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THE ROLLING MILL INDUSTRY.

As the time draws near for the meeting of the Dominion Parliament, when without doubt some important changes will be made in the iron schedule of the tariff, the rolling mill men are showing considerable uneasiness, believing that one of the changes will be to increase the duty on scrap iron. Those engaged in this industry are keen business men who have profited to the fullest extent by an anomaly of the tariff which has unduly enriched them, and at the same time has been one of the great causes of the non-development of the blast furnace industry to a much greater degree than that which now characterizes it. It was a noble and patriotic desire on the part of Sir Charles Tupper when he was Finance Minister to foster and develop a comprehensive iron industry in Canada; and while his plan was a good one in many of its features, there were other features of it that have marred and blighted the symmetry of the whole, absolutely preventing any material advance along the lines that he so fondly hoped would in a brief time make Canada distinguished as an iron

producing nation. He made the mistake of supposing that the low duty of \$4 per ton on pig iron would be sufficient to develop our blast furnace industry, subsequent events proving that that duty was too low; but instead of increasing it as should have been done, a not over satisfactory amendment was made by which a bounty of \$2 per ton was bestowed upon the production of iron in Canada from Canadian ore. It was a mistake not to have made the duty \$6 per ton in the first place; and if this had been done, there would not have been the subsequent necessity of granting the bonus. No good objection can be advanced against the duty of \$9 per ton upon slabs, blooms, puddled bars and other forms less finished than bars, and more advanced than pig iron; or against the duty of \$13 per ton upon finished bar iron; but it was a disastrous blunder to impose a duty of only \$2 per ton upon wrought scrap iron. When it is remembered that pig iron is the first and lowest form of iron; that before finished iron can be made the pig iron must undergo the process of puddling, and that wrought scrap iron is iron that has been puddled, and only needs heating and rolling to make it into desired forms of refined iron; it will be seen that by the use of scrap for the manufacture of bar iron, instead of slabs or blooms or puddled bars, by which a great saving is made to the rolling mills, there would be no inducement for the rolling mills to operate puddling furnaces; and that if a big demand did not exist for pig iron for puddling purposes the demand for such iron would be restricted to that extent. No one attaches blame to the rolling mill men for taking full advantage of the circumstances thrust upon them by Sir Charles Tupper's blunder, although that blunder has been so disastrous to the furnace men and to the country generally; but it is the undoubted duty of the Government to correct the mistake.

The discussion of this phase of the tariff has been going on for a long time; and this journal was the first to agitate for the much needed reform. It has always argued that it was never the spirit or intention of the National Policy to make it possible that any industry should reap any extravagant advantage because of any provision of the tariff. It is not an enemy of the rolling mills, but a consistent friend to the manufacturing industries of Canada generally; and it is our opinion that with this anomaly of the tariff corrected, and the duty upon scrap iron increased to at least that upon puddled bars—\$9 per ton—no further changes would be necessary in duties upon the primary forms of iron. Our reasons for this belief have been given repeatedly.

The discussion of this question has become so interesting that some of the leading men engaged in different branches of the iron industry have seen proper to express their views upon it in the public press. Mr. A. T. Paterson, of the Londonderry Iron Company, has given some excellent reasons why the duty upon scrap iron should be increased; and Mr. George E. Drummond, of the Canada Furnace Company, has discussed the matter in an address recently made before the Quebec Mining Association. On the other hand a leading Montreal rolling mill owner ventilates his side of the question and attempts to show that the existing low duty on scrap is essential to the prosperity of the country.

The gist of his argument is that since the inception of the present tariff no efforts have been made by any Canadian furnace company to supply the requirements of the rolling