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IMPOSE THE DUTY.

THE question of the degree of refinement to which nickel ore should be subjected before leaving Canada is being discussed by some Conservative journals, and an export duty upon the ore has been suggested. It is to be observed that the owners of the Sudbury mines are not now in the habit of shipping the ore without any preparation whatever. Dr. Edward Peters, jun., manager of the works of the Canadian Copper Company, described its *modus operandi* to the mining commissioners. The ore is reduced by a process which he described, to a "matte" containing about thirty per cent. of sulphur, twenty per cent. of nickel, and twenty to twenty five per cent. of copper. As it requires six tons of ore to make one ton of matte, the difference in the cost of carriage is probably sufficient, without legislative interference, to ensure the conversion of the ore into matte in Canada. At that time he considered that it would be necessary that the refining of the matte should be done elsewhere. Some of the Conservative journals speak guardedly of the proposal to interfere with this arrangement by export duties; the reason being the apprehension that an attempt to force the manufacture of the metal in Canada might drive the capitalists elsewhere, and thus "kill the goose that lays the golden egg."—*Toronto Globe*.

In providing for the construction of its new navy the American Congress specially stipulated that all of the material entering into the construction of the ships should be of American production. Later, and when it was discovered that nickel was to enter largely into the construction of the armor plates for these ships, and that the United States could not supply the demand for nickel for this purpose, the duty upon nickel ore and nickel matte was removed, and these forms of nickel placed on the free list. This was to enable the importation of these forms, and to enable compliance with the restrictive law regarding the materials going into the construction of the war vessels. But while the American Government consented to the free importation of nickel ore and matte, it did not consent to the free importation of nickel metal; and

this was evidently intended to encourage the importation of the cruder forms and their refining in the United States. This refining process at home would divest the metal of its foreign character, and enable its use in the manufacture of armor plates.

The plea that "as it requires six tons of ore to make one ton of matte, the difference in the cost of carriage is probably sufficient, without legislative interference, to ensure the conversion of the ore into matte in Canada," is an attempt at blinding the eyes of Canadians. We know that the Canada Copper Company, who have been working their Sudbury mines for about two years, sent but very little of their products into the United States, and this because until recently the duty there was fifteen cents per pound upon the contained nickel.

We know that Mr. Ritchie, early in the late session of Congress, made a strong effort to have nickel ore and matte placed upon the free list, and that he was unsuccessful in his efforts. We know that his company found it convenient in their business to smelt the ore and pile up the matte at the mines, and that at this time there is probably two or three million dollars worth of matte thus piled up there. If Mr. Ritchie had been able to induce Congress to place nickel ore on the free list at the time he was endeavoring to get it to do so, that large accumulation of matte would not now be seen at Sudbury. The ore would not even have been smelted into matte there, but would have been sent into Ohio to be treated. This is not a guess or surmise; for while giving evidence before the Ways and Means Committee of the House of Representatives, Mr. Ritchie swore as follows regarding his Canadian nickel property:—

To transfer our smelting works to this side, say to Findlay, Ohio, would require the erection of a very extensive plant, the expenditure of a large amount of capital, and the employment of a great number of men; and unless these ores are admitted free all this expenditure of capital and employment of men must be done in Canada, and the products go to foreign governments. We do not want to spend three or four millions in a plant over in Canada, because I should prefer to put it in our own country.

It is quite evident from this that the bulkiness of the ore was no great objection with Mr. Ritchie to the removal of his smelting works from Sudbury to Ohio; and it is equally evident that it is his intention now to do so, and that he will do so if not prevented by an export duty. But export duty or not, it is certain that the nickel contained in the armor plates for the United States navy must be made in that country. It is evident, therefore, that the difference in the cost of carriage is not sufficient without legislative interference, to ensure the conversion of the Sudbury nickel ores into matte in Canada.

This journal was the first to suggest that an export duty be laid upon nickel ore and matte going out of Canada; and the discussion of the question seems to have brought Mr. Ritchie to the conclusion that it would be to his interest to erect his refining works here, and also to engage in the manufacture of nickel steel for export. We sincerely hope that his scheme or some modification of it, may be materialized, and that we may soon see his proposed works in active operation. If carried out the result would be highly beneficial to Canada. The imposition of the export duty cannot injuriously affect the