

half a cent a pound and is taxed up to 42½ per cent.

Barrels come in free sometimes; other times they are taxed. Barrels containing pork, beef, petroleum, or linseed oil are taxed up to 32½ per cent, but barrels containing apples, wheat flour, cornmeal, or beer come in free.

Although seeds are either free or taxed on a low basis, cabbage, cauliflower and celery plants are all taxed at 25 per cent.

Dentists' instruments come in free, but the chloroform that the dentist gives to the patient to ease the pain is taxed up to 32½ per cent. A surgeon has to pay taxes on cotton wool used in dressings.

Although it is of the greatest possible importance that agriculture should be encouraged in every possible way, derricks and stump pullers are taxed up to 35 per cent.

Unset diamonds are subject only to the war tax of 5 to 7½ per cent, but set diamonds are taxed up to 42½ per cent. School maps and engravings for school purposes come in free, but the blackboard and the slate on which the poorer child writes his lessons are taxed, one at 42½ per cent and the other at 32½ per cent. Dormant orchids come in free, but onion sets are taxed at 37½ per cent, and rose bushes pay as high as 27½ per cent.

The tariff seemed to have been framed with the idea of placing a heavy tax on warmth and cleanliness. Woollens and flannels, fur caps, mitts, gloves, and muffs are all taxed, many of them as high as 37½ per cent and even 42½ per cent. Clothes-wringers and clotheslines are all taxed quite heavily. Indeed, at first glance, one would imagine that the tariff had been dictated to Alice in Wonderland by a committee composed of the Mad Hatter and the March Hare.

But closer examination shows that the tariff has been a battle ground not of principles but of appetites. For instance, one gathers from a consideration of the tariff that the woollen manufacturing interests, the biscuit manufacturing interests and the confectionery manufacturing interests must have had excellent friends on both sides of the political dividing line. One is also struck with the burden which the tariff imposes on industry. Let us suppose that a man purposes building a factory in Canada. A modern factory will be composed largely of brick, steel and belting. Brick is taxed as high as 30 per cent; structural iron and steel as high as 42½ per cent, and belting as high as 22½ per cent. It is, therefore, an undoubted fact that the tariff in-

[Mr. McMaster.]

creases enormously the cost of establishing factories in this country. Machinery of all kinds made in Canada is taxed as high as 35 per cent; if not made in Canada it comes in free or at a very much lower rate, and this ridiculous result is obtained: Suppose a man on an inlet up in British Columbia needs some machinery for a factory or a cannery or something of that sort, if there is no factory in Canada making that sort of thing, he can bring it out free from England mostly by water carriage and place it in his factory at a low rate. If, however, there is a factory away down in Nova Scotia making that same article, the machinery is taxed. Is that a reasonable proposition? I do not think so. Lubricating oil which is used in all factories is taxed as high as 27½ per cent. The manufacturer of clothing operates under conditions which give to him a protection of 42½ per cent, but imposes against him practically the same rate of duty on his raw material.

We have gone very extensively into the railway business in Canada; we may have to go into it even more extensively than we have done, and I draw your special attention, Sir, to the fact that the duty on railway cars is as high as 37½ per cent and on locomotives as high as 42½ per cent. If we are going to run the railways of this country economically and well, surely the necessary machinery should not be taxed as high as 42½ per cent.

I would submit for the careful study of all members of this House, a study which would, I know, well repay the time and energy expended upon it, the present protective system as it operates against industry in this country. What remedy do I suggest? I have suggested first of all the removal of the duties of 5 per cent and 7½ per cent, and I have dwelt somewhat fully upon that aspect of the question. I would now ask the House to consider with me what the adoption of reciprocity would do for the Canadian people. What are the great advantages of reciprocity? First of all, in regard to the natural resources of this country, the products of the field and the forest, the sea and the farm, the North American continent would become one economic unit. On the whole North American continent people would apply their energy and capital on the farms to raising those crops that are best suited to their locality, and then there would be free interchange. There is another great advantage which reciprocity would give us. The Americans have, as I shall explain in a moment, very substantially reduced their duties, but they have left certain duties on certain second-