Sulphur and brimstone, crude or in roll or flour.

Tagging metal, plain, japanned or coated, in coils, not over 1 1-2 inches in width, when imported by manufacturers of shoe and corset laces for use in their factories.

Tails, undressed.

Tartar emetic and gray tartar, cream of tartar in crystals and argal or argols.

Tea, except as hereinbefore provided.

Teasels.

Tin crystals, tin strip waste and tin in blocks, pigs, bars and sheet, and tin plates, tin foil and tin lead; old tariff, tin crystals 20 per cent., tea lead 30 per cent.

Tobacco manufactured for excise purposes under conditions of "the act respecting the Inland Revenue."

Tree nails.

Trees, forest when imported into the province of Manitoba or the Northwest Territories for planting.

Turpentine, raw or crude.

Turtle.

Ultramarine blue, dry or in pulp.

Vaccine and ivory vaccine points.

Varnish, black and bright for ships use.

Verdigris or subacetate of copper, dry.

Whalebone, manufactured.

Whaling or whiting or whiteling gilders, whiting and paris white.

Wire rigging for ships and vessels.

Wire, crucible cast steel, old tariff, free only when imported by manufacturers of wire rope praws, needles, etc.

Wire of iron or steel, No. 16 and 14 guage, flattened and corrugated when used in connection with the machine known as the wire grip machine for the manufacture of boots, shoes and leather belting, when imported by manufacturers of such articles to be used for these purposes only in their own factories.

Wool and the hair of the camel, alpaca goat and of other like animals not further prepared than washed, n.e.s., and noils, being the short wool which falls from the combs in worsted factories, woolen and worsted yarns finer than number 56 and mohair yarns, old tariff, 10 and 20 per cent.

Wool or worsted yarns, when genaped, dyed or finished and imported by manufacturers of braids, cords, tassels and fringes to be used in the manufacture of such articles only in their own factories, wood logs and round unmanufactured timber, not specially enumerated or provided for in this act; fire wood, handle bolts, heading bolts, stave bolts and shingle bolts, hop poles, fence posts, railroad ties, ship timber and ship planking, not specially provided for in this act.

Timber sawn or sawed and timber used for ship spars and in building wharves, old tariff, 20 per cent.

Timber squared or sided.

Sawed board plank, deal and other lumber, old tariff, 20 per cent.

Pine clapboards, old tariff, 20 per cent.

Spruce clapboards, old tariff 20 per cent.

Hubs for wheels, posts, last blocks, wagon blocks, car blocks, gun blocks, heading, and all like blocks or sticks, rough, hewn or sawed, old tariff 15 per cent.

Laths, old tariff, 25 per cent.

Pickets and pailings, old tariff 25 per cent.

Shingles, old tariff 20 per cent.

Staves of wood of all kind, wood unmanufactured. Provided that if any country shall impose a duty upon the articles in this schedule enumerated, or any of them when imported into such country from Canada, it shall be lawful for the Governor-General-in-council from time to time, by proclamation published in The Canada Gazette, to declare that the following export duties, or any of them, shall be chargeable upon logs exported into such country from Canada, viz., pine Douglas fir, spruce fir, balsam, cedar and hemlock logs, not exceeding $3 per 1000 feet, board measure.

In case of the export of any of the above enumerated logs in shorter lengths than nine feet, then a rate per cord may be levied on the same way equivalent to the above-enumerated rate per thousand feet per board measure.

And export duty shall be chargeable accordingly after the publication of such proclamation.

Provided that the Governor-General-in-council may by proclamation published in this manner from time to time remove and re-impose such export duty.

Wood — Bamboos unmanufactured and bamboo reeds, not further manufactured than cut into suitable lengths for walking sticks or canes or for sticks for umbrellas, parasols or sunshades.

Cane, rattans and reeds, not further manufactured than split.

Corkwood or cork bark unmanufactured.

Lumber and timber planks and boards of amaranth, cocobocral, boxwood, cherry, chestnut, walnut, gumwood, mahogany, pitch pine, rosewood, sandalwood, sycamore, Spanish cedar, oak, hickory, white wood, African teak, black heart ebony, lignum vitae, red cedar, redwood, satinwood and white asb, when not otherwise manufactured than rough-sawn or split, or creosoted, vulcanized or treated by any other preserving process.

The wood of the persimon and dogwood trees, hickory billets and hickory lumber sawn to shape for spokes of wheels, but not further manufactured, hickory spokes rough turned, not tenoned, mitred, throated, faced, sized, cut to length, round, tenoned or polished.

Wood pulp mechanically ground, wood pulp and chemical pulp bleached or unbleached, old tariff, 25 per cent.

Yellow metal, in bolts, bars and for sheathing.

Zinc in blocks, pigs and sheets, and zinc seamless drawn tubing; old tariff, zinc seamless drawn tubling, 10 per cent.

Zinc, chloride, salts and sulphate of, old tariff, 5 per cent.

Schedule C.

Prohibited Goods.

Books, printed paper drawings, paintings, prints, photographs or representations of any kind of a treasonable or seditious or of an immoral or indecent character.

Reprints of Canadian copyright works and reprints of British copyright works, which have been also copyrighted in Canada.

Coin, base or counterfeit.

Oleomargarine, butterine, or other similar substitutes for butter.

Goods manufactured or produced, wholly or in part by prison labor, or which have been made within or in connnction with any jail or penitentiary.

Increases in the Revenue.

Hon. Mr. Foster was very warmly received on rising to make the Budget Statement. He began by pointing out that the gross revenue amounted to $38,000,000, $168,608 more than the estimate and $1,245,737 more than the revenue of last year. The chief items of increase in the import duties were: Breadstuffs, $2,495; cement, $17,797; copper and manufactures of, $12,028; cotton, $181,419; fancy goods, $26,252; flax, hemp and jute and manufactures of, $18,910; furs and manufactures of $7191; gloves and mitts, $7123; gold and silver and manufactures of, $10,684; hats, caps and bonnets, $39,578; iron and steel and manufactures of, $86,280; leather, $28,166; oils, coal, kerosene and products of, $30,874; silk, manufactures of, $92,138; spirits and wines, $164,918; tobacco, and manufactures of, $22,075; wool, $213,826; all other dutiable goods, $41,169.

Where There Was a Decrease.

The items of decrease were: Ale, beer and porter, $21,071; animals (living), $16,113; carriages, $25,187; carpets and squares, n.e.s., $12,445; coal and coke, $7150; earthenware and china, $11,503; fruits and nuts, $16,558; fruits (green), $38,681; jewelry, $7497; musical instruments, $12,281; paper, manufactures of, $9902; provisions, vegetables, butter, cheese, lard and meats, $107,647; sugar of all kinds, $67,493; molasses, $8456; vegetables, $9942; wood manufacture, $17,042.

Increase in Imports of Raw Materials.

The House would note the remarkable fact that during the years 1892-3 the recuperative powers exhibited by Canada were in marked contrast with the history of Great Britain and the other great nations. Those other countries had during these years experienced exceedingly great depression and a falling off of imports and exports. The figures showed marked increases in the importation of raw materials for working up by the different industries. Canada showed an increased trade in imports and exports, and the revenue had increased by $1,250,000 over the year 1891-2. [Cheers.] At the same time the rate of taxation had fallen from $1.22 in 1889-90 to 17.38 in the past year.

A Surplus of $1,354,556.

Coming to the expenditure, the estimate for the year was $36,500,000; the actual expenditure was $36,814,552, an excess of $314,552. The income was $38,168,000, so that total expenditures taken from the total revenue left what had been a pleasant and recurring experience in the administration of the present Government—a very tidy surplus of $1,354,556 to be carried to capital account. [Applause.] The increase in expenditure in 1892-3 as compared with previous year was $147,217, a very small increase when you take into account advances in the interest, sinking fund charges, quarantine expenses, mail and steamship subvention and various public services of the country.

The Expenditure.

During the last six years the expenditure had been almost stationary. In 1887-88 it was $36,718,494; in 1892-3, $36,814,052, an increase of only $95,558. On capital account the expenditure this year had been in excess of the expenditure during the year previous, but this was simply on account of the finishing of the Sault Ste. Marie Canal. He had, however, to say that the revenue and expenditure for 1892-3 did not present so favorable a statement as the year previous. The revenue up to the tenth of March, 1894, was $25,096,000. Last year up to the same time $25,771,000. The expenditure up to March 10 this year was $22,633,000, while the expenditure for the same time last year was $22,235,000. After March 10 up to June 30 last year the revenue accrued had amounted to $12,397,000. If he calculated upon the basis of revenue last year, for the time between March 10 and June 30 this year, he would have a total revenue of $37,493,000 and an expenditure of $37,212,000, but he could not expect so large a revenue this year, because last year was remarkable as a steady and progressive year.

Cutting Expenses to Avoid Cartwright's Experience.

He looked for a decreased revenue this year, for the reason that there was a general apprehension in the country that there was to be a change in the tariff conditions. This apprehension had caused prudent men to keep back expenditure. They were at the same time feeling the dying end of the commercial disturbances of other countries. This, he believed and hoped, would be brief. He did not anticipate for the year ending June 30, 1894, any more revenue than $36,500,000 or $36,750,000. Under the general expenditure this would leave them with a deficit, but the Government had come to the conclusion that, with the co-operation of the House, they would cut down the expenditure to meet the income, so that they would not meet the unwelcome visitor which so often made its appearance in the face of Sir Richard Cartwright during his time of office. [Loud laughter and cheers.] Any prudent business man and any prudent housekeeper would take the course which he proposed. In national housekeeping it ought to be the same. [Hear, hear.] They had nearly reached the end of their great expenditures in great public works and in a month's time he expected that Canadian vessels would be seen going through the Sault Ste. Marie Canal in Canadian water from the great inland lakes to the seaboard. [Loud cheers.] With the expenditure on the deepening of the St. Lawrence Canals which would be made this year these great outlays on public works would have been about completed.

In reply to Sir. Richard the Finance Minister said this would be about eight or ten million dollars.

Savings Deposits.

He then dealt with the savings of the people and showed that on the 28th of Feb., 1894, there were in the various banks, Government and otherwise, the sum of $242,645,558, or a sum of nearly $50 per head of the population of the country. [Cheers.] In 1878 the savings were only about 87 million dollars, and he gave these figures to show the increase that had taken place.

Increase of Canadian Trade.

The trade returns of other countries showed decrease and decadence, while Canada showed an increase. [Applause.] There were more miles of railway in operation, more passengers carried, about an equal amount of freight and larger earnings. Exports of farmers' products totaled $59,235,106, as against $46,145,500 of the preceding year. Of this $6,030,992 went to the United States, as against $6,643,019 last year; to Great Britain $40,420,681, against $36,869,595 last year. [Applause.]

Mr. Foster then pointed out that the principles of the tariff had nothing to do with amount needed. The fact that $38,000,000 was needed was neither an argument in support of the tariff nor for its condemnation. Of the $38,000,000 only $21,000,000 was raised by tariff, $17,000,000 being obtained by totally different ways.

Mr. Foster then, at some length, laid down different principles of tariff, which he classified as three:

1. Simple free trade, revenue being raised by direct taxation.

2. Revenue tariff, protection being incidental and not designed.

3. Protective tariff, protection being both incidental and designed.

Free trade had not been adopted by any country in the world.

Mr. Foster then continued: It is something which is very well to talk about, something which in airy and fine-sounding phrases does to tickle the ear on the instincts of the audience that is listening, but which, when brought down to the cold plane of discussion in Parliament and legislative halls, has no place and up to this date has found no place.

Protection in England at a Minimum.

The only great country in the world which has adopted the second method is Great Britain. She has selected a list of articles and placed imposts upon them, and so far as any of those articles are produced in the country she has given them incidental protection. That protection is brought to a minimum when the list of articles is so chosen that the whole of it, or the most of it, is of a nature which is not produced abroad and is not produced at home.

The third method is that which all great countries at the present time, with the exception of Great Britain, have adopted and have in practice, and that is the protective system in which a list of articles is selected and upon which impost rates are placed with the design, not only of raising a revenue, but of protecting the country in its various industries, in its labor and in its general development.

Britain Began With Protection.

Great Britain, who to-day is the only example, as I have said, of a country which has a revenue tariff as nearly as possible approaching to the non-protective, is a country which commenced her career by a protection which in some cases amounted to absolute prohibition, and which for many years progressed under a very high protection, and it was only when at last by the unique development of her own forces, her own internal powers, as compared with surrounding countries and the unique combination of conditions outside of herself, which put her in a position to dominate completely the industry of the world, that she threw her ports open and allowed all products to come into her markets without imposts in order that her own interest and benefit might be served. Some other countries, by the industrious, by the inventive faculties and mechanical genius into every quarter of the world. She did that until year by year her customers have been learning her arts, though they have not practised or carried out her example, and whilst they in inventive genius, in mechanical dexterity, in industrial development, in many cases are equal to Great Britain, or coming close up to her, at the same time they are protecting their own ports and their own, and to-day wares and goods which formerly were made in Great Britain alone are now made in every quarter of the globe, and they are coming from protective countries into the markets of Great Britain to compete with what she makes, and putting out of employment in many respects the very artisans who for generations are descended from the first industrial operators in Great Britain.

Dr. Landerkin: Would the hon. gentleman leave the academy and come back to Parliament?

Mr. Foster: I have a duty to perform, my hon. friend, to make up for something in which possibly he has been previously lacking, and give him a little of the academy before I come to practice. If Canada were to-night commencing de novo and discussing the principle upon which she should arrange her tariff with a view to the development of her resources and of her industries, she would have this surrounding set of circumstances of which to take cognizance, that being young, without the advantages of wealth, with all the initial disadvantages of a new country and a comparatively undeveloped one, so far as industries are concerned, surrounded by older countries, wealthier and having generations of skill with large industries working for the marts of the world and on a world-wide scale, and all earnestly and fiercely competing for trade in industrial products. If Canada were in that position to-day it seems to me that the very same thing would have to be done which was done in 1878 when she first canvassed this question, when she first came to the decision that it was impossible for her to have the industrial development which she needed and which was necessary to her progress and her permanence unless she gave to her people the vantage ground of a measure of protection which would mitigate the fierce competition and the advantages which older and more skilled countries possess against her and she chose as her policy the well-known principle underlying the present tariff.

Protection Will Stand.

In 1878 the Liberal-Conservative party espoused that principle, that party has existed on that principle up to the present time, it exists to-day upon that principle. More than that it proposes to exist for many days to come upon that principle. One thing is certain, that so far as this Government are concerned their policy is historic, it is definite, it is undoubted. I wish I could say the same of the party of hon. gentlemen opposite.

Some hon. members: "Ha, ha!"

Mr. Foster: Will someone tell me what is the principle which they believe to be correct now—I mean the principle which at this present time is in favor with hon. gentlemen opposite?

Charlton Asks the Date of the Elections.

I invite them now and the hon. gentlemen who sit opposite to me, early in the discussion, a discussion which is one of the most important this Parliament has ever entered upon, and upon the decision of which the people will poll their votes not many months hence.

Mr. Charlton: How many?

Mr. Foster: I cannot tell my hon. friend. If I did so, he would know just as much as I do, and I never want an opponent to know as much as I know myself.

Mr. Charlton: Does the hon. gentleman know?

Mr. Foster: I invite the hon. gentleman who will speak in the course of this debate, to be frank in the matter, as he has never been frank with the country or this Parliament in the matter of tariff, and to tell the people and to tell this Parliament just what he proposes as a matter of principle. I do not ask him for the details; but the question is too serious and the consequences which hang upon it are so great, the people will demand, and the hon. gentleman might just as well give it now, that he will go to the country with a definition of his principle of trade legislation, and he will not be in doubt about it, but which will be plain, definite and clear.

Objections to Protection Answered.

The policy of protection which was adopted in 1878 has been objected to for several reasons, and just for a moment I wish to glance at two or three of the objections which have been made. In the first place it has been objected to because of the alleged high rate of duty which it imposes upon products imported into this country, and the attempt is made with many persons who do not have the advantage of reading, discussing and understanding these matters as gentlemen who are continually engaged in them, to show that the tariff rate under the protected system that has been in force in Canada since 1878, and which is in force now, is one that is abnormally and outrageously high. Let me discuss that question for a single moment.

Canadian and American Tariffs Compared

Is it high? If there is to be a protected system at all, everybody knows that it must be higher in its inception than as the years gradually pass, when industries have become established and when the industrial development of the country grows apace. If a high degree of protection is necessary at any time, it is necessary in the initial years of a policy which adopts the principle of protection as its basis. Compare the rate of import upon products coming into this country with that on imports in other protected countries and how do we stand? Is the assertion correct that the rate of impost in Canada, under the protective policy, is absurdly and outrageously high? Suppose we compare with other countries, not with France, which is a most highly protected country, but with the United States and consider the actual figures as to what the imposts are in our country.

If you take the average of the ad valorem duty paid on all dutiable goods imported into this country for home consumption, from 1879 to 1893, you will find in no year has the average rate exceeded 31 per cent, and that the average of those years has been 28 4-9. That is a refreshing and moderating fact when taken in connection with the assertions constantly made by the opponents of the policy that under it the rate ran at 50, 60, 70 and 100 per cent. True in regard to trivial and individual items here and there, but entirely misleading as endeavoring to lead the public to believe that it is an outrageous rate. That is a mode of argument which is open to hon. gentlemen opposite, but at least we must confess that it has not the merit of open, candid and complete truth. The rate per cent of imposts on dutiable goods coming into the United States of America between 1879 and 1893 has never been below 43 per cent, and has gone up to 50 per cent, and the average of these years is 45 6-9 per cent. on the imported dutiable goods for home consumption in the United States. That is, that Canada, which has this protective tariff, which hon. gentlemen opposite have always been denouncing as being so absurd and outrageously high, has a tariff 17½ per cent. lower than the tariff in force in the protected country by the side of us—the United States.

Must Estimate the Cost on the Total Imports.

But there is another point of view which for plain, honest and complete truth must be brought out. What the people pay as the amount of the importation can only be fairly taken and fairly put if you took the total amount of goods that are brought in for home consumption and used by the people. The very essence and concomitant of a National Policy on the protective system is that, while you build up industries in this country, you leave raw material which is manufactured in this country or grown in the country free as a basis of cheap manufacturing, and the dutiable list and the free list grow side by side and have grown side by side under this policy, and the true measure of the duties and rents, so far as revenue is concerned and so far as the people of Canada are concerned, is to find out what has been the cost on the total quantity of goods they have imported and consumed in this country.

Canada's Average Levy 2 p.c., U. S. 19 p.c.

Taking that as a basis, what do we find—that in no year from 1869 up to now has there been more than 2 per cent. on the dutiable and non-dutiable goods on an average of an ad valorem impost in this country and that the average has been 19 per cent. in the United States. There has never, until the two last years, been a less average duty than 25 per cent., but this became lower during this last two years, since the immense increase of sugar in the United States occurred, when raw sugar was taken off the dutiable list and put on the free list, and, notwithstanding that fact, from 1879 to 1893 the average impost on dutiable and free goods in the United States was 27 5-9 per cent., while in Canada it was 19 p.c.

Mr. Charlton: What has it been in the United States during the last two years?

The Tariff Is a Moderate One.

Mr. Foster: In the last two years in the United States it has been 21.26 and 23.49 per cent. So I think the contention is fairly made and is well founded, that if you take the tariff as a whole and compare it with the protected countries, even upon the dutiable list, it is a moderate tariff on the average, and if you take in connection with that the large free list, which grows side by side with the impost, the tariff is remarkably moderate, not exceeding up to the present time 17½ per cent., or a shade below it. But there is another point of view to be taken, and that is that in Canada the N. P., so far as the protective figures are concerned, has laid no heavy hand upon the vast consuming population so far as the protective features are concerned, has laid no heavy hand upon the vast consuming population, so far as staple products of consumption are concerned, and I desire to draw the attention of the House for a moment to this point. What are the staples of living in this country have been in some degree protected in that the protective policy has kept the market from periodical demoralization, and that has been its value so far as it appears to the staple products of the country.

No Duty on Staple Food or Fuel.

But with reference to these things, what is the truth of the matter? In lumber, in brick and in stone, which are the staples of building, this country has a surplus and they are free. In the matter of fuel, of wood and coal, the one abounds everywhere, the second abounds in different portions of the country in large degree, and since the year 1887 the only remaining article of the fuel of the people was made free in the shape of anthracite coal. So that to-day the fuel that the people of this country need for warmth and for comfort is free and untaxed by the N.P. or its imposts. If you come again to the staple food of the country—its vegetables, its fruits, its grains, its meats, its dairy products—all of these are in this country to a surplus, and the National Policy lays no heavy hand of impost upon these. They are raised here, they are raised in surplus, and so far as the energy and power of the people is concerned they are hampered to no degree by the impost of the N. P. Tea, tea, the coffee and the sugar of the people have long been made free under the N. P., although that was a boon which could not be given by the party opposite under their revenue policy and millions of taxation have been remitted from the common people, the people generally in this country, on these products alone. The N.P. has laid no heavy hand on the people as far as the consumption of these articles goes.

Staple Articles of Wear Cheap and Better Than Imported.

Let us come to the staple articles of wear, the boots and shoes upon which there is a tariff of 25 per cent., but every man knows that in Canada boots and shoes are made as good and bought as cheaply as they are in any country in the world. On the cottons that are used by the people the average tariff has been about 28 per cent., and cottons to-day can be bought in Canada, taking quality and prices into account, as cheaply as anywhere else in the world.

Some hon. members: No.

Mr. Foster: Taking quality and cost into account I say yes. I have had two pieces of cotton placed before me—bleached cotton.

Mr. Casey: No.

Mr. Foster: Actually yes. My hon. friend may never have seen the like, but I have. One of these pieces was a Canadian cotton and the other a foreign cotton, and to look at them they appeared equally good, but if you tore the foreign cotton the sleeves of your coat would be covered with the clay filling with which it abounded; while if you tore the Canadian cotton you had the strong steady fibre. Take the woolens of the country. There has been an average impost upon them of but 30 per cent. and woolen consumers of Canada have been well supplied with good material and cheap.

The Iron Duties Only 22 Per Cent.

Even take the iron that has been used in the country, upon which my hon. friend opposite has declared that nothing has been done for years, and with reference to which he has declared that the moment he comes into power every item of duty goes off from iron. But it may surprise my hon. friend, who has probably not looked into it, to know that if he will take the imports of iron into this country last year and calculate the ad valorem duty on the whole of them, it only amounts to 22 per cent., so that even the iron industry attempt is made with many persons who do not have the advantage of reading, discussing and understanding these matters as gentlemen who are continually engaged in them, to show that the tariff rate under the protected system that has been in force in Canada since 1878, and which is in force now, is one that is abnormally and outrageously high. Let me discuss that question for a single moment.

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