

Our factory represents a heavy investment and is one of the most modern plants of its kind on the continent. When run to its utmost capacity, it can be made to produce 2,000,000 pounds of glue per year.

We anticipate no trouble in shutting out the largest part of the importations from the United States, which country is exporting to our country only medium and high grades, being unable to compete against the low grades of bone glue made by the European fertilizer manufacturers.

Our present protection on the medium and high grades of glue is sufficient. However, on the low grades of glue, as mentioned above, we should have a protection of 3 cents per pound, in which case we would be in a position to keep down the importation of glue into this country to 10 per cent of the total consumption (as the United States glue manufacturers are doing to-day in their country) instead of 66 per cent as heretofore.

We do not suppose anything can be done now in the matter but are writing you this, so that you may fully understand our position, and we would be very much pleased to give you any further information that you may wish.

Yours very truly,
CANADA GLUE CO., LTD.
PAUL KREISMANN,
Managing director.

I received that communication some weeks ago when the tariff was first introduced. The industry is a new one, it is established on a very large scale and the minister will see from the figures that they are able to produce a very large proportion of the cheap glue that is required in Canada if they get a fair opportunity. Their contention is that they should have a higher duty; a specific duty I understand, upon the low grades of glue. They make no complaint with reference to the higher grades. If the minister would give the matter some consideration, and perhaps let the item stand for a time, I think it would be advisable. We have a very large plant there; the establishment is very well equipped and we would like to be in a position to make it a commercial success.

Mr. FIELDING. I can assure my hon. friend (Mr. Cockshutt) that this matter was very fully considered. I need hardly remind my hon. friend that glue is an article which is largely used by other manufacturers such as woodworkers, as what is called their raw material. Any considerable increase in the duty on glue would undoubtedly be regarded with disapproval by other manufacturers. Still, we had some sympathy with the representations made. We have given them some increase of duty and we have brought into the classification several other items of a similar character so that the position of the glue manufacturer is somewhat better than before. That establishment to which my hon. friend (Mr. Cockshutt) has referred, and which is a very worthy one, will, we think, be able to get along happily under the new conditions.

Mr. COCKSHUTT.

They are better off than they were before. We think we have gone as far as we could without provoking attacks from the consumers of glue who are engaged in the manufacture of furniture and the products of wood.

Mr. COCKSHUTT. Does not a large proportion of the low grade glue come from Germany and other European countries, which would be subject to the highest duty, namely, 27½ per cent?

Mr. FIELDING. The imports of glue come very largely under the general tariff, and even under the surtax. The imports from Great Britain are comparatively small, so that I think the industry will be in a very favourable condition.

Mr. COCKSHUTT. Is the glue, which comes from Germany subject to the surtax?

Mr. FIELDING. Yes.

Mr. COCKSHUTT. What would the surtax be?

Mr. PATERSON. The surtax on glue last year amounted to \$42,000.

Mr. COCKSHUTT. If the imports of glue come from Germany largely, the tariff is more advantageous to the Canadian manufacturers than it otherwise would be.

Mr. FIELDING. Yes.

Mr. COCKSHUTT. I have made these representations to the minister and if he can see his way to grant a small specific duty it would be appreciated.

Mr. FIELDING. I am afraid you would run foul of the other manufacturers.

239. Lamp black, carbon black, ivory black and bone-black, free, free, free.

Mr. FIELDING. The old item is continued, but we have included bone black and carbon black in this classification.

Mr. BLAIN. Are these made in Canada?

Mr. FIELDING. My impression is they are not, but I do not wish to be positive.

250. Paris green, dry, 5 per cent, 7½ per cent, 10 per cent.

Mr. ELSON. I would ask the minister to make the preferential duty on paris green lower than 5 per cent, in view of the fact that a very large quantity of it is used by farmers and gardeners for the purpose of destroying the potato beetle. I see that a large portion of it is imported from Great Britain and not very much from the United States. I would ask that paris green be admitted free under the preference.

Mr. FIELDING. The preferential rate was formerly 6½ per cent, and we have reduced it to 5 per cent so that we are moving in the right direction.