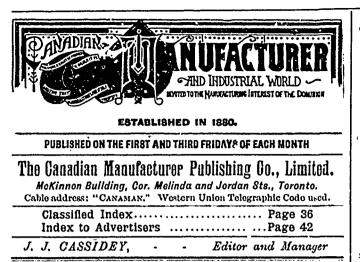
December 19, 1902.



TARIFF AMENDMENTS REQUIRED.

There are quite a number of articles enumerated in the free list of the Canadian tariff besides steel rails, such as wire rods, wire, etc., which shou^{1,2} be transferred to the dutiable list. The nature of these is shown in tariff items 542, 585, 594, 597, 598, 600, 601, 602, 603, 625, 626 and 628. These articles are not now made in Canada to any considerable extent, if at all; and should the Government, at the approaching meeting of Rarliament, not see their way clear to make the transfer, perhaps they would be willing to give an assurance to manufacturers that they would do so when they were prepared to enter upon the production of them, when the tariff would be made to give the necessary protection. We have knowledge that there are now a number of Canadian manufacturers who, with such an assurance, are prepared to go into the produc tion of many of these articles.

Besides these, there are a number of other articles apon which it is most desirable that the tariff be amended. Canada is not only a large consumer of steel rails, but of structural steel also. Hitherto, and until very recently, all our wants in this direction were supplied from abroad, largely from the United States; and now that we are beginning to produce these articles at home it is very desirable that our fiscal policy in this respect should be similar to that of the United States, under which their iron and steel industries have assumed such immense proportions.

As we have stated, we have knowledge that some or our Canadian iron masters propose in the near future to begin the manufacture of several forms of steel besides rails, that is, if adequate tariff protection be extended to them. The encouragement now granted by the Dominion Government for the manufacture of iron and steel in Canada consists partly in bounty, which, under the law, is decreased each year, and which will be extinguished in 1907; and partly in the duties imposed in the tariff.

In proportion to the existing tariff as a whole, in the opinion of some of our manufacturers, the encouragement is fairly satisfactory except as herein alluded to. It would very naturally be fatal to the successful establishment of other lines not included in the protection we now have, if the Customs duties, which are intended to conserve the home market to our manufacturers, should be limited to the few lines hitherto made by them. The growing development of the country r quires that lines of manufacture not hitherto attempted should receive at least as much encouragement as those already in existence, else the whole scheme of building up an iron industry of national importance would be severely

The Canadian Manufacturer

Reaches all the Blast Furnaces, Iron and Steel Works, Rolling Mills, Manufacturers of Iron and Wood-Working Machinery, Steam Engines and Boilers, Pumping and Mining Machinery, Electric Machinery and Appliances, Machinery Dealers and Steam Fitters' Supplies, all Hardware Dealers, Cotton, Woolen, Knitting and Yarn Millis, Pulp and Paper Mills, etc., in Canada.

crippled. In view of the encouragement already embodied in the tariff, and the beneficial results which are flowing from it, it should not be necessary to urge arguments to show the great value and importance of such an adustry; and we believe that the only logical and possible course for the Government to pursue is to extend the provisions of the tariff from time to time as occasion may require, so as to afford the same ratio of protection as now to any new lines that may be undertaken by our manufacturers. These latter must, of necessity, go into the unoccupied fields as rapidly as capital can be secured, to the end that Canada may, as far as possible, supply her wants from domestic sources.

The existing systems of tariff and bounty encouragement are proving of the utmost benefit to Canada; but these operate only upon a few forms of iron and steel, in which steel rails, certain of the heavy forms of structural steel, and all the other articles herein alluded to, are not included; and our manufacturers are now at a point where proper legislation must be enacted, if these newer forms are to receive encouragement similar to that offered to cruder forms.

Having reference to the changes which we think should be made, we direct attention to the fact that at the present time structural steel weighing up to 35 pounds per lineal yard is dutiable at \$7 per ton; and it would seem to be the simplest way to effect the desired purpose to include all heavier sections now provided for in item 228 of the tariff in item 227, making the duty \$7 per ton throughout. The reason why the \$7 per ton duty was imposed upon structural steel weighing less than 35 pounds per lineal yard was because such material was, and had been for several years, manufactured in Canada, the Government recognizing the fact and protecting the industry to that extent. The same applies also to rails weighing less than 45 pounds per linear yard, such rails for several previous years having been made in Canada, and for that reason were protected.

Steel rails for electric street ćars and tramway purposes are now dutiable at 30 per cent., and the same rate of duty is imposed upon ordinary light rails weighing up to 45 pound, per yard; but all rails besides these, weighing over 45 pounds per yard are admitted duty free; and in this matter no logical reason can be shown why capital and labor employed in producing heavy rails should not receive the same protection and encouragement as the capital and labor employed in making rails for electric roads, or rails lighter than 45 pounds per yard.

Another feature in this connection is that there is an opening for the practise of fraud against the revenue in the importation of rails for electric roads in that rails for that