

000 of expense and interest on their capital out of an output of \$1,638,000? For salaries alone they say that they pay \$1,662,000, or \$24,000 more than the amount of the output of the whole industry. Now, I mention this to show that the matter has not been placed honestly before us. These men have sought to lead the country to believe that their industry is larger than it really is, I fear to create an impression in the minds of the people that it should not be interfered with. The figures given in the public prints by them and sent to the members of this House, are deceptive and exaggerated to the extent I have shown. These men must either say that the figures given in the blue books are wrong in regard to their entire output, or they must admit that their own statements to the public are very greatly exaggerated. Now, the oil refiners tell us that they do not take advantage of the duty. Every hon. gentleman here knows very well, however, that every industry in the country takes advantage of the duty as far as it can do so. If they did not, they would not be here lobbying the members of this House in regard to the tariff. The oil men say that the oil they sell is only 2 to 2½ cents a gallon higher than the American oil. I had a conversation to-day with a gentleman on this subject. I said to him: "You are not making true comparisons: you are comparing the price of No. 1 water-white American oil, having a specific gravity of 7.85, with the price of your common No. 2 Canadian oil, having a specific gravity of 8.02." I asked him: "What is the price to-day of your No. 1 Canadian oil, with a specific gravity of 7.95?" He said, "15 cents in bulk." Now, that is the oil that should be compared, if it is comparable with the American oil; and every one knows that it is not equal in illuminating power with the first-class American oil. He also told me that out of the 10,000,000 gallons manufactured by the oil refiners of Canada, they only manufactured 2,000,000 gallons of this refined oil; and that they take full advantage of the duty on this 2,000,000 gallons if they sell it at 15 cents. How much does that take out of the Canadian consumer? The increased price of the 2,000,000 gallons would be at least \$160,000 by reason of the duty. Now, take the imported oil. We imported from the United States last year 5,637,149 gallons, at a value of \$471,690. On that we paid a duty of \$405,873.62, the price being 8½ cents per gallon, and the duty 7 cents. If you add to this amount paid in duty, the cost of inspection and the duty on the barrels, equalling 2 cents per gallon, and amounting to \$112,742, you have a total of \$518,619. Then, you must add the importers' profit of 20 per cent on this amount, for the importer must make a profit on the cost of duty as well as on the price of the article, which amounts to \$103,723. That, added to the

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former amount, makes \$622,338. Now, when the retailer gets possession of the article, he puts on his profit of 40 per cent, which makes \$248,935 more, so that there is a total of \$871,274 added to the original cost by reason of the duty, or 15½ cents a gallon. If this duty were removed, the profits on the duty as well would be wholly wiped out, because as the duty is part of the original cost to the importer, he adds his profits upon it as well as upon the original cost, and as profit after profit is put on, by the time the oil gets to the consumer, the consumer, instead of paying the duty alone, pays \$465,401 more. On the other hand, suppose the oil came in free, the people of Canada would pay as the original cost \$471,690. Add one cent per gallon for inspection, or \$56,371, the importers' profit of 20 per cent, or \$105,612, and the retailers' profit of 40 per cent, which comes to \$253,469, and we have a cost of \$887,142, or only 15½ per gallon to the consumer, if the duties were removed. But at present, taking this 15½ cents and 15½ cents caused by the duty, it costs 31 cents to the consumer in Canada. But it may be said that it does not cost 31 cents as a rule. I do not say that the importer or the retailer always puts on 40 and 20 per cent. They may put on a little less or a little more in different parts of the country, where they get American oil at 26, 28 and 30 cents, and I see by the Auditor-General's Report that the Government have paid 35 cents a gallon for oil used on the Experimental Farm. So that we pay twice as much for the oil as we would if it came in free, or, in other words, we could get oil at a little over 15 cents for which we now pay prices ranging from 25 to 35 cents. I wish to draw attention particularly to the hardship of the prohibition against bringing in oil in tank-cars. I have a statement here which I will give the Government, in order that they may look into it. It shows that the oil cost the consumer 3½ cents more on account of this prohibition than if it were permitted to come in in tank-cars. The present price of oil in Oil City, Pa., 7.85 specific gravity, is 5½ cents per wine gallon, in barrels. How much will it cost to bring it here? There are 3,207 wine gallons in a car load, which, at 5½ cents per gallon, would be \$184.41; 3,207 wine gallons are equal to 2,673 imperial, on which there is 7½ cents duty, amounting to \$192.45. The duty on sixty barrels, which constitutes a car load, at 40 cents each, amounts to \$24; the inspection of sixty barrels at 30 cents each, amounts to \$18, and the freight on sixty barrels from Oil City to Peterborough would be \$66, making a total of \$484.86, making the cost of oil laid down in Peterborough 18½ cents per imperial gallon. Sometimes the retailer is the importer, and, therefore, the profit added to the price of the oil is not so high as the percentage charged, if the oil was imported by other than the retailer. But other-