

6. Iron and manufactures of iron. Iron in bar, rod, sheet, &c., has been taxed heretofore at the low rate of duty of 5 per cent. The value of the importations of 1878 was about \$2,400,000, of which Great Britain furnished about \$1,600,000. The duty has been increased to 10, 12, 15, and 17½ per cent., but the largest proportion must still be imported from Great Britain, as the prices ruling in the United States would not admit of its being purchased there, and the only diminution of the trade at all probable will originate in an increase of Canadian manufactures, but this will much more largely affect the imports from the United States of other classes of similar goods.

7. In manufactures of iron the arrangement is still more favourable to Great Britain. The total value of the imports in 1878 may be stated at \$3,300,000. Of this amount the United States is credited with \$2,437,000, consisting of castings and the coarser descriptions of hardware, while the balance of \$861,500 consisted of cutlery and a variety of the finer manufactures of iron and steel such as neither the United States nor Canada can at present supply. The increased duty on these articles ranges from 2½ to 7½ per cent., and in some minor items to 10 per cent. The smallest increase is that which applies to British manufactures, or goods chiefly imported from Great Britain, while the heavier rates of duty will fall upon goods now imported from the United States, but which can and will be produced in Canada.

8. Books, periodicals, &c. The duties on these goods have been arranged with special regard to the higher classes of literary productions. The effect of the change from an ad valorem duty of 5 per cent. to a specific duty of 6 cents per pound will be that the revenue will be principally collected upon publications of small literary worth; while valuable works of a scientific character and others which sell at high prices will pay but a small percentage upon their value; books of equal bulk but of little intrinsic value will pay a much higher percentage. The former character is specially applicable to English publications, while an equally large proportion of those from the United States are of a decided inferior description. Bibles, prayer and hymn books are allowed to remain at 5 per cent., and reprints of British copyright works are taxed 12½ per cent., in addition to the duty of 6 cents per pound, for the benefit of the proprietors.

9. The duties imposed upon grain of all kinds, and upon flour and meal, have been graded with reference to the respective values of each kind, and will probably average about 10 per cent. ad valorem. This cannot in any way exert any appreciable effect upon the trade with Great Britain, as the quantity imported from thence, is an insignificant fraction of the whole.

10. Sugar, as will be seen by reference to the table herewith, of the higher qualities is nominally raised from 25 to 35 per cent. ad valorem duty, while the specific duty of 1 cent per pound remains unaltered. This ad valorem duty, however, will now be levied on the net cost of sugars imported direct from the place of growth and production, without any addition for the cost of packages and expenses, and hence it is not really much more than 30 per cent., or 5 per cent. increase instead of 10 per cent. A provision of law is also made whereby the duty on refined sugars imported from any country allowing drawbacks on sugar exported will be collected on its full market price when sold for home consumption. This provision makes the duty on sugars from Great Britain considerably less than that on the same classes of sugar from the United States, the drawback in the latter country being on an average of 2½ cents per pound, on which the ad valorem duty will be collected.

(Signed) J. L. TILLEY,
Minister of Finance.

STATEMENT showing the QUANTITY or VALUE of the PRINCIPAL ARTICLES imported into the DOMINION OF CANADA from GREAT BRITAIN and the UNITED STATES, also the RATES OF DUTY payable thereon under the OLD and NEW TARIFFS respectively.

Articles.	Imported in 1878 from		Former Rates of Duty.	Present Rates of Duty.	Remarks.
	Great Britain.	United States.			
Agricultural implements - dols.	9,752	122,053	17½ per cent. ad val.	25 per cent. ad val.	Animals from Great Britain are chiefly for breeding or improvement of stock, and are free of duty.
Animals - - - "	3,084	338,015	10 " "	20 " "	