

must be paid. I think this is class legislation that should not be allowed to exist in any country. The smaller manufacturer is placed at a disadvantage—

Some hon. MEMBERS. Order.

Mr. WOOD (Hamilton). If I am not in order, I will not continue. The small manufacturer who is not able to import these goods may buy them from a merchant who imports them, and so he has to pay the duty, while the large manufacturer who can afford to import the goods in large quantities—

Mr. DEPUTY SPEAKER. I think the hon. gentleman is out of order.

Mr. WOOD (Hamilton). I am simply putting a question in shape for the hon. Minister to give an answer—

Some hon. MEMBERS. Chair, chair.

Mr. WOOD (Hamilton). The large manufacturer can import these goods free while the smaller manufacturer must pay the duty.

Mr. DEPUTY SPEAKER. Order.

Mr. WOOD (Hamilton). I asked the hon. Minister if he would answer the question, and he said that he would.

The MINISTER OF FINANCE. I sympathize to a considerable extent with the feeling of the hon. gentleman as to the embarrassment that arises from having a duty so arranged that an article comes in at one rate for one purpose and at another rate, or perhaps free, for another purpose. I will only say that I think in some cases it will be found we have removed these anomalies; but I frankly confess that a number of them remain as we did not find ourselves with sufficient time to deal with them as we would desire. I think a time we are reducing the duty on manufactured goods, and thus, perhaps, giving the manufacturer an anxious time, is not the best time to take away from him any privileges he had in the way of concessions on his raw material. So we are disposed to allow these things to remain at present, though I confess I do not like them any better than my hon. friend (Mr. Wood, Hamilton) does.

Mr. DUGAS. Did I understand the hon. Minister to say there was a duty on raw leaf tobacco?

The MINISTER OF FINANCE. I think that, so far, no mention has been made of that, but I may have occasion to mention it before I sit down. I propose now to read one of a series of resolutions dealing with the particular subject of the reciprocal tariff. Of course a number of the resolutions are of a purely formal character, and I shall not detain the House with them; but one or two are of special importance, and one is of paramount importance, as follows:—

Mr. FIELDING.

That when the customs tariff of any country admits the products of Canada on terms which, on the whole, are as favourable to Canada as the terms of the reciprocal tariff herein referred to, are to the countries to which it may apply, articles which are the growth, produce, or manufacture of such country, when imported direct therefrom may then be imported direct into Canada or taken out of warehouse for consumption therein at the reduced rates of duty provided in the reciprocal tariff set forth in Schedule "D."

That any question that may arise as to the countries entitled to the benefits of the reciprocal tariff shall be decided by the Controller of Customs, subject to the authority of the Governor General in Council.

That the Controller of Customs may make such regulations as are necessary for carrying out the intentions of the two preceding sections.

We propose to mention the articles on which we do not propose to grant the special concession, and that all the other articles not being so enumerated, should be entitled to the benefit of that concession. Our proposal is that as respects all the articles not excepted in the way I have just mentioned, there should be a reduction, not all at once, but in two steps, one part of the reduction taking effect instantly, and the second part taking effect a year later; and with these two steps we propose there should be a reduction of one-fourth as respects the duties upon all articles imported from Great Britain, or from any other country which will deal favourably with us.

Sir CHARLES TUPPER. From the statement of the hon. gentleman, I do not quite understand what he means by "dealing favourably with us." It appears to me very important that we should understand what the hon. gentleman means.

The MINISTER OF FINANCE. Perhaps the resolution which I had the privilege of reading my hon. friend did not catch as fully as I desired. It reads as follows:—

That when the Customs tariff of any country admits the products of Canada on terms which, on the whole—

I wish to emphasize that, because we may find that they admit our products at one point on favourable terms and that at another point on terms which we may regard as unfavourable. They might admit one article at a fair rate, and some other article at a high rate. Therefore we want to average the thing and say that if their tariff is favourable to us on the whole, then we propose to regard them as coming under this privilege.

—are as favourable to Canada as the terms of the reciprocal tariff herein referred to, are to the countries to which it may apply, articles which are the growth, produce, or manufacture of such country, when imported direct therefrom, may then be imported direct into Canada, or taken out of warehouse for consumption therein at the reduced rates of duty provided in the reciprocal tariff set forth in Schedule "D."