

lect visiting a most interesting establishment for the manufacture of leather, opposite the city of Fredericton, in New Brunswick. This company has not a large capital, it is true; they could do more if they had more capital. They manufacture a particular kind of leather, for the lining of carriages and railway passenger cars. Since the establishment of that factory, that description of leather has been sold for from 20 to 25 per cent. less than it could be bought in the city of Boston. Now we come to another important industry that has been referred to by hon. gentlemen opposite, that of agricultural implements. That is an important industry in this country, and gives employment to immense numbers of men. Under the present Tariff, they have nearly the whole of the market of the Dominion of Canada. With reference to Manitoba I think that during the first six months of this year only \$3,000 duty was collected on mowers and reapers imported from the United States, as against \$70,000 in the same period of the year before. That industry has so developed that the manufacturers now control nearly the whole of the home market. They are, however, asking for the free admission of a description of iron not made in the country. They also ask that the regulations of the Customs Department should be so construed as to put on the free list certain kinds of steel for use in that manufacture. There was a question as to whether that description of steel was subject to duty or not. The Government felt disposed to make every reasonable concession in that respect, and gave them the benefit of that. But what do they represent to the Government? One gentleman brought me a memorandum showing that under our Tariff they would have to pay \$6,000 a year more of duty on the iron and other materials that they imported than they had paid the year before. The question was asked, can you not increase your prices? and they answered that they could not. I visited one establishment where the proprietor told me that in 1878 they turned out 1,800 mowers and reapers, last year 2,500, and this year they are manufacturing 4,000. They pay into the revenue on the material which is used more than they paid under the old Tariff; the mowers

and reapers cost no more to the farmers who require them, and the men who manufacture them make a larger profit on the increased number they are producing, and an increased number of men receive employment in their manufacture. Why, some of these gentlemen ask for an increase in the present Tariff, in order to exclude from Manitoba American machines, and I, for one, would have no hesitation in recommending to my colleagues an increase in the duty, so that the Tariff might prevent importation from abroad, if the present Tariff should not be found to do so, in order that they should have the entire home market, as they are producing articles at such a moderate price. Now, we will come to the nail industry. It was stated in my own Province and in Quebec that an increase of the duty from 5 to 17½ per cent. on the iron would compel the manufacturers to raise their prices, but I found that in those Provinces they were selling nails for less than they could be bought in Boston.

MR. MACKENZIE: What has Boston to do with it?

SIR SAMUEL L. TILLEY: That is where the sharpest competition is. They manufacture a larger amount of nails, the consumer pays very little more for them than formerly, we get a duty on the raw material, and they make profits on the increased manufactures. There is an illustration of how our industries really are benefitted and the Treasury not injured, because we get in return a considerable increase on the raw material and duty on goods consumed by the operatives as an equivalent for what we lose on the articles that were previously imported. The hon. member for Westmoreland (Sir Albert J. Smith), asked me, in reference to the flour duty, "Is the gentleman who wrote that letter in favour of the duty?" I answered that he was; and, from his manner of putting the question, I inferred the hon. gentleman placed less importance on his testimony on that account. On this point I will give the testimony of a gentleman who is well known to be a most determined opponent of the National Policy. That gentleman resides in the Province of New Brunswick, and publishes a paper there, the leading organ of the hon. gentlemen opposite. I will quote from