

send for persons, papers and records, said: The subject of this motion is one of considerable interest to a large portion of our people. For a considerable time last year the price of coal oil rose to a very high figure, and that, compared with the cost of production, must have given an immense profit to the small number of men who were engaged in the production and refining of coal oil. The opinion amongst the people of the country, and especially amongst those most deeply interested, namely, the rural population, was that a coal oil ring existed, and under the operation of the protection given to the coal oil industry by the Bill of last Session, the inspection was so much increased above what Parliament had decided would be fair, that the result was the formation of a ring which derived an undue profit from the business. Now, it is a well known fact that coal oil can be produced at about nine cents per gallon. It was retailed a few years ago by the refiners at nine cents per gallon, and they did not suffer any loss. Why coal oil should have risen, therefore, to the extraordinary price of thirty-five or forty cents per gallon is certainly alarming to the consumers of that article. I think that there must be something wrong, and in order to have this matter thoroughly investigated I have given notice of this resolution. I wish to point out how the protection of six cents per wine gallon, given by the Parliament of Canada a few years ago, has been increased through the operation of the Bill passed last Session. In the first place, the cost of inspection of American oil is greater than the cost of inspection of Canadian oil, which gives a difference of two-fifths per cent in favor of Canadian oil in the cost of inspection. I am informed also that the difference in the flash test between American and Canadian oil gives a considerable additional protection above what was considered in the interest of that industry, and the result is that to-day we have a protection in favor of the coal oil industry of close upon ten cents per gallon. During the administration of the late Government one of the strongest cards of the Opposition was the unfairness of giving to the coal oil industry a protection of over 100 per cent. It seems to me rather inconsistent on the part of the present Government, and I regret to state it, to allow the same protection virtually to exist in favor of the coal oil industry which existed under the late Government, and which the Opposition so strongly denounced. I, for one, feel that I would not be consistent if I did not call the attention of the House to this matter, because, when in Opposition I denounced this unfair protection on several occasions. We recollect that during the late Administration, there was a coal oil monopoly by which millions of money were wrung out of the pockets of the people. There are particular circumstances connected with the coal oil industry which do not exist with regard to any other industry in the country, why that business should not have so large a measure of protection. This industry is not subjected to competition like other industries. When the woollen industry is protected, every man in the country possessing capital and enterprise can participate in the profits on that industry, should he desire to invest, and the result is that competition brings down the price to a proper level. But with the coal oil industry it is entirely different. It rests in the hands of a few men, and they have the power of forming a monopoly. I think nothing could be more disastrous to the National Policy than to allow an industry such as this to wring out of the pockets of the people more than a fair profit, as I maintain has been done during the past summer. We find that the amount of coal oil consumed in Canada is something like 3,656,365 gallons. It was retailed at thirty-five cents per gallon, and in some districts as high as forty and forty-five cents, and the amount of profit upon these sales, over and above what is fair and legitimate, would be for the year \$806,800. With regard to the flash test, of course, we all desire to see every safety

Mr. ORTON.

possible afforded to the public; but I think what is safe for the American people ought to be safe for us, and that 115 degrees of temperature, which is the point at which Canadian oil must explode before it can be put on the market, might also be applied with fairness to the American oil. I do not see why there should be any distinction. Upon looking up the various Acts of Parliament I find that in 1868 a law was passed providing a uniform test of 115 degrees. In 1877 the leader of the then Government passed a measure, making the test 105 degrees, and making it uniform. I am informed that there was some Order in Council which I have been unable so far to obtain, by which there was a distinction made between the American oil and the Canadian oil. I suppose the result of that was somewhat unsatisfactory, and last year Parliament passed a new law establishing a low test. I am also credibly informed that the character of our oil has not been improved to any extent by the operation of the Act of last year. Dealers have told me that a great deal of inferior oil has found its way into the market. It becomes, therefore, a matter of grave consideration whether the Government should continue to give this unusual protection to this industry. One of the reasons assigned by coal oil men for so high a protection is that from American crude oil 75 per cent. of live petroleum can be obtained, while from Canadian oil only about 37 per cent. can be obtained. Upon enquiry at the department, I could not ascertain that any scientific test has been made by the department to ascertain whether this is the case or not; but I think we ought to have some definite information on that point. It is also said that in consequence of the lower specific gravity now required, the cost of production has increased. From enquiries I have made, I am of opinion that the public interest does not require a specific gravity lower than 8.07 or, at least, 8.05. The specific gravity could be increased from 8.02 to that point without deteriorating the coal oil, and, I am informed, at much less cost, and the industry could then do with less protection than it has now. It, indeed, becomes a question whether it is advisable to maintain an industry which costs so much. I have been told by persons coming from England to reside in Canada, that the cost of coal oil is greater here than in England, where it is not produced at all. When an industry has so high a protection, and those connected with it abuse their privilege, they ought at any rate to be taught a lesson. I draw attention of the Government to this matter more particularly in the interests of the rural population. We hear a great deal about the manufacturers and their interests; we hear that protection to manufacturers caused the creation of the National Policy. I do not wish to detract from the credit due to our leading manufacturers for their efforts in that great movement, but it was the great change which took place in public opinion among the rural population which enables this Government by so large a majority to carry into effect that policy of which we are so proud, and it is with the desire of perpetuating the National Policy that I draw the attention of the Government to the anomaly which exists in the case of coal oil, and which may do more to bring odium on the National Policy than anything else. I am informed that I shall not receive the support of the Government in the view I take, which I regret very much, although I understand that they intend, by means of a new instrument, to secure more uniformity in the flash test. This will not strike at the root of the evil, however, and I should like to see them go very much further.

Mr. MOUSSEAU. My hon. friend deserves great credit for the energy and activity with which he always attends to the interests of his constituents, and especially those of the farming community. In this instance the hon. gentleman in his zeal has done injustice to the policy of the Government. Mr. Brunel, in his able report, clearly exposed the difficulties which were