

products of our industry over the whole of Canada. We sent out this year, I think, in the neighbourhood of 15,000,000 bushels of wheat, worth to us at our various stations delivered, from 38 to 40 cents per bushel, this year. But that is not the only amount distributed: the distribution of capital on the products of our industry was by the time it reached the seaboard nearly 80 cents a bushel. So by the product of our industry we are able to distribute 15,000,000 bushels of wheat at 80 cents a bushel before it leaves Canada for export. The value of that industry to Canada is enormous, and anything that will increase the development of it will add to the greatness, prosperity and wealth of Canada. What are you doing by the present policy? You are imposing a tax of 40 per cent on the value of the plant that we require to carry on this industry profitably, and it is having a very depressing effect on the producing power of that great western country. I will take out one interest here, and I am not specifying it maliciously, but, because I can fix the name of the manufacturer exactly. It is in the city of Toronto. In that city there happens to be only one manufacture of the kind, and that is the Massey Manufacturing Company. We find here that this company has a capital of \$42,000 invested in that land on which their buildings are erected; \$75,000 invested in their plant, and \$75,000 invested in their buildings—altogether \$200,000, in what is called their fixed capital.

Hon. Mr. McCALLUM—Is that in the city of Toronto?

Hon. Mr. BOULTON—Yes.

Hon. Mr. McCALLUM—What about Brantford and other places?

Hon. Mr. BOULTON—I am only dealing with their industry in Toronto. The Brantford works are enumerated with others in South Brant. Their working capital is \$1,000,000—that is, their banking capital to keep their stock of material on hand, etc. They employ 575 men. They pay in wages \$250,000 a year, and for raw material \$350,000 yearly. I maintain that if we allow the Massey Manufacturing Company 10 per cent interest on their \$1,200,000 capital we are allowing a very fair rate of profit, especially as \$150,000 of it only is subject to fluctuation in consequence of wear

and tear. The balance of it is not. Taking 10 per cent. on their \$1,200,000 capital, it represents \$120,000 a year profit on the capital as shown by this return. Then take \$250,000 wages to add to that, makes \$370,000, included in the wages they pay out, and interest on their capital. Add to that \$350,000, for raw material which they pay for. Now, that is \$720,000. That should, I think, in the minds of all fair-minded men be considered a fair representation of the cost of making their machinery. They sell it and make their profit on the sales in other directions and through their agencies, but that is the cost of making their machinery, so far as shown by them from the census returns. That information could only be got from the manufacturers themselves. The census commissioner goes round and visits every manufacturer in the country, and obtains this information for the guidance of the public. That information is given to them by the Massey Manufacturing Company, presumably in good faith, and it is shown there that \$720,000 is the cost of making their machinery after allowing them 10 per cent on the capital invested. What is the return in the column opposite their name as the value of the articles produced? It shows that the value of the articles produced is \$1,250,000, or a clear profit on the manufacture of their agricultural implements of \$530,000, on an investment of \$1,200,000.

Hon Mr. KAULBACH—Do they not sell them as cheaply as in the United States?

Hon. Mr. BOULTON—I want the United States to be able to sell machines here on the same terms as are accorded to the Massey Manufacturing Company. I do not want that company to make such a tremendous profit in consequence of the protection afforded them. I do not want the people of this country to bear the burden of double, yes quadruple, taxation in order that the Massey Manufacturing Company may be so highly protected.

Hon. Mr. McCALLUM—The hon. gentleman says that 10 per cent is enough to cover interest on capital and all risk of losses: would not 20 per cent be nearer the mark?

Hon. Mr. BOULTON—I will add 10 per cent more and make the rate of profit on capi-