

we would understand his position. My hon. friend is interested in all the various interests of this country, and everybody knows he has never failed to work them up as far as he is concerned, and he should have said here: I am mistaken, I see these beautiful fields of iron and coal, contiguous to one another; I see a market at home, the great North-West, which wants steel rails, fish-plates, bolts, &c., and instead of bringing it from a foreign country, I am willing to pay 10-cents per 100 lbs. more, and will bring in a resolution saying I do not agree with the policy of the Government, but as the country has decided for this policy, I will gracefully come in and acknowledge my error by proposing a tariff that will set all the iron mines in Nova Scotia going. Let us sink party differences and do what we can to build up this country. We may be wrong and those hon. gentlemen may be right, but still we are endeavoring to do what we can to find employment for our people; and I hope my hon. friend will withdraw his motion, and join us in asking for an increase in the duty on pig iron of \$4 or \$5 a ton, and an increase in the duty on bar iron.

Mr. PATERSON (Brant). My hon. friend from King's (Mr. Domville) has sufficient parliamentary knowledge to know that the hon. gentleman to whom he made his appeal for an increased duty on pig iron, is not in a position to comply with his request. He might have turned to the hon. gentleman at his left and made the appeal to him. It is not necessary to follow the hon. gentleman through the whole tone of his argument. He was unable to hear the figures that had been given by the hon. member for St. John, and consequently made some statements upon them which were entirely unwarranted. He has made one thing clear, however, and I have no doubt he has succeeded in convincing the Minister of Finance that, though he cannot concede the motion of the hon. member for St. John to be a proper one, he should be convinced surely by the argument of the hon. member for King's that in imposing a duty of \$2 a ton on pig iron he, instead of benefitting the country or any industry in the country, he has done an injury to many of the manufacturing industries of the country. My hon. friend has been consistent in his line of argument. Last year, I think it was, he presented, as Chairman of a Committee, a petition signed by some forty members of this House, stating to the Minister of Finance that the \$2 duty per ton on pig iron was inoperative in its nature, so far as the development of our iron mines were concerned. That, Sir, is a fact that must be apparent to everybody. I myself share in the desire of the hon. member for King's, to see our iron industries developed, if that were possible without too great a permanent injury upon our other industries. It has already imposed a serious burden upon those of our manufacturing industries that employ the greatest number of skilled workmen and mechanics, and has produced no beneficial results. It has been in operation three years or more, and has been fairly tried. The Minister of Finance, in responding to the memorial presented by the forty members of Parliament, promised that he would give it his serious consideration before the present Session. He has introduced certain Tariff changes, but we see nothing in the direction of either increasing the duty, which the hon. member for King's says would produce beneficial results, or of removing the duty which is injurious so far as the development of the iron industry is concerned and highly detrimental to many other industries, as has been pointed out by the hon. member for St. John.

Mr. DOMVILLE. My hon. friend from the city and county of St. John did not claim that it had been detrimental to any industries, but that it had increased the cost of the articles to the consumer.

Mr. PATERSON. So I understand by the increased cost my hon. friend means it has imposed burdens upon the

Mr. DOMVILLE.

people, taxes which they have had to pay. Now, I will consider the position of my hon. friend from King's with reference to the operation of the duty on pig iron. The hon. gentleman's utterances are recorded in *Hansard* when he brought this matter before the House last Session, when he said that a duty of \$2 a ton on pig iron had succeeded in doing only one thing. What was that one thing? It was to give the Londonderry Iron Company a complete monopoly so far as they were concerned. The operation of that duty upon pig iron serves no other purpose than putting \$2 per ton on Londonderry iron that the country uses. The hon. gentleman will not deny that, because he puts it in language as forcible as I can do, He says:

"The House will perhaps allow me a word or two in reply. I claim that on the adjustment of the Tariff there was not sufficient difference made in order to enable us to be on the same basis as before; and we ask to be placed upon that basis. We believe that while a duty of only \$2 a ton is put on pig iron, the Londonderry Iron Works have practically a monopoly, and they will not offer sufficient inducement to anybody else to put up blast furnaces, because they say that with a duty of \$2 a ton they have a market, and if you give us \$3.50 we have an assured market, we know that we have an assured consumption market, and we can afford to sell iron as cheap as it is sold to-day. We do not ask the difference in the duty as a bonus to ourselves; all we ask is an assured market. The Londonderry Iron Works have really no competition, because the duty has been placed that no one else would put up works on an uncertain market. They are unable to sell pig iron and they follow two trades, for they are not only pig iron producers, but they enter into competition as manufacturers of iron, for they have a rolling mill; and while they decline to sell pig iron to those who are engaged in the rolling mill trade, they use it themselves, and say they ought to be protected, because they are producers of pig iron. You find that in running these furnaces they produce from classes of iron, Nos. 1, 2, 3 and 4; and they only produce No. 4 iron fit for puddling enough for their own use; they have none to sell, and consequently they enjoy a monopoly. When the Minister of Finance framed his Tariff it would have worked admirably on a high rate of duty, but when the market rules low, it rules very severely against us."

Now, that is the marked effect of that duty upon pig iron, put upon the Statute-book and maintained there in face of the fact being pointed out by the hon. member for King's, that the practical effect was to give the Londonderry Iron Works \$2 per ton on every ton of iron they made. Now, when this duty was imposed hon. gentlemen opposite prophesied the great benefits that would result from the imposition of the duty on pig iron. I am free to say that if these anticipated results had been in any degree realized I would not have objected to that item remaining on the Statute-book. We find the hon. Finance Minister saying this when he spoke of pig iron in the Tariff debate:

"If this be so, we may reasonably expect that in the western part of our Dominion, in Nova Scotia, in the valley of the Ottawa, in the Provinces of Quebec and New Brunswick we shall have some branches of this manufacture springing up and producing the most beneficial results."

Those were the predictions of the Finance Minister as the result of the duty on pig iron. Blast furnaces in western Ontario and in the valley of the Ottawa were to be established; the sun was to be almost darkened with clouds of smoke arising from those furnaces; the sound of iron industries was to be heard in New Brunswick, and away in Nova Scotia, where they have iron of good quality and coal lying side by side, there was to be a great development of the iron industry. That was the reason assigned by the Finance Minister for the imposition of the duty; and three years afterwards he finds that the industry has not developed in the slightest degree, that the foreign trade in pig iron has been increased, and that the duty has enhanced the cost of the article and taxed the people for the benefit of one firm. I ask the House if it is not reasonable that, in view of this state of things, the resolution now before the House should be allowed to pass; it has utterly failed in developing the iron mines of the country, and it has resulted in placing \$2 per ton in cash in the pockets of the Londonderry Iron Company for every ton produced.