

country shipments were made even to Great Britain. The result of the manufacture of iron in Canada was that higher prices had to be paid for scrap iron here than were paid in the United States. If the rolling mills in Canada were closed up, this material would be practically useless, as the high duty and freights would exclude it from going into the United States, and Canadian manufacturers would lose accordingly. The present tariff had been arranged by the late Government upon the representations of the blast furnaces, with a view of causing the manufacture of iron and steel from Canadian ores. That policy had been tried for a number of years, under varying conditions, and had failed, and the deputation did not believe it could succeed unless the Government desired to increase the duty on finished bar iron and steel very much above the present rate. With a view of encouraging the rolling mill interest and also securing lower prices to the consumers of iron and steel, as well as increasing the revenue, it was suggested that the Government should make considerable reductions in the duties upon raw materials. Under the present tariff it was impossible to import scrap iron with profit, and but a small quantity of steel billets. With reduced duties on these materials and on bituminous coal, the rolling mills could import larger quantities and increase the revenue to that extent. One very important point urged was that if the duties on the finished product of the rolling mills were changed they should be of a specific and not an ad valorem character. This was rendered necessary by the extreme fluctuation in the price of goods in the United States, and also because freights on the raw materials used by the rolling mills formed a large part of the cost of the product, and were, in fact, a specific tax upon the industry.

It was asked that a conference of representatives of rolling mills with the Government should be granted, when the details of the manufacture could be gone into. To this suggestion the Commissioners raised no objection.

In the course of the discussion it was stated by the deputation that the duty on scrap iron was intended to make the rolling mills use puddled bars made in this country. It had not had that effect, but it had increased the cost of bar iron to the consumer. The duty on scrap iron was \$4 a ton net, and on bar iron \$10 a ton.

TACKS AND WIRE NAILS.

Mr. F. H. Whitton, appeared for the Ontario Tack Co., Hamilton, and made a very strong plea for a continuance of the present duties on imported goods in their lines. He showed samples of tacks, sold at retail in Canada for five cents a package, and for which the makers received but 1½ cents. Nor would it make any difference how much cheaper they were sold by the makers, the price to the consumer would be the same. Then on the boxes in which the tacks were marketed, and which could not be made in Canada, apparently, there was a duty, and also on the steel plate used in manufacture. As for wire nails, there was no country in the world that produced the same quality of nail that is produced in Canada, and in the nail business particularly it was necessary that there should remain some protection. The methods of the American manufacturers were such that prices there fluctuated in ways that made it very dangerous for Canadians in the business unless they were protected. In the States every little while a war of extermination was started, and prices went away down, the manufactured article being sold at prices away below actual cost of the raw materials used in its manufacture. It made no difference how good goods were. The first temptation to the consumer was price, and quality came afterwards. One of the greatest values of the association was the betterment in the quality of the goods turned out. It was no use to look to export trade as that was already monopolized by the United States.

Mr. Fielding—There is an American duty on your goods?

Mr. Whitton—There is and is likely to be.

Mr. Fielding—But if they can sell so cheaply and have the foreign trade, do you not think they could very well take off the duty?

Mr. Whitton—No, for the reason that they need the home trade to be able to quote lower rates for export purposes. He believed there was sufficient business in Canada to keep the factories now in existence reasonably busy.

FOUNDRYMEN AND STOVEMAKERS.

A deputation of foundrymen and stovemakers appeared, consisting of Messrs. W. J. Copp, W. A. Robinson, William Burrows, and O. G. Carscallen. Mr. Copp, who voiced the wishes of the deputation, stated that they made their request on the basis of no interference with the iron duties. It was desired that the duty on stoves should remain at 27½ per cent.; that stove patterns, now rated at one cent per pound, and twenty-five per cent. ad valorem, should be dutiable at 27½ per cent., and that the same rate of duty should apply to stove rods, which are now subject to duties of one cent per pound and twenty-five per cent. ad valorem; that emory

wheels, dutiable at twenty-five per cent., should enter at export prices; that sheet iron and sheet steel, subject to a duty of five per cent., and rated as 'No. 17 and up,' should be rated down to No. 14; that the duty on stove patterns, if they cannot be admitted free, be placed at six cents per pound; that ordinary tile used for stove or grate purposes should be subject to a duty of 27½ per cent., instead of thirty-five per cent., as at present; that designs, for which a fee of \$5 is exacted, and which only stand for five years, should be made good for a period of fourteen years.

A number of the firms present stated that they were using large quantities of the iron turned out at the Hamilton works, and it proved quite satisfactory.

Mr. Copp declared he would be quite willing for the American manufacturers to enter the Canadian market if he could gain access to the market of the United States. The American duty on stoves, however, was thirty-five per cent. At the same time he warned the Commissioners against lowering the duties in this country, and weakening the Canadian manufacturers, unless there was a prospect of obtaining equally favorable terms for Canadian stoves entering the United States markets.

MACHINE TOOLS.

Messrs. John Bertram & Sons, of the Canada Tool Works, Dundas, was represented by Mr. John Bertram. Formerly, Mr. Bertram said, American machines, though much higher in price, were in demand in Canada, but now his firm were turning out machinery which was thoroughly abreast of the times. The regular prices of the productions of the two countries were almost the same now, but the American manufacturers had an export price for the purpose of competition in foreign markets. Mr. Bertram said that lately the firm were trying to work up export trade. They had had several inquiries from Japan and they had sent almost twenty per cent. of their catalogues to that country. They had also entered into a contract with a house in Chili. He thought that it might be advisable for the Government to send an agent to second their efforts in the foreign markets. At the last revision of the tariff the duty on machine tools were reduced from thirty per cent. to 27½ per cent., though no interest had asked for it. However, he would like to have the present duty maintained so that they would not have to fight the American low export prices. Sir Richard Cartwright told Mr. Bertram that he would be glad to hear that there was an opening for trade in his line in Japan.

WIRE, AND MANUFACTURES OF.

Messrs. S. O. Greening, of the Greening Wire Co., C. A. Birge, of the Canada Screw Co., and F. H. Whitton, of the Ontario Tack Co., all of Hamilton, testified. Mr. Birge said that there were seven or eight wire manufacturers in Canada, and no change in the present duty was desired, on the ground that it was already insufficient. In view of the difficulty of meeting American competition, he mentioned the fact that in Pittsburgh prices were practically the same on wire as on wire rods, the raw material from which wire was made. No change in the duties on wood screws and iron and copper rivets was wanted, but the duties should be specific wherever practicable. He complained, as other manufacturers had done, of manufacturers sending their surplus products into Canada at prices very much below those in the United States domestic market. He intimated that he had received a communication from a manufacturer across the line containing a statement which should give food for reflection. It was that there were too many manufacturers in the United States, and they had to secure foreign markets for their surplus. "We," said the writer, "naturally look to Canada as the first market to conquer."

The witness underwent a long cross-examination from Mr. Fielding, as a result of his statement that there was an association of manufacturers, and they had an agreement with the merchants regarding prices. This was not for the benefit of the manufacturer, but was done at the request of the merchants, in order that prices should be fixed that would yield a margin of profit to the merchants. He would send the Ministers a copy of the agreement. There was no combine but an association. Personally, he cared nothing for protection, and when prices were normal could hold his own. The duties were necessary when trade in the United States was so demoralized that the manufacturers there were prepared to sell at prices from ten to fifteen, and even twenty-five per cent. below the cost of production. This state of affairs set in at the time of the Wilson bill, and was not ended yet. The Canadian Association, which had been referred to, not only fixed the prices for the manufacturers, but the merchants also. If a merchant persisted in cutting the prices, the association would go to pieces, and they would have to get along as best they could. The merchant was asked to sign an agreement that he would maintain prices. If he did not do so a penalty was enforced.

Mr. Fielding was on the lookout for combines and he seemed to think he had found one in the screw industry, but from Mr. Birge's