

tal 20 per cent. I still maintain that after allowing 20 per cent on capital there is a surplus of \$434,000 unaccounted for, which is a burden those have to bear every time they buy machinery in the west. Every time a farmer has to purchase machinery he helps to bear a part of that burden. Now, I want the leader of the government to refute this argument if he can, or to say that I am incorrect in my figures. I am taking the figures as they are put into my hands, in fact, I take the figures used by those who desire to sustain the protective policy.

Hon. Sir MACKENZIE BOWELL—Your figures may be right, but your deductions are wholly wrong.

Hon. Mr. BOULTON—It is for somebody to put me right then upon my deductions. I claim that according to the figures, I am correct. I wish these figures to be explained away if possible. I wish that surplus of \$430,000 to be explained away if it can be. I find it is used as an argument that the value of the manufactures produced is \$476,000,000. It is clear that there is between the value of the machinery produced by the Massey Manufacturing Company and the cost of its production a profit of \$430,000 after providing for 20 per cent interest on capital.

Hon. Mr. KAULBACH—Could you buy the same article cheaper in the United States?

Hon. Mr. BOULTON—Allow me to prove my case first. What I am intent upon proving is that the burden of taxation upon our individual industry is four times the amount which is raised for the revenue of the country, and I claim that it is an injustice to the people whom I represent that they should, in pursuing their avocations, have to bear such an enormous burden in order to raise a revenue.

Hon. Mr. KAULBACH—How can there be any burden upon the people when you can buy as cheaply as in the United States?

Hon. Mr. BOULTON—You cannot. Iron costs \$9 or \$10 a ton in the United States. The Massey Manufacturing Company in making their purchases have to pay that \$9 or \$10 per ton, plus the amount of duty, and the manufacturers of the United States ought to be able to produce the machines that much cheaper.

Hon. Mr. McCALLUM—They are cheaper in Canada.

Hon. Mr. BOULTON—They are not cheaper. Competition is the great leveller. If you throw the Massey Manufacturing Company into competition with the manufacturers of the United States the result will soon be obvious.

Hon. Mr. McCALLUM—They are cheap enough now.

Hon. Mr. BOULTON—I am not arguing that point, however cheap they may be in consequence of the general fall in prices the world over they are artificially raised for us over the world's competition and that neither labour nor raw material share in that artificial raising. What I wish to show is that the government themselves recognize that the Massey Manufacturing Company are resting under a disability in the direction I have indicated, in regard to their power to export, for they have taken off the duty for the Massey Company in order that they might make the machines cheaper, and by that means promote exportation beyond the bounds of Canada, in their competition with the United States manufacturers in foreign markets, thus enabling the company to enjoy the profit to be derived from the establishment of a foreign trade. In other words, the government of Canada put the Massey Manufacturing Company in a position to make agricultural machinery cheaper for the people of the Argentine Republic, Australia and Russia (who are wheat growers and with whom we have to compete in the open market of Great Britain for the sale of our wheat) than for the Canadian farmers, and we have to pay a bonus to enable the company to supply these foreign nations with cheaper machinery than we ourselves are able to purchase—is that justice?

Hon. Sir MACKENZIE BOWELL—It is incorrect.

Hon. Mr. BOULTON—Is it not correct that you are giving them a rebate of duty?

Hon. Sir MACKENZIE BOWELL—It is not correct to state that articles which are manufactured in Canada are sold any cheaper in Australia than they are in Canada.