

asked the Government for a reduction of the duties on iron?

MR. FOSTER.—Yes.

MR. MULOCK.—I thought so; and the reason assigned was that it was necessary for them to get their raw material cheaper. But the Government turned a deaf ear to them. In some cases, I admit, the duties have been lowered; but the hon. member for St. John cited a case in which the Government turned a deaf ear to the application that was made. The result is that one of the most widely used manufactures of iron is made dearer to the consumer.

HON. MR. FOSTER—How is it made dearer?

MR. MULOCK—By increasing the duty on scrap and leaving the duty on pig iron at \$4 a ton.

HON. MR. FOSTER—It is made no greater.

MR. MULOCK—Is not \$4 a ton something? The change is going to cause a larger importation of pig iron or make scrap more expensive.

HON. MR. FOSTER—Not at all.

MR. MULOCK—The hon. gentleman must see it. The hon. member for St. John has stated that it is necessary to import pig iron to produce certain grades of iron.

HON. MR. FOSTER—Not necessarily.

MR. MULOCK—The hon. member for St. John said that we do not produce certain grades of iron without using imported pig.

HON. MR. FOSTER—He did not say we could not.

MR. MULOCK—He said we do not, though; and he said that at the present time scrap forms a valuable mixture in the production of certain grades of iron.

HON. MR. FOSTER—Mixture? What for?

MR. MULOCK—Puddled bar. That is what he stated—and that, as you are now making this scrap more expensive, it will be necessary, in his judgment, to import more pig.

HON. MR. FOSTER—It is only steel scrap that is used to make billets, and that is cheaper than it was before.

MR. MULOCK—I am repeating what the hon. member for St. John has said. He says that scrap is melted up in St. John for the manufacture of cut nails, and that the increased duty will make them dearer.

HON. MR. FOSTER—Cut nails are made cheaper. The duty on them is reduced nearly one-half.

MR. MULOCK—I am not speaking of the nails. I am speaking of the scrap that enters into their manufacture. The maintenance of these duties and their increase in certain places increases the cost of the manufactured article to the consumer.

HON. MR. FOSTER—How?

MR. MULOCK—I would like to ask the Minister why he does not apply his policy generally? If he is in favor of cheap raw materials, why does he maintain these high rates on raw materials?

HON. MR. FOSTER—We have reduced them.

MR. MULOCK—You have not reduced them all; you have increased some and reduced others to a trifling extent. To say nothing of the freight, there is a duty of \$10 a ton on bar iron—that much additional charge to the consumer on all classes of goods into which bar iron enters.

HON. MR. FOSTER—It was \$13 before.

MR. MULOCK—Why should it be \$10? To-day you are posing as the farmer's friend; but your tariff shows you to be the farmer's enemy. What is going to be the effect of your iron policy upon agricultural implements? Your whole policy is a mass of inconsistencies?

HON. MR. FOSTER—What would be your policy with regard to implements?

MR. MULOCK—I am not making a policy; I am trying to point out the absurdities and inconsistencies of the Government's policy, and the disasters that must flow from it. They have announced the making of raw materials cheap to the manufacturer as the foundation of their policy; but they have not carried out that policy with reference to the iron duties. Since they undertook to tinker with these iron duties, they have paralyzed the iron industries of the country. What have become of the prophecies of Sir Charles Tupper, made in this House in 1887, when he told us of the great natural advantages that Canada had for the building up of a great iron industry if she would only adopt the excessive scale of duties which he proposed? Ever since that policy was introduced, the consumers of iron goods have been great sufferers; and because the Minister is able to point to trifling reductions in one or two points, he thinks he has done all that the condition of the country warrants. Now, that the hon. member for Algoma is in the House, I would ask him if I correctly understood him to say that Canadian pig iron was as cheap within \$2 a ton in Toronto, as Scotch or American iron? Was that what he wished the House to understand?

MR. MACDONELL (Algoma)—Go on.

MR. MULOCK—I understood the hon. gentleman to make that statement, and if so, I would reply both to him and to the hon. Minister of Finance by saying that I do not profess to give any evidence myself on the point, nor do I think that the evidence I did give had reference to a demoralized state of the trade. I understand that pig iron of the very best kind is produced in Alabama at \$2 a ton less than in Canada—not at demoralized prices, but at normal prices. Then, owing to railway freight, we are handicapped to the extent of \$3.50 per ton, say at Toronto a leading centre, where iron is required, so that pig iron would cost in Toronto, under your tariff, \$5.50 per ton more than it can be laid down for, even brought up from the east. Now, the effect of it is this: The American farmers, owing to cheaper raw materials, will get their agricultural implements cheaper, and you are handicap-

ping our Canadian farmers in their competition with the Americans, because if you make the raw material which enters into the manufacture of their iron goods dearer, you will make it more expensive for them to carry on their industry, and in this way this Government, which pretends to have introduced a farmer's tariff, are imposing a tariff directly antagonistic to the interests of the farmers.

Item agreed to.

Iron or steel, being pieces, punching, or clippings of boiler plate or other plates, sheets or bars of iron or steel, whether the same have had the ragged or cropped ends or edges sheared off or not and crops from iron or steel rails having both ends sawn or sheared off, the same not having been in actual use and being fit for re-rolling or re-manufacture only (39 per cent.) four dollars per ton.

HON. MR. FOSTER—This is the other form of steel scrap. I think the hon. member for St. John (Mr. Chesley) was in error in the matter of the steel scrap. In the old tariff, the duty was 30 per cent. The average price of that which came in was \$15.90 per ton, so that the duty of 30 per cent. amounted to \$4.80. The duty now is \$4. It may be that steel scrap sometimes came in under the preceding section at \$2 a ton, but if so it slipped in where it had no place.

MR. CHESLEY.—What is called steel scrap in the item before the House was simply imported as scrap iron always. It is nothing but scrap anyway.

MR. FOSTER.—It should not have been.

MR. CHESLEY.—It is the leavings from the sheets where boilers are made and vessels are built. These are the cuttings and ends of sheets brought into the country as scrap and rolled into nail sheets. It was brought in at first without any trimming, but finally the people on the other side, interested in the trade, commenced clipping—what they called clipping or trimming these pieces; and these came in as scrap steel. It was used for the manufacture of nail sheets. From these sheets cut nails were made. The same remark applies to your steel rails which you have in this item. There have been thousands of tons of old steel rails rolled this very past season in St. John into steel sheets or nail plate. I know of a contract which the Harris people had for three thousand tons of steel sheets made from old steel rails, and these steel rails are their raw material. There is any number of these rails in the country at present on railway lines, but after a time, when the rails have to be renewed, there will be a great quantity of this cheap raw material in the country. The rolling mill owners went to considerable expense and trouble to get the necessary machinery for converting these old rails into sheet and nail plate at one heat. After going to all this expenditure and trouble, you are going to prevent them bringing in this material unless they pay a duty of \$4 per ton.

MR. FOSTER.—Wrought iron or steel sheet or plate cuttings or clippings as got at the rolling mills or shipyards, fit only for rolling, and to be used for such purposes, had to pay 30 per cent. That was steel scrap and was the item under which it came in. If any steel clippings came in at \$2 the importer got the advantage to that amount.

MR. CHESLEY.—All I have to say is that these people were importing the article as scrap, and it is nothing but scrap.

Item agreed to.

Iron in pigs, iron kettled and scrap iron, (\$4 per ton); ferro-silicon and spiegeleisen (\$2 per ton), four dollars per ton; ferro-manganese (\$2 per ton), 10 per cent. *ad valorem*.

MR. FOSTER.—Allow me to make it 5 per cent. instead of 10 per cent. on ferro-manganese.

MR. SUTHERLAND.—The hon. Minister of Finance has had representations made to him with regard to the steel or iron used in the manufacture of windmills. Is it the intention of the Government to make any change in the direction asked for? What they ask for particularly is that the material not manufactured in Canada be allowed in free for the manufacture of windmills. They also complain that the duty on the raw material is too high, higher than the duty on the manufactured articles allowed into the country. So that the Americans or other producers of these windmills can export into this country at a lower rate of duty than the duty on the material which is used by our own manufacturers. They ask in order that they may be enabled to compete with outside manufacturers to have the raw material brought into Canada admitted free. Is it the intention of the Government to grant any relief?

MR. FOSTER.—I can hardly tell what it will be until we come to the free list.

MR. SUTHERLAND.—If the item of steel and iron is passed, and no attention paid to their representations, we can hardly expect a change.

MR. FOSTER.—An item in the free list would quickly take it out of that.

MR. SUTHERLAND.—I do not understand the reply. I ask the hon. gentleman frankly, in the interest of those parties, who have given him full information with regard to their business, whether he intends to do anything to encourage their industry? The duty on the raw material used in the manufacture of the article is higher than that on the finished product.

MR. WALLACE.—It is not higher.

MR. SUTHERLAND.—I beg the hon. gentleman's pardon, it is higher.

MR. FOSTER.—The hon. gentleman will understand that I could not say to him, on representations made by friends of his, whether I am going to put it on the free list or not. We will have to wait till we come to the free list, and if there are any other items to be put on at that time, they will be put on together, on the revision.

MR. SUTHERLAND.—I simply asked whether it was the intention to give any relief in regard to that industry? I did not mean to ask for any information I should not receive.

HON. MR. FOSTER.—I could not say at present.

MR. CASEY.—It has been the contention that nobody is unduly favoured by this tax on pig iron. Now, the amount of iron imported last year in the shape of scrap, common pig and charcoal pig, was 78,847 tons, which, at \$4 a ton duty, would yield \$315,388. Our blast furnaces, according to the Minister of Marine, made 55,000 tons. In addition to that, we gave \$110,000 bounty, of which, seeing that we imported such a very large surplus of iron, they must have had the full advantage; they must have had the full advantage of the \$4 per ton duty, and so they got \$220,000 increased price on that point; in other words, we paid in duties \$313,000, and gave a bonus and protection to the blast furnaces, of \$330,000, in all, \$643,000 in round numbers, to encourage the production of pig iron in Canada. Now, the Minister says that 55,000 tons were produced by this encouragement. I think it was less, but take it at his figure. The country paid out \$643,000 to secure the production of 55,000 tons of pig iron, or about \$11.50 for every ton produced by the blast furnaces. Can any one say that that is a reasonable state of things? The hon. Minister has taken the line all along of saying as little as possible. He cannot deny these figures, he cannot assert that the encouragement of the production of pig iron, at the rate of \$11.50 per ton, at the expense of the consumer, is reasonable, defensible, or proper. We were not led to anticipate any such result as this when these duties were first proposed by Sir Charles Tupper. He told us that the imposition of these duties would lead to vastly increased production in the country, and to a reduction in price. I should notice, however, that in producing these 55,000 tons of pig iron, about a thousand men were employed, as near as I caught the figures given by the Minister of Marine and Fisheries (Sir Charles Hibbert Tupper). Now, Sir Charles Tupper estimated that in the production of pig iron, as encouraged by his duties, 20,000 men would be employed in a very short time, making with their families, an addition of 80,000 or 100,000 to the population of the country. We see that the estimates then made of the great progress of this trade, were falsified, as I believe the anticipations entertained by the Ministers now with regard to this trade in the future, will be falsified. But apart from the question of the amount of the product, I must call the attention of the House to the promises made concerning the production of charcoal iron, not only in Nova Scotia, which seems to be the only place where iron is produced now, but throughout Quebec and Ontario. Sir Charles Tupper pointed out the advantages of charcoal iron in these words:

"The experiments recently made by some of the great lines of railway in the United States have shown, as the result of scientific analysis, that the mode of making the life of a rail infinitely greater than it is, is to have incorporated in the rail a large portion of charcoal iron, and under this recent discovery, there is a field for the development of charcoal iron, that will go far to make it one of the leading industries of Canada. There is at present, as you know, in Ontario, running through a large number of counties and townships, a most valuable deposit of iron ore. A railway has been built to Central Ontario, over 100 miles long, to carry this ore to Weller's Bay, to be shipped across the lake to Charlotte, Oswego, and other points on the American side. Well, from Oswego and Charlotte on the American side to the anthracite coal field is only 150 miles, and I say that, under a policy which will give iron the protection we give to everything else in Canada, under the National Policy, you will have the ships that convey the ore to Oswego or to Charlotte, or to any of those places from Kingston, Cobourg and Weller's Bay, bringing back the anthracite coal, and you will have the establishment of blast furnaces at Cobourg, Kingston and Weller's Bay, that will give the iron industry of Ontario the same position it occupied years ago."

Admitting by that last sentence that the iron industry had fallen off. Now, this is a beautiful example of the humbug of all the promises made on behalf of the National Policy, and of this latest excrescence upon it, Sir Charles Tupper promised wonderful things, and not one of them has come to pass. No blast furnaces have been started in Ontario, whether by anthracite coal or charcoal. No vessel brings coal from Oswego or Weller's Bay to the consumers of Canadian ore; even the export of ore itself has been stopped. The people of Cobourg, Kingston, Weller's Bay, Belleville, and other points in Ontario must realize how they were humbugged before the elections of 1887, by the promises made by Sir Charles Tupper. Then he went on to point out that he was going to take the duty off anthracite coal, and he referred again to Weller's Bay, Kingston, and Cobourg, and to these cargoes of coal they were to bring across:

"There is nothing to prevent it but one thing, and that is the duty upon the anthracite coal; and what I propose to ask this House to do, in adopting the policy of vitalizing this great industry of Canada, is to take the duty off anthracite coal and make it free. The moment that is done we shall have blast furnaces at Cobourg, Weller's Bay and Kingston, at all events, served by anthracite coal, making that description of anthracite iron which is so highly valued by gentlemen connected with foundries."