

I hope I have answered my hon. friend.

Sir CHARLES TUPPER. I suppose it is owing to my obtuseness, but I do not yet understand the hon. gentleman. As I understand him, suppose a country receives the products of Canada upon the same terms as it receives the products of the United States and Germany, is that country regarded as receiving the products of Canada upon the same favourable terms as the reduction that the hon. gentleman proposes will be extended to it?

The MINISTER OF FINANCE. The question will be whether, on the whole, the terms are as favourable as we ourselves offer in our reciprocal tariff. Now, I beg, with your permission, to read the terms of schedule "D" referred to in the enacting clause:

On all the products of countries entitled to the benefits of this reciprocal tariff under the provisions of section—

Left blank. The number will have to be filled in corresponding to section 15:

—the duties mentioned in Schedule "A" should be reduced as follows:—On and after the 23rd day of April, 1897, and until the 30th day of June, 1898, inclusive, the reduction shall, in every case be one-eighth of the duty mentioned in Schedule "A," and the duty to be levied, collected and paid shall be seven-eighths of the duty mentioned in Schedule "A." On and after the 1st of July, 1898, the reduction shall in every case be one-fourth of the duty mentioned in Schedule "A," and the duty to be levied, collected and paid shall be three-quarters of the duty mentioned in Schedule "A"; provided, however, that these reductions shall not apply to any of the following articles, but such articles shall in all cases be subject to the duties mentioned in Schedule "A," namely; ales, beers, wines and liquor, sugar, molasses and syrups of all kinds, the product of the sugar cane or beet root; tobacco, cigars and cigarettes.

These are items which are large producers of revenue, and we think it is not desirable that there should be two rates of duty as respects these articles. With the exception of these articles mentioned, and they are very few, this preferential rate should apply to all the products of Great Britain and to all the products of any other country which is willing to put itself on the same terms as Great Britain, or on terms which will be regarded by the Government of Canada as coming within the privilege designed by this resolution. I have another resolution that I desire to read. The Liberal platform from which I read an extract to-night, declared that a protective tariff had fostered monopolies, trusts and combines. These combines, I am afraid, have not wholly been destroyed, I think there are some of them in Canada now; and I propose to give them a certain notice that they may govern themselves accordingly. Therefore, we propose a resolution which we hope will be useful. I know how difficult it is to reach the combines. I know how ingenious they are, and there is

the barest possibility that they will be able to climb over this resolution. But that is no reason why we should not make an effort to deal with what is regarded as a great evil in the community. I propose this resolution:

That whenever it shall appear to the satisfaction of the Governor in Council that as respects any article of commerce there exists any trust, combination, association, or agreement of any kind among the manufacturers of such article, or the dealers therein, or any portion of them, to enhance the price of such article or in any other way to unduly promote the advantage of such manufacturers or dealers at the expense of the consumers, and that such disadvantage to the consumers is facilitated by the customs duty imposed on a like article when imported, then the Governor in Council shall place such article on the free list, or so reduce the duty on it, as to give to the public the benefits of reasonable competition in such articles.

Perhaps, Sir, before I go further, I ought to say something to the House in answer to the suggestions of my hon. friend from York (Mr. Foster) as to the amount of duty to be gained or lost by these changes. I have to confess frankly that it has not been found possible to make a very elaborate calculation on that point; it is difficult to make a calculation of what amount of duty will be lost or gained under the scheme which I have the honour to submit to the House. As respects a few items, we believe that the reductions made in the duty will undoubtedly involve some loss of revenue; as respects the tariff generally, with the exception of these few items, we think that, while the reductions will be very considerable and of great value to the people, they will be balanced to a large extent, if not altogether, by the expansion of trade which we believe will follow the adoption of this policy. It is not to be assumed that because the duties are reduced therefore, the revenue will be reduced. On the contrary, it is quite conceivable that by a policy of reduction of duty you may increase your revenue; in like manner, it is conceivable that by a policy of increasing your duties, you may not increase your revenue to the extent that you anticipate. Speaking generally, our expectation is that upon a large number of the items, in fact, upon the tariff generally, with the exception of a few items the reductions will amount to a very considerable sum to the consumer; but there will be such an expansion of trade that practically there will be no loss of revenue. But that would not be true of all the items. There are a few items on which, undoubtedly, we shall lose revenue, and perhaps in the statement I make I shall omit to mention something which ought to be considered, because I have frankly to tell the House that the matter is one in which it is somewhat difficult to be precise. I think, however, that in the matter of iron, owing to the large reduction which we make, for example the reduction on pig iron from \$4