MACHINERY AND TOOLS.

Manufacturers of machinery and tools are quite able to compete with and to export to the United States if we were admitted to their market, and therefore would desire nothing better than reciprocity. Being excluded, we need a customs duty sufficiently high to prevent the occasional or periodical overflow of their surplus. Ask that machinery for mills and factories, which is not manufactured in the Dominion, should be charged duty, as there has been very great deception practised in the introduction of such. The demand said to be greater than actual production, but not greater than our capacity. Present tariff acts prejudicial to engines and boat-builders, as American vessels can obtain registers without paying duty, giving a premium to British or American builders to break down Dominion builders, while the latter have to pay 5 to 15 per cent. duty for every part entering into the manufacture of engines and boilers. Hopes that any change in the tariff will be to foster home industry; add to the population and strength of the Dominion. Ask further, that permanent tariff regulations should take place, so that parties may know what to rely on. Suggests that an efficient inspector of patents should be appointed, whose duty it would be to investigate the claims of parties seeking patents.

Hyslop & Ronald, of Chatham, present some strong remarks, which is respectfully referred to Committee.

Wm. Chaplin, formerly Tuttle, Date & Co., tool manufacturers, complain that so long as American goods are allowed to come into Canada on any better terms than Canadian goods of the same kind are allowed to be sent into the United States, so long will our manufacturers be in a precarious condition.

American manufacturers, with their market safe from the effects of their acts, can effectually crush out every competing industry. Have not lately found the business of a profitable character. Some have had to withdraw from business, and some have failed, Tuttle, Date & Co., being among the last. Cannot successfully compete, because the Americans make a practice of disposing of their surplus stocks in the Canada market at whatever they will bring, thus forcing prices down below the cost of production. This operation does not injure their own market, because their tariff renders it impossible for our goods, or those of theirs which they may sell here, ever going back again to compete with the goods they sell at home.

American tariff, 31½ per cent. *ad valorem.* Canadian tariff, 17½ per cent. *ad valorem.*

FELT HATS.

In consequence of the low duty on the imported hats, while at the same time paying an equal duty on most of the material used in their manufacture, the English amd American manufacturers can at all times flood this market with their surplus stocks in preference to injuring their own market. With a properly arranged tariff the production in this interest could be trebled in a short time, *i.e.*, a higher duty on hats or a less duty on the raw material. Are therefore of opinion that an increase of duty would be of great benefit to the trade and induce large investments in their manufacture.

Cannot successfully compete with the foreign felt hat manufacturers, the chief difficulty being with the United States manufacturers, who, when they overproduce, send their stock into this market and undersell the Canadian manufacturers.

Green and Sons say: An increase of from 5 to 10 per cent. to the tariff upon manufactured hats would have the effect of increasing the revenue and would not lessen the regular importation of goods, but would partially prevent the surplus stocks of other markets being thrown upon this country to the detriment of this interest, and its further development. Every manufacturer when making up his estimate of production for the year, has to take into account the *surplus* that may or may not come from other countries, and the *uncertainty* of what that surplus may be, compels him to *contract* instead of *increase* his productions, and of necessity increasing instead of diminishing the cost of his goods to his own and the country's disadvantage.