignorant negro labor, neither of which I am sure you would ever want introduced here, even for the sake of this \$2 or \$3 lower cost, and of which I shall try to speak later; they have a large