

**CIHM
Microfiche
Series
(Monographs)**

**ICMH
Collection de
microfiches
(monographies)**



Canadian institute for Historical Microreproductions / Institut canadien de microreproductions historiques

© 1995

Technical and Bibliographic Notes / Notes technique et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming are checked below.

- Coloured covers / Couverture de couleur
- Covers damaged / Couverture endommagée
- Covers restored and/or laminated / Couverture restaurée et/ou pelliculée
- Cover title missing / Le titre de couverture manque
- Coloured maps / Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black) / Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates end/or illustrations / Planches et/ou illustrations en couleur
- Bound with other material / Relié avec d'autres documents
- Only edition available / Seule édition disponible
- Tight binding may cause shadows or distortion along interior margin / La reliure serrée peut causer de l'ombre ou de la distorsion le long de la marge intérieure.
- Blank leaves added during restorations may appear within the text. Whenever possible, these have been omitted from filming / Il se peut que certaines pages blanches ajoutées lors d'une restauration apparaissent dans le texte, mais, lorsque cela était possible, ces pages n'ont pas été filmées.
- Additional comments / Commentaires supplémentaires:

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured pages / Pages de couleur
- Pages damaged / Pages endommagées
- Pages restored and/or laminated / Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed / Pages décolorées, tachetées ou piquées
- Pages detached / Pages détachées
- Showthrough / Transparence
- Quality of print varies / Qualité inégale de l'impression
- Includes supplementary material / Comprend du matériel supplémentaire
- Pages wholly or partially obscured by errata slips, tissues, etc., have been refilmed to ensure the best possible image / Les pages totalement ou partiellement obscurcies par un feuillet d'errata, une pelure, etc., ont été filmées à nouveau de façon à obtenir la meilleure image possible.
- Opposing pages with varying colouration or discolourations are filmed twice to ensure the best possible image / Les pages s'opposant ayant des colorations variables ou des décolorations sont filmées deux fois afin d'obtenir la meilleure image possible.

This item is filmed at the reduction ratio checked below /
Ce document est filmé au taux de réduction indiqué ci-dessous.

	10X		14X		18X		22X		26X		30X	
									/			
	12X		16X		20X		24X		28X		32X	

The copy filmed here has been reproduced thanks to the generosity of:

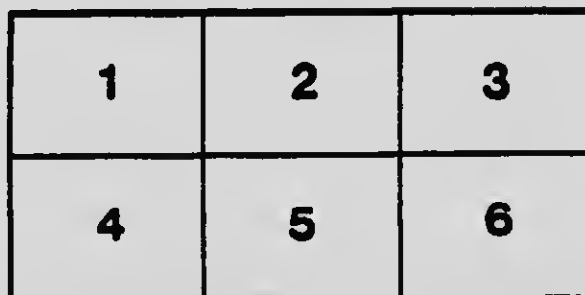
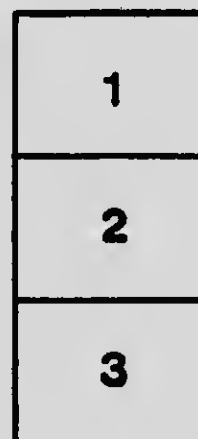
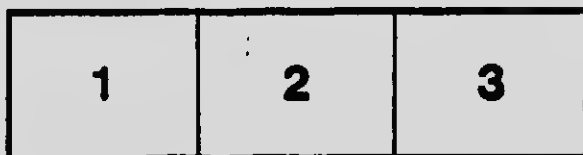
National Library of Canada

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol \rightarrow (meaning "CONTINUED"), or the symbol ∇ (meaning "END"), whichever applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:



L'exemplaire filmé fut reproduit grâce à la générosité de:

Bibliothèque nationale du Canada

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

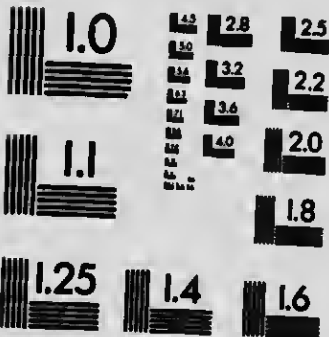
Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole \rightarrow signifie "A SUIVRE", le symbole ∇ signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

MICROCOPY RESOLUTION TEST CHART

(ANSI and ISO TEST CHART No. 2)



APPLIED IMAGE Inc

1853 East Main Street
Rochester, New York 14609 USA
(716) 482 - 0300 - Phone
(716) 288 - 5099 - Fax

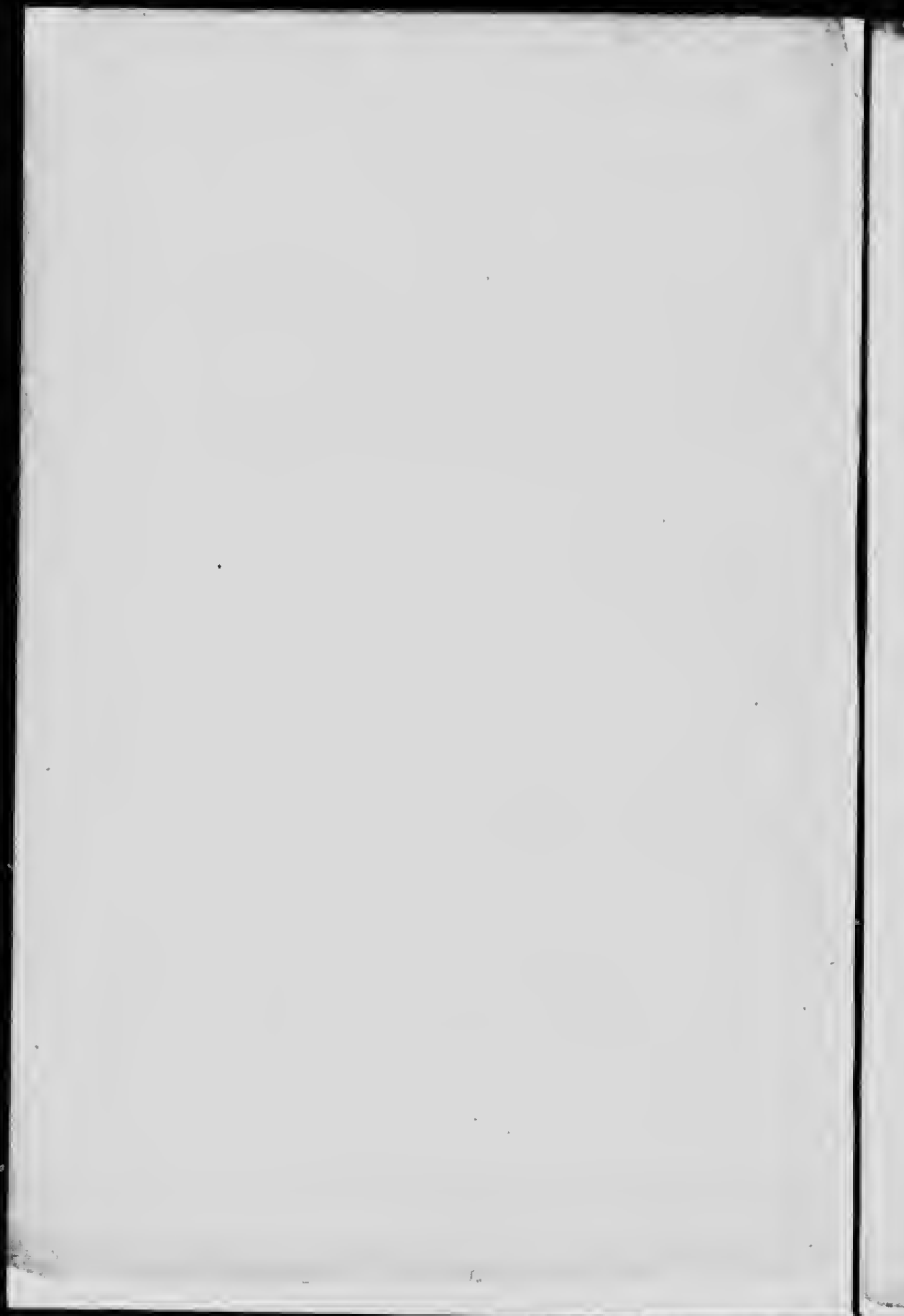
**The Tariff Policy of
the Government**

LIBRARY OF PARLIAMENT

THE TWO TRADE POLICIES COMPARED

SPLENDID RESULTS

FROM THE LIBERAL POLICY



The Tariff Policy
of the
Government

The Two Trade Policies Compared

Splendid Results

from the

LIBERAL POLICY

1717.5
T2
S
- - -

THE TARIFF POLICY OF THE GOVERNMENT.

THE TWO TRADE POLICIES COMPARED.

Splendid Results from the Liberal Policy

We propose in this chapter to review the results of the fiscal year, and business policy of the Liberal Government, to compare them with the results of past Conservative policy, and to discuss the present attitude of the two great political parties on the trade question. The field is large, but we will endeavor to be as brief as possible.

The History of Fiscal Legislation.

To deal with the subjects thoroughly, it becomes necessary in the first place to take a look at the history of the fiscal legislation of the country. We will go back to 1879, when what was known as the National Policy, introduced by the Government of Sir John MacDonald, became law. As most people know, that policy had for its chief object the protection of native manufacturing industries. Protection was declared to be necessary to enable infant manufacturing concerns to secure a sure footing. The promoters of the policy heralded it with a great flourish of trumpets. It was to make Canada a great manufacturing nation; it would develop a large home market, which would greatly benefit the farmer; the land was to be dotted with the tall chimneys of busy factories; immigration would be attracted, and the great North West would be rapidly peopled. Business men were advised to "clap on all sail," and take no heed for to-morrow, for that was assured.

What were the Results?

For a few years all went well. Business prospered and considerable activity was manifested in manufacturing circles. Men with money, tempted by the bait of large profits to accrue from the policy of stiff protection, invested freely in manufacturing concerns. A return of general good times all over the world helped the policy along, and all the indications

seemed to point towards the fulfilment of the promises held out to the people. But unfortunately for Canada the policy did not wear well. After the first four or five years there came a lull, and to a certain extent, a re-action was witnessed. The promise of a greatly enlarged home market was not realized, but the bait of large profits from manufacturing had been too tempting, and as a result too many factories in certain lines had been established. Over production followed, internal competition became very keen, and institutions unable to stand the strain went to the wall. *It was a case of being protected to death.* From then down to 1896, the country made some progress,—good progress the champions of the National Policy called it—but compared with the recent past, it was very slow, and certainly not in anything like the proportions the great natural resources of the country warranted. Immigrants came to our shores, but in too many instances they did not stay long; and what was worse we were not able to retain our own people. As our boys grew to manhood they found little incentive for their ambition here, and drifted by the thousands and hundreds of thousands to the United States during the eighties and early nineties. According to the United States census of 1901, 1,181,255 of the population of that country were born in Canada. What would we not give to have them with us to-day?

The manufacturers themselves, who were supposed to be the parties who would benefit most by the policy, while fairly well employed, did not seem to make the progress that had been anticipated. They were practically confined to the home market which had not enlarged appreciably, or to the extent for which preparations had in some cases been made.

As time went on the dimmer grew the hope that there would be a complete realization of the promises made for the National Policy. In the middle nine-

ties the Conservatives themselves became alarmed, and made an attempt to lop off what they termed "mouldering branches" on the ultra protectionist tree.

They had, to a great extent, lost faith in their policy. The facts were against them. Driven about in the storm of public opinion with their anchor dragging, they finally heeled at their mainmast "High Protection" in the effort to save themselves, rather than go down to defeat sticking to their principles. The evidence of this, as many manufacturers know, is to be found in the Tariff of 1894, as compared with the previous one.

The conditions prevailing in the country then could scarcely have been much worse. Business was in a stagnant state. The spirit of enterprise was notably lacking. Our population was dwindling, there being a steady exodus to the United States. Deficits were recorded with frequency in the annual national accounts.

The Failure of the National Policy

The National Policy had certainly not made us rich. We made progress during its life time, as we have said—the great natural wealth of the country being bound to make itself felt, even under the most disadvantageous circumstances—but the progress was not what it should have been in this young and inherently wealthy country—and compared with the recent past it was snail-like indeed. In swaddling clothes as a nation the National Policy found us—in very short clothes it left us.

In part proof of these statements respecting the National Policy, we would cite the progress made in our foreign trade. For the purpose of tracing the course of the Policy, we will divide the period from 1878 to 1896 into three six year periods, and compare them with the six year period from 1896 to 1902 under the Liberal policy. The showing is as follows:—

EXPORTS CANADIAN PRODUCE.

		Rate of Increase.
Under National Policy	(1878 to 1884	17 per cent.
	(1884 to 1890	7 "
	(1890 to 1896	29 "
Under Liberal Policy	...1896 to 1902	78 "

AGGREGATE FOREIGN TRADE.

		Rate of Increase.
Under National Policy	(1878 to 1884	20 per cent.
	(1884 to 1890	5 "
	(1890 to 1896	9 "
Under Liberal Policy	...1896 to 1902	77 "

Later on in this article we will prove from the public records, that the country made greater progress during the seven years since 1896 under Liberal rule than it did during the whole 18 years under Conservative Government.

The Liberal Policy of a Revenue Tariff.

The Liberals came into power in June 1896, with a declared policy, to substitute for the Conservative Tariff a sound fiscal policy, which, while not doing injustice to any class, would promote domestic and foreign trade and hasten the return of prosperity to our people. They had also declared that the Tariff should be reduced to the needs of honest, economical, and efficient Government, that it should be so adjusted as to make free or bear as lightly as possible upon the necessaries of life, and should be so arranged as to promote freer trade with the whole world, particularly with Great Britain and the United States.

A Tariff Commission.

The first step taken by the Government was the appointment of a committee of its members, comprising Hon. Sir Richard Cartwright, Hon. W. S. Fielding, and Hon. Wm. Paterson, to ascertain in an exact and definite way the precise situation of all classes and sections of the country and their actual needs. This committee held meetings in most of the principal cities and towns of the country, which were attended by representative men in all spheres of industrial life, who were given every opportunity of expressing their views. Having completed their labors, the Committee duly made their report to the Government, and the whole question was then given that full, fair and serious consideration which its great importance demanded.

Some Results of the Tariff Commission.

The result was the formation, and introduction of a Tariff which:

(1) Materially reduced duties on many necessities and staple commodities used by consumers generally.

(2) Placed on the Free List certain articles of prime necessity to the farmer, the miner, the fisherman, and the manufacturer.

(3) Reduced duties on iron and steel, which form the staple raw material of many industries; duties on other raw materials were also lowered.

(4) Simplified the classification of articles for duty purposes, and thereby ensured more uniform administration.

(5) And last, but not by any means least, gave a substantial preference to the products and manufactures of Great Britain over the rest of the world.

As most fair minded people recognize, the Government in 1897 made an earnest and honest effort to solve the Tariff problem, and give the people a law which aimed at equality of treatment, which endeavored to reconcile conflicting interests, as far as possible without doing injustice to class, and which further, had for its object the promotion of the general welfare. No class or interest was singled out for undue favor. The needs of all were considered. The Government recognized to the full that the varied producing interests of Canada necessitated and demanded a fiscal policy framed, as far as practicable, in a spirit of moderation, and so adapted as to distribute the burdens of taxation, as well as the benefits arising therefrom, as equally as possible. Look at our position for a moment: we have five great sources of national wealth, namely, the farm, the forest, the fisheries, the mines, and our manufacturing industries. We keep national house on the income derived from them. Now it will be apparent that the interests and needs of these various producing branches are not identical. They conflict in some instances very strongly. The farmer, for instance, has to pay higher prices for his articles of necessity and comfort by reason of Customs duties being imposed thereon—whereas, on the other hand, the prices of his principal products are largely determined in the

markets of the world. So far as the selling value of his principal products are concerned, a Customs Tariff cannot assist him. The miner, too, could buy most of his supplies and machinery cheaper if they were free from duty. Then, again, look at the case of the fishermen. They are chiefly located in the Provinces forming the extreme boundaries of the Dominion, and by reason of distance from our centres of population, are unable to supply the markets there, and consequently are obliged to export the bulk of their catch to foreign markets easier to reach, but where they have to encounter stiff competition. The lumberman, too, is affected by the Tariff on his commodities.

Now we want to conserve and develop all our income producing interests, manufacturing, farming, mining, fishing, and lumbering. We require them all—none can be spared. We submit, therefore, again, that the true fiscal policy for Canada is one of reasonable moderation, and where assistance or protection by means of a Tariff be necessary to any interest, the measure of such State aid should be carefully considered, if in its nature there is a tendency to diminish the productiveness of any of our other sources of national income, by decreasing the purchasing power of the producers. The aim should be to promote the utmost development in all industrial pursuits, particularly such as the country is most naturally adapted for, and provide for the people generally the maximum amount of profitable labor.

Manufacturing and the Tariff.

Manufacturing interests always bulk largely in Tariff discussions, and deservedly so, but though they are of immense benefit to the country, they are not more so than the agricultural industries. Indeed, if we take the population engaged, and the capital invested in farming and ranching, these industries bulk greater in the national wealth. No one wants to hurt the manufacturers, on the contrary, there is a general desire, irrespective of politics, to see them prosper. Everybody recognizes that manufacturing institutions (of a varied character, too) are necessary to build up a great

nation, and acknowledges that it would be undesirable to continue our attention to purely pastoral pursuits. Most people admit, too, that a certain measure of State assistance to manufacturing is necessary. The question is largely one of degree.

We claim that at this stage in Canada's history it is equally important to make the farm enticing and to encourage manufacturing; and in making the farm enticing you help manufacturing in the best possible way. One of the greatest handicaps the Canadian manufacturer labors under is the smallness of the home market. How better can you enlarge that market than by populating the hitherto unsettled farming and ranching districts; and how better can you do that than by making farming and ranching life as enticing in a financial sense as possible?

We confidently submit that compared with the National Policy, the Liberal Tariff is an immense improvement, that it is based on better and truer principles, and that experience has proved it to be the best Tariff that Canada has ever had.

A Distinction Between the Two Policies.

At this stage we wish to point out one very important distinction between the power they considered the Tariff to be policies of the two great parties. It is this: when the Conservatives were in most everything. They introduced the National Policy, blundered through the construction of the C. P. Ry., and then fell asleep, waking only at intervals to quarrel among themselves in true Tory fashion.

The Liberals, on the other hand, have backed up and supported their scientific Tariff policy with a sound, vigorous and progressive business policy. They realized that the farmer could not be benefited much, if any, by protective duties on his products, but they also saw that they could benefit him by cheapening the cost of transportation, and they devoted their best energies towards improving and enlarging transportation facilities all over the country. A most vigorous policy in this respect was pursued with first-class results. They saw, too, that the manu-

facturer could be greatly benefited by enlarging his home market, and they instituted a vigorous immigration policy which has been marvellously successful.

Cold storage facilities of an excellent character were provided for the products of the farm and orchard, also for the bait for the fishermen of the Maritime Provinces. Postage rates were substantially reduced, and many reforms in the Post Office Department were instituted and thereby obtain the full benefit of the French Treaty. Combinations in restraint of trade were checked. The country's credit was bettered.

Iron, Steel, Lead mining and Oil industries were assisted by bounties; Commercial agencies were established in Great Britain, France, South Africa, and other countries; canal tolls and steamboat dues were abolished in the interest of the shipping of the lakes and the St. Lawrence. The canal system was rushed to completion; colonization and other railways were assisted all over the country by means of subsidies. The Crow's Nest Pass Railway was built, and the Intercolonial was extended to Montreal. A telegraph line was constructed to the Yukon District, and another to the Straits of Belle Isle. Trade statistical records were modernized, and are published monthly instead of yearly. Wharves, harbors, and rivers from the Atlantic to the Pacific have been constructed or improved, with the object of enabling producers and manufacturers to get easier access to their market. As a result of the Preferential Policy, new markets were obtained on preferential terms in New Zealand and South Africa. A competent Railway Commission was appointed. In these and a hundred other ways the Government has pursued a progressive and enlightened business course.

The Tariff Linked with Canada's Development.

In a word, the policy of the Government has been to develop Canada along legitimate lines. Towards that end the Tariff has been linked with the extension and improvement of transportation facilities, and with a vigorous immigration policy, to ensure the rapid settlement of

the country and the consequent enlargement of the home market.

To carry out their plans the Government needed large revenues—the Tariff was designed to produce them, and it has achieved its object. The increased moneys have been freely but wisely expended, and the Government were enabled thereby to assist the producing interests of the country by providing necessary public works, railways, etc., and in many other useful ways—without increasing the public debt one dollar. It is undoubtedly true that the prosperity of recent years has to a considerable extent been brought about by the action of the Government in these respects. When the Conservatives were in office they defrayed the cost of public works by adding to the public debt.

Under the promised Tory Trade Policy of complete exclusion, large revenues would not be obtainable, and consequently, if great public works were to be carried on, we would have to go into debt again to pay for them.

The Striking Features of the Government's Trade Policy.

Perhaps the most striking features of the Government's Trade Policy have been its progressiveness, originality and adaptability. Sir Wilfrid Laurier and his colleagues are imbued with the progressive spirit of the age, and they have adapted their policy from time to time to meet the changes in circumstances and conditions. They have boldly faced new conditions, and dealt with them not theoretically, but in a careful, practical, business-like way. They have, moreover, cut out new paths in fiscal legislation for themselves. First, they promulgated the policy of giving a preference to the manufactured products of the Mother Country and her colonies over all other countries in the world. This was admittedly a splendid stroke of business, which has redounded to the great advantage of Canada.

Not only did it benefit Great Britain—our best customer for our agricultural and other natural products—but it directly and indirectly helped the Canadian consumer. The Conservatives talked and theorized for years on the subject of

Preferential Trade, but never got within a hundred miles of the firing line. The Liberals acted promptly, wisely and well. In this great question Canada has led the way to the Empire; New Zealand, South Africa and British Guiana followed our example, and the Australian Commonwealth may do likewise before long. It may, we think, also be fairly said that the present agitation on the Trade question which is going on in Great Britain, on the initiative of Mr. Chamberlain, is very largely the result of the Canadian Preferential policy.

The Surtax.

The next important and radical step taken by the Government was the imposition of a Surtax, in addition to the ordinary Customs Duty, upon the products of Germany. That country had attempted to intimidate us by classing our products under their maximum or penalty Tariff, because, forsooth, we had given a preference in trade to our Motherland. Such a position was, of course, absurd for a country like Germany to take, but notwithstanding the protests of our Government, they maintained it. Every possible effort was made by the Government to get the Germans to take a more reasonable view, but without avail, so retaliation was resorted to, a stiff Surtax of one-third the ordinary Customs duty being imposed. Here again the Government scored a triumph, not only for Canada, but for the whole British Empire. It was an excellent Canadian Roland for the German Oliver. The trade of Germany with us has fallen off 50 per cent. since the Surtax was imposed. The German attitude was an attempt to thwart the movement for Preferential Trade relations within the British Empire, which, if submitted to, would perhaps have been the death blow to the movement.

The Anti-Dumping Law.

At the last session of Parliament a still more important and striking departure in fiscal legislation was made. We refer to the adoption of what is popularly known as the "anti-dumping law. Here again the Government had to face changed conditions, requiring bold and drastic

treatment. The Hon. W. S. Fielding, Finance Minister, in the course of his Budget speech, described the situation in the following lucid manner:

As time rolls on, changing conditions arise. It is the duty of the government and of all men in parliament to observe these changing conditions and adapt their tariff legislation to the conditions which may confront us. In the world's trade many new conditions have grown up, and we are particularly interested in the conditions which have arisen in the great high tariff countries. We cannot meet these by mere academic discussions of the principles of free trade or protection. Mr. Cleveland, on a memorable occasion, used an expression which is very frequently quoted, 'It is a condition and not a theory which confronts us.' We recognize that fact in tariff matters, as in many other matters, and we say that many new conditions have arisen and are arising of which we are obliged to take notice.

In low tariff countries or in free trade countries, Great Britain for example, these disturbing conditions seldom exist. England conducts her business generally upon rational lines. She sells at a profit, and what is known as the system of dumping or slaughtering is hardly known in connection with British trade.

But, Sir, in the case of all high tariff countries, these objectionable conditions arise. It seems to be the inevitable result of high tariff policy that monopolies, trusts and combines will flourish. They may possibly exist in low tariff countries, but they flourish under a high tariff policy, as they could not possibly flourish under other conditions. We find today that the high tariff countries have adopted that method of trade which has now come to be known as slaughtering, or perhaps the word more frequently used is dumping; that is to say, the trust or combine, having obtained command and control of its own market and finding that it will have a surplus of goods, sets out to obtain command of a neighboring market, and for the purpose of obtaining such control will put aside all reasonable considerations with regard to the cost or fair price of the goods; the only principle recognized is that the goods must be sold and the market obtained. I quite realize that what I may call the extreme free-trader, that is the theoretical free trader, if there be such a man, who attaches more importance to a theory than to the practical things of this life, may ask: 'Why should we care about that; do we not get the benefit of cheap goods?' Well, if we could be guaranteed for ever or for a long period that we would obtain cheap goods under that system the question would be a very fair one. If these trusts and combines in the high tariff countries would come under obligations, with sufficient bonds, to supply us with these goods at the lowest prices for the next 50 years, it would probably be the part of wisdom for us to close up some of our industries and turn the energies of our people to other branches.

But surely none of us imagine that when these high tariff trusts and combines send goods

into Canada at sacrifice prices they do it for any benevolent purpose. They are not worrying about the good of the people of Canada. They send the goods here with the hope and the expectation that they will crush out the native Canadian industries. And with the Canadian industry crushed out what would happen? The end of cheapness would come, and the beginning of dearthness would be at hand. Artificial cheapness obtained to-day under such conditions, at the expense of dearthness at a very near day in the future, is not a system of which we could approve, or which any of us on either side of the House could encourage.

This dumping then is an evil and we propose to deal with it. Perhaps it would not be too much to say that ninety per cent. of the complaints that are made to us by our manufacturers are not that the tariff is too low, speaking generally, but that this dumping and slaughtering condition exists, and that the tariff under such conditions fails to give them the protection they would desire. Well, if ninety per cent of these grievances result from dumping, we shall be prepared to deal with it to-day. We think it is in the interest of legitimate trade that this question should be dealt with. It is not the first time that Canada has set an example in matters of this kind and possibly the step we are about to take will be followed by other countries. Our friends on the other side of the House will recognize this dumping evil as fully as and perhaps more fully than even I, gentlemen on this side of the House. We differ from them as to the manner in which it should be dealt with. Their remedy is a general increase of the tariff all along the line. Perhaps they would not go quite so far as to increase all duties, but that is the principle they suggest. A high tariff is their remedy for this evil. We object to that because we think it unscientific.

The dumping condition is not a permanent condition; it is a temporary condition and therefore it needs only a temporary remedy, that can be applied whenever the necessity for it arises.

We propose therefore to impose a special duty upon dumped goods. That special duty, subject to a limitation which I will mention, will be the difference between the price at which the goods are sold, the sacrifice price, and the fair market value of those goods as established under the customs law of the country. But this is subject to a qualification—subject to a limitation. If an article is sold at a lower price in Canada than it is sold in the country of production, then that will be the evidence of dumping, and the difference between the fair market value in the country of production and the price at which it is sold—or if hon. gentlemen prefer, dumped—that difference shall constitute the special duty, within the limitations. As regards certain articles upon which our duties are low and upon which we grant protection in the form of bounties as well as in the form of duties, as respects certain of these items in the iron schedule chiefly, the limitation shall be 15 per cent ad valorem; that is to say, that special duty shall be the difference between the fair price and the dumping price provided it shall not exceed 15 per cent ad valorem. The additional duty over and above the present duty I call the

special duty, and it is so called in our resolutions. Then in case of other articles, the limit is 50 per cent of the present duty. It is a duty over and above the existing duty, and it is limited by these two conditions. In one case, or in a few cases of like character, the limitation is that it shall not exceed 15 per cent. of the value and in the other case it shall not exceed one-half the ordinary duty.

Scientific Tariff Making.

This is scientific Tariff-making: this is business-like treatment of a practical business proposition.

By way of further illustration of the progressive and practical character of the Government's policy, we might glance for a moment at some of the recent Tariff changes.

Molasses, an article largely used, particularly by the working classes, and which was dutiable at 1½¢ per gallon and upwards, according to strength, was placed on the Free List, when imported from the British West Indies. Two objects were attained in this way. First, a reduction in price to the consumer. Second, the encouragement of trade with the British West Indies.

The duty on expensive Printing Presses, not manufactured in Canada, which was a heavy tax on the printing and publishing trade, was removed.

To assist new industries to start up in Canada, the following articles were placed on the Free List:

- (1) Machinery for the manufacture of linen, and certain brass goods.
- (2) Photographic paper for albumenizing or sensitizing.
- (3) Glass for the making of photographic dry plates.

The Coal Oil question, which has been foremost in Tariff discussions for years, was boldly grappled with and disposed of in a satisfactory manner. Formerly, the duty was 5¢ per gallon on the refined oil as well as the crude. The situation was a difficult one to deal with, there being three different interests to consider, namely, the consumer, the oil producer, and the oil refiner. The consumers complained bitterly that the tax was too heavy. In their judgment, it was inequitable to burden them in the interest of a limited number of producers. It was established also, that the production of crude oil in Canada had diminished

steadily for some years, and that the home supply was inadequate to keep the Canadian refiners running at even half their capacity. The Government, after carefully considering all phases of the question reduced the refined oil duty from 5¢ per gallon to 2½¢, and placed crude oil for refining on the Free List, also oil such as is generally used by manufacturers for fuel purposes. The duties on other products of Petroleum, such as paraffin wax, lubricating oils, axle grease, and vaseline, were reduced at a ratio corresponding with the reduction in refined oil. The oil producers were compensated by a bounty of 1½¢ per gallon.

The net results of this legislation are:

- (1) A substantial saving to the people. A few days after the new Tariff was announced the price of coal oil dropped to an extent corresponding with the reduction in the duty.
- (2) Manufacturers were greatly benefited by getting free fuel oil. This is undoubtedly a great boon.
- (3) The oil refining industry was placed on a sound basis.
- (4) The oil producing interest was conserved and justly dealt with.

The Finance Minister estimated that the net saving to the people, after paying bounty, would be about \$400,000 per annum.

The situation of the Woollen industry was also considered, and a necessary remedy was applied.

The Wool Industry.

In this connection we cannot do better than quote the Finance Minister's statements in the House of Commons:

Very much of the criticism of the Tariff respecting the wool industry is, I am inclined to think, unjustified. What I mean is, that as respects some of these industries no amount of tariff could save them from trouble. From the information I have received, I may say that in every one of these industries there has not been the perfection of management which is necessary in these days of keen competition.

I am afraid they are not all equipped with the most modern machinery; I am afraid that they have not all put themselves in a condition which would enable them to fully enjoy the benefits which the tariff already holds out to them.

But, while there may be cases of that kind—and my information is that there are such cases—still the representations that have been made to us lead us to the belief that the woollen industry is suffering severely from competi-

tion, and we propose to deal by a special item in our tariff with that industry.

The complaint is made very largely by our woollen manufacturers and by various public men who sympathize with them that although on the better grades of goods they can fairly compete with all persons, even the British manufacturer, a very large proportion of the imports of British woollen goods coming into Canada is really shoddy, goods of an inferior character, against which we ought to legislate; and it is alleged that any in rease which we might make in the woollen duties would have the effect of shutting out, not the purer woollen goods, but the shoddy goods. That is argued with much force, and I am inclined to believe that there is something in it.

However, we propose to deal with the matter in this way. Our present duty on the class of goods which I may describe as cloths, tweeds, overcoatings, wearing apparel, and goods of that character, is 35 per cent, subject to the preference, which brings the duty on British goods down to 23 1/2 per cent. We do not propose to increase the general tariff, but we propose to put a limit on the extent to which the preference shall apply to these goods. We propose to fix a minimum tariff of 30 per cent on this class of goods coming in under the preferential tariff. This change will apply to all woollen goods mentioned in the tariff item 314, with the exception of blankets, flannels, bed comforters and counterpanes, which are placed in a group by themselves.

This is another evidence of the practical character of the Government's policy. New conditions necessitate change in treatment. A great industry employing thousands of people was found to be waning to some extent, and a remedy was applied, but only to the extent necessary.

Other Changes.

In the interests of consumers generally, the duties on Tableware and Window Glass—articles not produced in Canada—were substantially reduced.

The Alluvial Gold Mining industry was assisted by making Machinery such as cannot be made in Canada, free of duty.

Tariff Orders in Council.

From time to time too, the Government has assisted in the industries of country by means of Orders in Council. Believing strongly, as they do, that manufacturers can be benefited as much by reducing their cost of production as by giving them protection on their finished product, and believing also that the former

method is the better in the general public interest, they have passed the following among other Orders, placing the undermentioned articles on the Free List:

"The chemical compounds known as 'Safety Bate' and 'Tannin Preserver' when imported by tanners for use exclusively in 'the tanning of leather in their own tanneries.'"

"Cotton Yarns, polished or glazed, when imported by manufacturers of shoe laces for the manufacture of such goods in their own factories."

"Syrup of molasses of cane or beet testing under 35 degrees by the Polaroscope, for use in the manufacture of compressed food for live stock, when imported by the manufacturers of such food, to be used for such manufacture only in their own factories."

"Key pins, damper Springs, jack springs, rail springs, regulating screws, spoons, bridle wires, damper wires, back check wires, dowel wires, German centre pins, brass pins, rail hooks, brass brackets, plates, damper rod nuts, damper sockets and screws, shell, brass, sapstan screws, brass flange plates and screws, hammer wires, fly felt, butt felt, damper felt, hammer rail cloth, back check felt, whip cloth, bushing cloth, hammer felt, bridle leather and buck-skin, when imported by manufacturers of piano-keys, actions, hammers, base dampers and organ keys, to be used exclusively for the manufacture of such articles in their own factories."

"Botany yarn, single, in numbers 30 and finer, no mule cops, dry spun on what is known as the French and Belgian system, not doubled or twisted, in white only, when imported by manufacturers of cashmere socks and stockings, to be used exclusively for the manufacture of such articles in their own factories."

"Materials which enter into the construction and form part of Cream Separators to be used in their own factories for the manufacture of Cream Separators, until otherwise ordered."

"Silver tubing, when imported by manufacturers of silver-ware to be used of their own factories in the manufacture of silverware."

"Hemp bleaching compound when imported by manufacturers of rope, to be used in their own factories for the manufacture of rope, until otherwise provided."

"Steel for the manufacture of cutlery when imported by manufacturers of cutlery to be used in their own factories in the manufacture of such articles."

"Yarn of jute, flax or hemp for the manufacture of towels when imported by the manufacturers of jute, linen or union towels, to be used in their own factories in the manufacture of such articles."

"Malleable iron or steel castings, in the rough, for the manufacture of scissore and hand shears, when imported by manufacturers of scissors and hand shears to be used in making such articles in their own factories."

"Refined cotton seed oil (edible) for canning fish, until otherwise provided."

"Tubes and cones of all sizes, made of paper, when imported by manufacturers of cotton yarns or cotton fabrics, to be used in winding yarns thereon in their own factories."

"Oil (petroleum) when imported by miners or mining companies or concerns to be used in concentration of ores of metal in their own concentrating establishments, under such regulations as the Minister of Customs may prescribe."

Trusts and Combinations.

The attitude of the Government as regards trusts and combinations in restraint of trade is also worthy of attention. In their tariff of 1897, as will be remembered, they took the power to punish trusts and combinations that "unduly enhance the price of any article or that by any other method unduly promotes the advantage of the manufacturers or dealers at the expense of the consumers." The method of punishment or retaliation adopted was the reduction of the duty on the article in question. In 1902, it was established by Royal Commission that a combine existed in the paper making trade of the country, under the operations of

which, prices were unduly enhanced, and the Government accordingly reduced the duty on Printing Paper from 25 to 15 per cent.

Quite recently too, a law was passed restraining the monopolistic practices in Canada of the American Tobacco Company.

What the Premier said.

Sir Wilfred Laurier, in the course of his speech on the Budget, pithily and pointedly referred to the Government's course as follows:—

Sir, we have now been eight years in power. That is not a very long time in the lifetime of a nation, though it may perhaps be a long time in the life of a party. But after having been eight years in office, I think, I can say in the presence of friend and adversaries that we have not been imitators, we have been ourselves. We have not walked merely in beaten paths, we have hewed out our own way. We have altered our policy according to the difficulties that arose, and we have endeavored to solve the problems as they presented themselves to us, not by the application of antiquated formulae that had been in vogue in older communities, but by framing a policy that would be applicable to our own conditions and to our own circumstances. In the first budget speech which was presented to this House by my hon. friend, the Minister of Finance, we introduced a preferential tariff. We did not imitate any other nation, we were the originators. We adopted a policy which we thought suited to our condition, both as a colony and as a young nation, believing it to be in accord with sound economic conditions. We adopted a policy which we thought would advance Canadian trade with Great Britain, our mother country, and which would at the same time afford considerable relief to the Canadian consumer. A year ago we imposed the German surtax. In doing so we did not borrow legislation from other countries, we devised a remedy which we had reason to believe would compel a powerful nation to give us the fair treatment which that nation denied us, or at all events, would force it to respect us. This year again, in order to meet a modern evil which has resulted from new methods in highly civilized countries, we have invented a policy which we have every reason to believe will prove entirely effectual. As it was in the past so it shall be in the future; we shall face any difficulties, we shall face any problems as they arise and we shall endeavor to settle them by ways and means altogether Canadian in their conception, altogether Canadian in their character.

Tariff Reductions.

We will now endeavor to show the reductions that have been made in the rates of Customs duty by the Liberal Government.

The reductions have been of a three-fold character.

(1). Many of the articles in the Dutiable List were transferred to the Free List.

(2). Many items in the Dutiable List were reduced.

(3). The whole Dutiable List, except liquors and tobaccos, which are luxuries, were made subject to a reduction of one-third, if the goods came from Great Britain or certain of her Colonies.

Appended hereto, marked "A," is a schedule showing the transfers to the Free List, and the reductions made under the General Tariff, as compared with the Conservative Tariff.

In 1896, under the Conservative Tariff, \$18.28 was charged by the Customs on every \$100 worth of goods imported into the country. During the fiscal year ended June 30th, 1903 only \$16.88 was so charged. This is a reduction of \$2.40 from \$18.28, which is equivalent to 13 per cent. If the Conservative average rate of \$18.28 had been levied upon the importations of 1903, more duty to the amount of over five and a half million dollars would have been collected.

But Conservative politicians have argued in the House of Commons that, in making this calculation, Coin and Bullion, and Indian Corn that is imported into the country, but is not consumed here—being afterwards exported—should be deducted. Well, taking them on their own ground, we find that the average rate of duty imposed under the Conservative Tariff of 1896, after deducting Coin and Bullion was \$19.19 whereas it was only \$16.60 in 1903—deducting Coin and Bullion, and Indian Corn imported but not remaining in the country. If the Conservative rate had been in operation during 1903, nearly six millions more duty would have been collected according to this basis of calculation.

The Conservatives have further argued that it is not fair to make a comparison with the year 1896. Well! we will take their full term of office. The average duty charged by them during their eighteen years of power

was \$19.10, on each \$100 worth of goods imported. From 1896 to 1903 under the Liberals the average duty was \$16.49. If the Conservative average rate had prevailed during the seven years from 1896 to 1903, over thirty-two million dollars more would have been paid into the Treasury.

Effects of the Preference.

In addition to the direct reductions in duty heretofore referred to, there have been very large indirect savings to the people through the operation of the British Preferential Tariff. That Tariff as a matter of fact and actual experience has a direct bearing upon the prices of importations from all foreign countries, on such articles as Great Britain can supply us with. The foreign merchant competing with the British merchant in the Canadian markets is obliged to reduce his prices to off-set the reduction in duty on goods coming from Britain. The Canadian consumer consequently is benefitted by the reduction in prices. To illustrate this argument take the case of Cotton fabrics, printed or dyed—an article of very common use. The rate of duty is 35 per cent. from foreign countries and only 23 1-3 per cent. from Great Britain. On \$1,000 worth of such goods imported from Great Britain, \$233 duty would have to be paid, whereas on the same value imported from the United States, the duty would be \$350. The Canadian merchant is therefore in a position to say to the United States dealer or any other foreign dealer.

"On \$1,000 worth of cotton fabrics which I can buy in Great Britain. I would have to pay \$117 less in Customs duty than if I bought to the same extent from you. The British dealer, therefore, will get my order, unless you reduce your prices below his, sufficiently at any rate, to compensate for the difference of duty. If you will make me a reduction in your price of \$117 on \$1,000, I might be disposed to give you my order, but under an other circumstances would it pay me to do so."

The American and other foreign dealers have to reduce their prices to offset the reduction in duty on British goods, and the Canadian consumer gets the benefit of it. This applies to very many of the most important lines of goods that we import. More particularly does it apply to cottons, woollens, linens, silks, earthenware, glassware, drugs, dyes and chemicals, iron ware, drugs, dyes and chemicals, iron, steel, hats, caps and bonnets, gloves and mitts, furs, leather, manufactures of fancy goods, paper, and manufactures of oils, soaps, etc., etc. In all these lines Great Britain competes in our markets, and in most of them she supplies us with the largest proportion of our importations.

It should be noted here that last year a change was made in respect of certain woollen goods—the net rate under the Preference being increased from 23 1-3 per cent to 30 per cent. This increase, however, does not apply to blankets, flannels, knitted goods, under-clothing or carpets.

Comparison of Preferential Rates with Conservative Tariff.

It might be well to compare the Preferential rate with the Conservative Tariff rates on some of the staple articles of consumption which we import largely from Great Britain. The consumer will see from this Statement just how Liberal tariff reform has benefited him:

Article.	Conserv.	Pref.
Collars, 24c per dozen, and...	25	23½
Combs	35	23½
Grey Cottons	22½	16½
White or bleached cotton fabrics	25	16½
Printed, dyed cotton fabrics...	30	23½
Cotton Handkerchiefs	30	23½
Cotton Sewing Thread on spools	25	16½
Cotton socks and stockings, 10c per dozen, and	35	23½
Cotton Towels	25	20
Velvets and Velvetens	30	20
Cuffs, 4c a pair, and.....	25	23½
Curtains	30	23½
Embroideries	30	23½
Towels, linen	25	20
Handkerchiefs, linen	30	23½
Shirts, linen, under, \$3.00 a dozen	35	23½
Window Glass	20	7½
Tableware	30	15

Article.	Conserv.	Pref.
Gloves and Mitts	35	23½
India Rubber and Waterproof Clothing	35	23½
Hats, Caps and Bonnets	30	20
Ink	20	13½
Table Cutlery	32½	20
Paris Green	10	6½
Pickles	35	23½
Soap, common or laundry ...	1c per lb.	2-3c
Soap Powders	35	20
Umbrellas	35	23½
Woollen Goods—		
Blankets, 5c a lb. and	25	23½
Tweeds, and Ladies' Dress Goods, 5c a lb. and.....	25	30
Flannels, 5c a lb. and.....	25	23½
Cloths, 5c a lb. and.....	25	30
Undershirts and Drawers ...	35	23½
Carpets	30	23½

On the heavier and cheaper class of Woollen Cloths, the equivalent ad valorem duty under the Conservatives ran up as high as 60 per cent.

Results of the Liberal Business Policy

Permit us to look at the results. Is it not an undeniable fact that the country has been marvelously prosperous since 1897, and that the prosperity has been general. The farmers never were so well off, or so contented. Workingmen never were so greatly in demand, and never received better wages. Manufacturing has developed and extended in a wonderful degree, notwithstanding the increased importations. The cry of the manufacturers to-day is for more help. Prosperity has been their lot to an extent which they never dreamed of in National Policy days. The North West is filling up rapidly. Canadians realize as they never did before, that they are citizens of what is destined to be the greatest country in the world, and they have no fears for the future. The despair felt in Tory days has gone—we hope forever.

It is an actual fact that more progress has been made during the seven years since 1896 under Liberal rule than during the whole eighteen years of Conservative Government. This is a strong statement to make, but it is proved up to the hilt by the following figures:

Increase in Foreign Trade.

Increase in Foreign Trade of Canada from 1878 to 1896, when the Conservatives were in office—\$66,000,000.

Increase 1897 to 1903, under Liberal Government—\$228,000,000.

Deposits by People in Banks.

Increase eighteen years under Conservatives—\$165,831,631.

Increase seven years under Liberals—\$215,921,436.

Bank Circulation.

Increase eighteen years under Conservatives—\$20,897,216.

Increase seven years under Liberals—\$47,162,984.

The Conservative Attitude.

What has been the Conservative attitude in regard to the Liberal fiscal policy? The question is not an easy one to answer. So many different positions have been taken by them, that it is difficult to say just "where they are at." The truth is that they have been very much disappointed. Their ideas have been shattered by actual experience. They expected that the Liberal Tariff would operate disastrously and when experience showed that it was the best Tariff Canada ever had, they were at their wit's end to know what criticism to offer.

In 1897 when the Liberal Tariff was introduced, it was met with a "wail of woe" from Sir Charles Tupper and his colleagues. Here are the words of Sir Charles as reported in Hansard.

The result is that this tariff goes into operation and the hon. gentleman knows that the industries of this country are already paralyzed in consequence, while honorable members gloat over the destruction of Canadian industries. I was reading the wail, the sorrowful wail, of these industries in *The Montreal Gazette*, where one manufacturer after another declared that those industries were ruined, that their mills must close, and that they saw staring them in the face a return to the deplorable state of things that existed when the hon. gentleman last addressed the House was in charge of the fiscal policy of this country. I say that a deeper wrong was never inflicted upon Canada.

I feel that so far from rejoicing at it from a party standpoint, I deplore from the bottom of my heart the ruin that is going to be inflicted upon the best interests of Canada, and upon its great industries. Still, I unhesitatingly say that, from a party point of view, the hon. gentleman are doing our work; they are showing

the people of this country that no reliance can be placed upon the most solemn declarations that they make either in the House or out of it; they are showing the people of this country that, having obtained power, which was all they wished for, they are now prepared to abuse that power at a cost of sacrifice of the industries of Canada.

The next position taken by the Conservatives was that the Government had retained the National Policy practically in its entirety, and that that was the reason why the country had been so prosperous. That is excellent Tory doctrine. It is the pet notion of Conservatives that they were sent on earth with a special mission to govern, and that none other have the capacity to do so. With such ideas, it was no doubt easy for them to persuade themselves even in the face of adverse facts, that the National Policy had been retained. Not only was the wish father to the thought, but they believed the Grits could not possibly frame a policy which could produce prosperity, consequently when prosperity followed the Tariff, it was quite apparent to them that the National Policy had been retained. To them that was as plain as that two and two make four.

Absurd though such a position is, if the Conservatives had stayed by it, we could know where to place them, but almost in the same breath, they abused the Government for reducing duties, and thereby, as they alleged, ruined certain industries.

They voted, spoke against, and denounced the Preferential Tariff, claiming that it was injurious to Canadian manufacturing interests, yet they profess to be advocates of Preferential Trade within the empire. Hon. George Foster, perhaps the ablest man in their ranks was not long ago in Great Britain, extolling the Liberal preference to the British people.

One of their leaders fought a campaign in Manitoba during the general elections of 1900, chiefly on the cry of free agricultural implements, which he declared he was in favor of, and that notwithstanding he declared Tory policy of protection. Last year Mr. Borden, the present leader, told the same people in Manitoba that he did not propose to abolish the duty on agricultural implements.

What do you think of such inconsistent and irreconcilable attitudes? Do they inspire confidence?

Where do the Conservatives Stand Now?

Where do the Conservatives stand now! At the session of Parliament of 1903, they introduced the following motion as an amendment to the Budget.

Moved that this House, regarding the operation of the present tariff as unsatisfactory, is of opinion that this country requires a declared policy of such adequate protection to its labor, agricultural products, manufacturers and industries, as will at all times secure the Canadian market for Canadians.

A somewhat similar resolution was introduced in the House during the session of 1902.

The phrase "adequate protection" is a very specious one, and might mean anything. The Leader of the Opposition when pressed for a definition of it, evaded the question, but his chief lieutenant have been more frank, and from their speeches we learn that the Conservative policy is one of high protection to the point of complete exclusion of imports that would conflict with Canadian manufacturers or other products.

Mr. Rufus H. Pope, Conservative M.P., for Compton, is reported on page 2419, Hansard, 1902 as follows:

(1) *The resolution that I would have preferred would be a resolution for a Chinese wall all round.*

Mr. Blain, the member of Parliament for Peel, during the same session made use of these words, *vide p. 1499, Hansard.*

I hold that the tariff should be so arranged that every institution in this country which is manufacturing goods to be consumed by the Canadian people should have sufficient protection to keep out the same class of goods made in any foreign country; and I have no hesitation in saying that, if that country should be England, the policy of Canada should be framed in the interests of the Canadian taxpayer as against the people who are producing the same class of goods even in the old country under the same flag.

Mr. Henderson, the old time Conservative member for Halton, is re-

ported on page 2384, Hansard, 1902, thus:

It was said in the early days of the present tariff, that the Liberals had stolen our clothes. I have never said so, but of course, when the preferential duty was only 12 1/2 per cent, and when on colored cotton goods, and many other goods the duties were practically the same as under the Conservative regime, there was some reason for, perhaps, coming to the conclusion, without due consideration that the Liberals had stolen our clothes. But I do not consider that they have done anything of the kind. I am only sorry that they did not, for it would have been better for the country if they had. Their tariff is instead, just the antipodes of ours.

Mr. George Taylor, the Conservative whip, during the budget debate of 1902, said, page 1966, Hansard:

Now I am willing to go to an amount sufficient to protect the industries of the country even if it is 100 per cent.

Speaking of agricultural implements he said: Hansard, page 1988.

Thus we sent to the United States last year nearly \$2,000,000 to purchase these implements. In a very few years there will be nothing left of them but a heap of iron, and the Americans will have \$2,000,000, whereas, if we had a Government that would have given adequate protection, every one of these articles would have been made in this country. Employment would have been given to our working men, Canadian farmers would be supplying a home market, and we would have those \$2,000,000 in Canada as a national capital to help on our progress and development.

During the same debate Mr. Henderson, of Halton, spoke thus (page 2087 Hansard):

But we say we will put a Chinese wall right around this country, and we will not allow those Americans to come in and monopolize the markets of his country.

The Hon. Mr. Paterson, Liberal, Minister of Customs, in his speech on the budget quoted the foregoing statements of Mr. Blain, and the following dialogue ensued:

(Minister of Customs)—But the hon. gentleman said more than that, he said this is in accordance with the principles enunciated in the amendment that Mr. Borden has moved.

(Mr. Blain)—Hear, hear. I stand by that.

Referring again to Mr. Rufus Pope, M.P., we find on page 2425, Hansard 1902, he is reported as saying:

That policy which we shall propound will be one which will carry out, only in a more extended degree, the objects aimed at by the policy which our political fathers adopted in 1878.

It appears to be quite clear from these speeches that the term "adequate protection" practically means prohibition of imports. The new Opposition policy is one of exclusion, and it goes far beyond the old National Policy. If the Conservatives come into power we are to have the stiffest kind of protection. *They want to sell abroad, but they don't want to buy there.* Carried to its logical conclusion it means that they propose to say to the manufacturing interests of Canada, "We will keep the home market as a complete preserve for you. The foreigner and the British merchant will not be allowed to compete, or even to poke his nose in. The field will be your own, and no outsider will interfere with the prices you may charge."

In these days of combines and trusts, what would such a policy result in? Would not the bait of large profits to accrue from high protection to manufacturing, induce capital to take a plunge, and as capital as a rule looks after itself, well, would not monopolies and trusts be created to kill internal competition with the object of taking the fullest advantage of the protection. How would this affect the farmer, and the consumer? You cannot protect the farmer by Customs duties on his products, at any rate to any appreciable extent, and he would therefore get no compensating advantage for the higher prices, which stiff protection would oblige him to pay on his commodities.

In a word, the Conservatives stand for illegitimate protection. If consistent with their declarations, their Tariff, if they get into power will be equivalent to passing a law, making it illegal to import into Canada any goods of which a like kind is produced here.

Verily that is protection gone stark mad!

FUTURE LIBERAL POLICY

It is proposed to have a full and detailed revision of the tariff at an early date, and after a thorough investigation has been made, as in 1897, by a Government Commission. The Hon. Mr. Fielding, Finance Minister, made an announce-

ment to this effect in his last Budget Speech, delivered on June 7th, 1904, and he foreshadowed the following lines of action on the revision:—

"We have some tariff changes to propose this session, but we have no intention of making any extensive tariff revision. Many items in the tariff, I might be almost justified in saying that almost every item in the tariff, bears a relation to some other item, and it becomes necessary to have a very careful enquiry before any detailed revision be undertaken. Before the last revision of the tariff, a commission composed of members of the administration held a very extensive and thorough enquiry among the business men of the country; all interests were heard and I am sure much valuable information was obtained. Before we could attempt to deal with all the details of the tariff, it will probably be the part of wisdom to have that commission or some such body make such an enquiry. The ministers in one way or another will have to make a thorough investigation before any detailed tariff revision can be undertaken.

"But while we may not be prepared to deal with the details now, there is no reason why we cannot foreshadow the lines upon which the tariff revision might take place. We have to-day practically three tariffs. We have the British preference, we have our general tariff and we have the German Surtax. I think it would be found wise in any revision of the tariff that may take place, to continue these distinctions, and to, perhaps, deal with them more in detail. I think it would be the part of wisdom that we should still have separate tariffs to apply to separate countries, in order that we may be able to deal fairly with the countries that want to trade with us, and to deal less generously with those countries which pursue a somewhat hostile course towards us. We have to-day practically, a maximum and a minimum tariff, if I may so describe it, and then we have the British preference below that again. It would be well that in the revision that may take place we should adopt that prin-

ciple as it now exists and deal with it more in detail.

"I think it would be well for us to have a maximum general tariff and a minimum general tariff, and the British preference below that as we have it to-day. The maximum tariff would only be applied to those countries which pursue, if I may so call it, a hostile policy. I do not mean to say that they have any hostility to us, but simply that in the carrying out of their own affairs they adopt a trade policy which discourages trade with us. In that case, they cannot complain if we have a maximum tariff, and though we should guard against having an extreme tariff, we would be justified in saying that this tariff should be materially higher than the tariff which we are prepared to extend to other countries which are willing to trade with us on fair and reasonable terms.

"The minimum general tariff, which would correspond to the general tariff to-day, would apply to such countries as do not legislate commercially in a spirit of hostility to us—perhaps that is not happily expressed; let me say, to countries that adopt more moderate tariff views, low tariff countries. Of course where there are favored nation treaties in existence they have to be considered, but the principal nations which to-day adopt a high tariff policy have not any favoured nation arrangement, and therefore I think our hands will be free in that respect. So, we would have a maximum tariff, as we have the German surtax to-day, to apply to such countries as do not manifest a disposition to trade with us.

"We would have a minimum general tariff to apply to countries that are disposed to trade with us, and then below that we would have the British preferential tariff to apply to the mother country and to such colonies of the Empire as it may be expedient to extend the benefit of that tariff to. I think, sir, that on this line, guarding carefully against extortionate duties, but also making a distinction between the countries which wish to trade with us and the countries that do not wish to trade

with us, I think we can devise a tariff which will be in all its details fairly satisfactory to the country.

Mr. R. L. Borden: I do not know whether I quite follow the hon. gentleman. Is it his suggestion that we should apply a higher tariff to other countries which have high tariffs against us although they may treat us exactly in the same way they treat all other countries?

Mr. Fielding: Yes, I think we should do that. Although, if there be special cases of countries which treat us with exceptional unfairness, we would still have to deal with them by special legislation as we have done in the past.

"One advantage which we might derive from the treatment of the question as I have suggested is that we could deal with separate articles. Very often a general rule will work out some disadvantages when applied. Under our present system, our British preference is one third off everything, and there may be cases in which that works unequally. There may be cases in which we could not afford the one third off. There may be cases in which we can afford more than one-third off. There would consequently be some advantage to us in having in our tariff columns a maximum general, a minimum general tariff and a preferential tariff, with each individual item stating in each case what the preference should be, and what the difference is to be. This would strike me as being the line upon which a tariff revision might properly be undertaken.

"But, sir, though we speak of that as an outline of the method by which there might be detailed tariff changes, we have to consider the question of things as they are to-day. We desire to deal with certain things as they present themselves to us to-day; we desire to deal with matters of urgency, reserving the question of a more general and more detailed tariff revision until an early date—I would say, hopefully, next session, but at all events as soon as a proper inquiry can be made."

Scientific Tariff Making.

Here we have outlined a policy of scientific tariff making in the best sense of the term—a policy which will admit of proper conservation of all Canadian interests, of preferential trade within the Empire on fair and reasonable terms, and of the extension to other countries of favour for favour, or the imposition of high tariff as against high tariff, where necessary and in the interests of Canada.

The public, we are sure, will agree that the Government are right in proposing to have a Commission of Enquiry before revising the tariff fully. It would be unwise, nay, absurd, without first ascertaining in a direct way, by means of a Commission of Investigation, the precise nature of the changed conditions, and of the existing requirements of the country.

The construction of a tariff on scientific lines, adapted to the varied interests of Canada, is a tremendous task, which cannot be undertaken in any haphazard way. A thousand and one things have to be considered in connection with it. It is the primary and manifest duty of the Government to legislate for the general good of the country. They must, therefore, consider tariff questions, not from any single view point, but as to how they will affect the community generally. The tiller of the soil, the rancher, the fisherman, and other producers have to be thought of equally with the manufacturer. The interdependence of manufacturing industries has also to be carefully dealt with. What is one man's raw material is another man's finished product. In some cases, too, particular articles are found to be common to very many industries. In this connection it might be observed that the Canadian Manufacturers' Association not very long ago realized in a very forcible way what a difficult task it is to arrange a tariff to the general liking of their members, notwithstanding that they had only to deal with the question from the manufacturing standpoint. When they

attempted to reconcile the various conflicting interests within their own ranks, so as to carry out their object of going to the Government with propositions which they could state were generally acceptable to the Association, they encountered the greatest difficulties, and finally, the task was abandoned. How much more difficult is the task of the Government, who have to consider, not only the manufacturing end, but all the other interests of the community, with their dependence upon or conflict with one another!

It will, we think, be recognized, that to strike the happy balance in the true spirit which has actuated the Liberal Government in the past, namely, to promote the general welfare by providing the maximum amount of profitable labour for the people generally, is a task requiring patient and exhaustive investigation, and the exercise of business ability of a high order. In the past the Liberals have not been found wanting in these respects, and the success which has attended their efforts should be the best possible assurance to the public of their future conduct. The country may look forward with confidence to a continuation of the same moderate, practical, adaptive and progressive policy which has been so marvellously successful in the last eight years. The vigorous and practical immigration methods adopted by the Hon. Mr. Sifton will be persisted in, and the general policy of development of the country along natural and legitimate lines will be gone on with. When the Grand Trunk Pacific Railway (which is now assured) is constructed, the map of Canada will have been rolled back 500 miles. Think of the possibilities of the development which will result from this alone! Think what it will mean to the manufacturing and producing interests of the country! Think what it will mean to the workmen of all classes and in all trades! Think what it will mean to every merchant and storekeeper! Think what it means to the youth of the land!

Appendix A.

STATEMENT showing articles now on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to free list.	Former Rates of duty.
Degras, oleostearine. (This was formerly free for the manufacture of leather only).....	20 per cent. ad valorem
Florist stock as follows:—	
Corins, tubers, rhizomes, aruncaria spiraea.....	20 per cent. ad valorem
Indian corn.....	7½ cents per bushel
Hood beans from Britain.....	15 cents per bushel
Rape seed—sowing.....	10 per cent. ad valorem
Mushroom spawn.....	20 per cent. ad valorem
Artificial limbs.....	20 per cent. ad valorem
Asphaltum or asphalt, refined.....	20 per cent. ad valorem
Hinder twine.....	12½ per cent. ad valorem
Articles for manufacture of hinder twine.....	Varying according to material
Religious tracts.....	35 per cent. ad valorem
Books for the use of libraries of schools, or for the library of any incorporated, medical, literary, scientific or art association or society.....	6 cents per lb.
Books on the application of science to industries of all kinds, including books on agriculture, horticulture, forestry, fish and fishing, mining, metallurgy, architecture, electric and other engineering, carpentry, shipbuilding, mechanics, dyeing, bleaching, tanning, weaving and other mechanic arts, and similar industrial books.....	6 cents per lb.
Canvas or fabric, not frictionized, for the manufacture of bicycle tires, imported by manufacturers of bicycles for use exclusively in the manufacture of bicycle tires in their own factories.....	20 per cent. and 22½ per cent. according to material
Clay crucibles.....	20 per cent. ad valorem
Cyanogen or compound of Bromine and Potassium for reducing metals in mining operations.....	20 per cent. ad valorem
Quinacelo.....	20 per cent. ad valorem
Extracts of nut galls.....	20 per cent. ad valorem
Fashion plates—Tailors', milliners' and mantlemakers'.....	6 cents per lb. and 20 per cent.
Head ropes (fishermen's).....	1½ cents per lb. and 10 per cent.
Jute and hemp yarn for hammocks.....	20 per cent. ad valorem
Life boat and life saving apparatus. (When specially imported by societies established to encourage the saving of human life)....	25 per cent. ad valorem
Brass, in strips, not polished, planished or coated.....	30 per cent. ad valorem
Copper, in strips, not polished, planished or coated.....	30 per cent. ad valorem
Brass trimmings for bedsteads, when imported for the manufacture of same.....	30 per cent. ad valorem
Cream separators.....	27½ per cent. ad valorem
Cable chains.....	5 per cent. ad valorem
Rubber, powdered.....	25 per cent. ad valorem
Surgical and dental instruments and surgical needles.....	15 per cent. ad valorem
Books—donations of, for charitable purposes.....	6 cents per lb.
Specimens, models and wall diagrams, for illustrations of natural history, for universities and public museums.....	Dutiable according to material
Astrachan or Russian hair skins and China goat plate or rugs, wholly or partially dressed but not dyed.....	15 per cent.
Wrought iron tubing, butt or lap-welded, threaded or coupled or not, not less than 2½ inches diameter, when imported for use exclusively in mining, smelting, reducing or refining.....	15 per cent. ad valorem
Platinum, in bars, strips or plates.....	20 per cent. ad valorem
Sewing machine attachments.....	30 per cent. ad valorem

Appendix A.—Continued.

STATEMENT showing articles now on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to Free List.	Former rate of duty.
Steel, No. 12 gauge and thinner, but not thinner than No. 30, for the manufacture of bed fasts and furniture castors, when imported by the manufacturers of such articles for use exclusively in the manufacture thereof in their own factories.....	12 to 16 gauge, \$10 per ton, 17 gauge and thinner, 5 per cent. ad valorem \$10 per ton
Steel, for the manufacture of bicycle chain, when imported by the manufacturers of bicycle chain for use in the manufacture thereof in their own factories.....	\$10 per ton
Steel, for the manufacture of axes, hatchets, scythes, reaping hooks, hoes, hand rakes, hay or straw knives, windmills, and agricultural or harvesting forks, when imported by the manufacturers of such articles for use exclusively in the manufacture thereof in their own factories.....	\$10 per ton
Steel springs for the manufacture of surgical trusses, when imported by the manufacturers of trusses for use exclusively in the manufacture thereof in their own factories.....	1 cent per lb. and 20 per cent. ad valorem
Flat spring steel, steel billets and steel axle bars, when imported by manufacturers of carriage springs and carriage axles for use exclusively in the manufacture of springs and axles for carriages or vehicles other than railway or tramway, in their own factories.....	Flat spring steel and steel bars, \$10 per ton; billets, \$5 per ton
Spiral spring steel for spiral springs for railways when imported by the manufacturers of railway springs for use exclusively in the manufacture of railway spiral springs in their own factories....	\$10 per ton
Stereotypes, electrotypes and celluloids of newspaper columns in any language other than French and English.....	1 cent per square inch 1 cent per lb.
Barbed fencing wire of iron and steel.....	25 per cent. ad valorem
Wire of zinc, screwed or twisted, or flattened and corrugated, for use in connection with nailing machines for the manufacture of boots and shoes.....	20 per cent. and 25 per cent. according to purpose used
Galvanized iron or steel wire, No. 9, 12 and 13 gauge.....	25 per cent. ad valorem
Philosophical instruments and apparatus, such as are not manufactured in Canada, when imported for use in public hospitals.....	20 per cent. ad valorem
Photographs, not exceeding three, sent by friends and not for purpose of sale.....	20 per cent.
Cotton Seed Oil, when imported by manufacturers of liquid annato, to be used in their factories exclusively in the manufacture of liquid annato.....	30 per cent.
Metallic Tubes for use in the manufacture of Vaccine Points made in Canada.....	20 per cent.
The Chemical Compounds known as "Safety Bate" and "Tannin Preserver" when imported by tanners for use exclusively in "the tanning of leather in their own tanneries".....	25 per cent.
Cotton Yarn, polished or glazed, when imported by manufacturers of Shoe Laces for the manufacture of such goods in their own factories.....	25 per cent.
Syrup of molasses of cane or beet testing under 35 degrees by the Polariscopes, for use in the manufacture of compressed food for live stock, when imported by the manufacturers of such food, to be used for such manufacture only in their own factories....	1c per lb.
Key pins, damper springs, jacks springs, rail springs, regulating screws, spoons, bridle wires, damper wires, back check wires, dowel wires, German centre pins, brass pins, rail hooks, brass brackets, plates, damper rod nuts, damper sockets and screws, shell, brass sapsatan screws, brass flange plates and screws, hammer wires, fly felt, butt felt, damper felt, hammer rail cloth, back check felt catch felt, thin damper felt, whip cloth, bushing	

Appendix A.—Continued.

STATEMENT showing articles now on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to Free List.	Former rate of Duty
cloth, hammer felt, back hammer felt, bridle leather and buckskin, when imported by manufacturers of piano keys, actions, hammers, base dampers and organ keys, to be used exclusively for the manufacture of such articles in their own factories.....	Varying rates from 20 per cent. to 35 per cent.
Botany yarn, single, in numbers 30 and finer, on mule cops, dry spun on what is known as the French and Belgian system, not doubled or twisted, in white only, when imported by manufacturers of cashmere socks and stockings, to be used exclusively for the manufacture of such articles in their own factories.....	20 per cent.
Glass caps, shells, containers and capillary tubes; rubber bulbs, boxes and corks, for use in the manufacture of vaccine points; and only when imported by manufacturers of vaccine points...	20 per cent.
Materials which enter into the construction and form part of Cream Separators, when imported by manufacturers of Cream Separators to be used in their own factories for the manufacture of Cream Separators.....	25 or 30 per cent.
Silver tubing, when imported by manufacturers of silverware to be used in their own factories in the manufacture of silverware...	30 per cent.
Hemp bleaching compound when imported by manufacturers of rope, to be used in their own factories for the manufacture of rope.....	20 per cent.
Steel for the manufacture of cutlery when imported by manufacturers of cutlery to be used in their own factories in the manufacture of such articles.....	5 per cent.
Yarn of jute, flax or hemp for the manufacture of towels when imported by the manufacturers of jute, linen or union towels, to be used in their own factories in the manufacture of such articles.....	25 per cent.
Malleable iron or steel castings, in the rough, for the manufacture of scissors and hand shears, when imported by manufacturers of scissors and hand shears to be used in making such articles in their own factories.....	25 per cent.
Refined cotton seed oil (edible) for canning fish.....	20 per cent.
Bleached palm oil, Shea Butter, when for use as materials in Canadian manufactures.....	20 per cent.
Tubes and cones of all sizes, made of paper, when imported by manufacturers of cotton yarns or cotton fabrics, to be used in winding yarns thereon in their own factories.....	35 per cent.
Oil (petroleum) when imported by miners or mining companies or concerns, to be used in the concentration of ores of metal in their own concentrating establishments, under such regulations as the Minister of Customs may prescribe.....	5c. gallon
Machinery and Structural Iron and Steel for use in the construction and equipment of Beet Sugar factories.....	25 p.c. and \$7 ton
Tools and Machinery, not manufactured in Canada, for equipment of factories for the manufacture of Rifles for the Government of Canada.....	25 per cent.
Machinery and appliances of a kind not made in Canada, for use in alluvial gold mining.....	25 per cent.
Artificial teeth, after April 1, 1905.....	
Crude Petroleum, fuel and gas oils. .8235 specific gravity or heavier, at 60 degrees temperature.....	Soma 5c per gallon " 2½c. "
Ferment cultures to be used in butter making.....	

Appendix A.—*Concluded.*

STATEMENT showing articles now on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to Free List.	Former rate of duty.
Glass out to size for the manufacture of dry plates for photographic purposes, when imported by the manufacturers of such dry plates for use exclusively in the manufacture thereof in their own factories.....	20 per cent.
Goats for the improvement of stock, under such regulations as are made by the Minister of Customs.....	20 per cent.
Hydro-fluo-silicic acid.....	25 per cent.
Machinery of a class or kind not made in Canada for the manufacture of Linen.....	25 per cent.
Machinery of a class or kind not made in Canada for the manufacture of brass goods such as are mentioned in item 492 in Schedule B to the Customs tariff, 1897.....	25 per cent.
Plain basic photographic paper, baryta coated, when imported by manufacturers of sensitized paper for use exclusively in manufacturing aluminized or sensitized photographic paper in their own factories.....	30 per cent.
Printing presses of not less value than fifteen hundred dollars each, of a class or kind not made in Canada.....	10 per cent.
Quassia juice.....	20 per cent.
Well-drilling machinery and apparatus of a class or kind not made in Canada, for drilling for water and oil and for prospecting for minerals; not to include motive power.....	25 per cent.
Whale Oil Soap.....	35 per cent.
Molasses, the produce of any British country entitled to the benefits of the British Preferential Tariff, when produced from sugar-cane and imported direct by vessel from the country of production, in the original package in which it was placed at the point of production, and not afterwards subjected to any process of treating or mixing, shall be free of duty; the package also to be free.....	1½ per gallon.

Appendix B.

STATEMENT giving a list of Dutiable Goods upon which the Duty under the present General Tariff is lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 33½ per cent. reduction under the British preferential tariff since 1st July, 1900.

	Old rate.	Present rate.
Belts, surgical, and trusses, electric belts, pessaries and suspensory bandages of all kinds	25 per cent.	20 per cent.
Books, printed; periodicals, and pamphlets, n.e.s.	6c. per lb. equivalent to 18.8-10 p. c. ad. val. computed on basis of 1896 imports.	10 per cent.
Posters, advertising bills and folders.	15c per lb. and 25 per cent.	15c per lb.
Labels for cigar boxes, fruit, vegetable, meat, fish, confectionery, and other goods; also shipping, price or other tags, tickets or labels; and railroad or other tickets, whether lithographed or printed or partly printed, n.e.s.	15c per lb. and 25 per cent. equivalent to 46 per cent. ad val. computed on basis of 1896 imports	35 per cent.
Breadstuffs—		
Wheat	15c per bushel	12c per bu.
Indian or corn meal	40c per bbl.	25c per bbl.
Wheat flour	75 "	60c "
Cane, reed, or rattan, split or otherwise manufactured, n.o.p.	17½ "	15 "
Carriages—		
Buggies and carriages, pleasure carts and similar vehicles, n.e.s.	Costing not more than \$50, \$5 each, and 25 per cent.	35 "
Sleighs	30 per cent.	25 "
Tower clocks	30 "	25 "
Coal, bituminous	60 per ton	53c per ton.
Collars of cotton or linen, xylonite, xyolite or celluloid	2c per doz. and 25 per cent. equivalent to 52 per cent. computed on basis of 1896 imports.	35 per cent.
Cordage, n.e.s.	1½c per lb. and 10 per cent. equivalent to 28 per cent. computed on basis of 1896 imports	25 per cent.
Corset clasps, busks, blanks and steels, and corset wires, tipped or ntippled	5c per lb. and 20 per cent. equivalent to 37 per cent. computed on basis of 1896 imports.	35 per cent.
Cotton—		
Embroideries, white	30 per cent.	25 "
Duck, white	25 "	22½ "
Jeans, coutilles and sateens, imported by corset and dress stay makers for use in their own factories	25 "	20 "
Sheets	32½ "	30 "
Shirts of cotton, costing more than \$3 per doz.	\$1 per doz and 25 per cent. equivalent to 37 per cent. ad val. computed on basis of 1896 imports	35 per cent.
Socks and stockings	10c per doz. pairs, and 35 per cent.	35 per cent.
Cuffs of cotton, linen, xylonite, xyolite or celluloid	4c per pair and 25 per cent. equivalent to 59 per cent. ad val. based on 1896 imports.	35 "
Drugs, etc.—		
Glycerine imported by manufacturers of explosives for use in the manufacture thereof in their own factories	20 per cent.	10 "

Appendix B. Continued.

STATEMENT giving a list of Dutiable Goods upon which the Duty under the present General Tariff is lower than it was under the old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 38½ per cent. reduction under the British preferential tariff since 1st July, 1900

	Old Rate.	Present rate.
Proprietary medicines, liquid, not containing alcohol	50 per cent.	25 per cent.
Sulphuric ether	5c per lb.	25 "
Solutions of peroxides of hydrogen	50 per cent.	25 "
Earthen and Chinaware		
Demijohns, clowns or crcks	3c per gal. holding capacity, equivalent to 38 per cent. ad val. based on 1890 imports	30 "
Electric light carbons and carbon points	\$2.50 per 1,000, length 12 ins., equivalent to 44 per cent. based on 1890 imports	35 "
Electric light carbons over 10 inches in circumference	25 per cent.	15 "
Insulators of all kinds	30 "	25 "
Gunpowder and other explosives		
Gun powder, nitre and other explosives	4c per lb.	3c per lb.
Nitro-glycerine	4c "	3c "
Caps or pistol covers or cases, game bags	32½ per cent.	30 per cent.
Loading tools	35 "	30 "
Gutta percha and India-rubber, manufactures of		
Boots and shoes with cloth uppers	30 "	25 "
Belting	32½ "	25 "
Agricultural Implements		
Farm, road or field rollers	35 "	25 "
Forks, pronged	35 "	25 "
Hay tedders	35 "	25 "
Hoes	35 "	25 "
Knives, hay or straw	35 "	25 "
Knives, edging	35 "	25 "
Manure spreaders	25 "	20 "
Post hole diggers	35 "	25 "
Potato diggers	35 "	25 "
Rakes, n.e.s.	35 "	25 "
Scythes and snathes, sickles or reaping hooks	35 "	25 "
Spades and shovels and spades and shovel blades and iron or steel ent to shape for same	50c per doz. and 25 p.c., equivalent to 38 p.c. based on 1890 imports	35 "
All other agricultural implements, n.e.s.	35 per cent.	25 "
Cart or wagon skeins or boxes	32½ "	30 "
Bar iron or steel, rolled, whether in coils, bundles, rods or bars, comprising rounds, ovals squares and flats, and rolled shapes, n.e.s.	\$10 per ton	\$7 per ton.
Butts and hinges, n.e.s.	35 per cent.	30 "
Cast iron pipe of every description	\$10 per ton, but not less than 35 p.c.	\$8 per ton.
Cast scrap iron	\$4 per ton	\$2.50 per ton
Chain, malleable sprocket or link belting for binders	27½ per cent.	20 per cent.
Tacks, shoe, equivalent to 52 p.c. based on 1890 imports	{ 1 ounce to 4 ounces to } 1000, one cent per } thousand.	35 "
Steam engines and boilers	27½ per cent.	25 "
Fittings, iron or steel for iron or steel pipe	35 "	30 "
Forgings of iron or steel of whatever shape or size or in whatever stage of manufacture, n.e.s.	35 per cent., but not less than \$15 per ton	30 "

Appendix B. *Continued.*

STATEMENT giving a list of Dutiable Goods upon which the Duty under the present General Tariff is lower than it was under the old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 33 1/3 per cent. reduction under the British preferential tariff since 1st July, 1900.

	Old Rate.	Present Rate.
Steel shafting, turned, compressed or polished; and hammered iron or steel bars or shapes, n.o.p.	\$10 per ton and 10 per lb. additional, estimated equivalent to 35 per cent.	30 per cent.
Hardware, namely:—		
Builders', cabinet-makers', upholsterers', harness-makers', saddlers', and carriage hardware, including carry combs	32 per cent.	30 "
Iron or steel ingots, rough ingots, blooms, slabs, billets, puddled bars and loops and other forms, n.o.p. less finished than iron or steel bars but more advanced than pig iron, except castings	\$5 per ton	\$2 per ton.
Iron in pigs	\$1 "	\$2.50 "
Iron in pigs (churned)	\$1 "	\$2.50 "
Iron in kentledge	\$1 "	\$2.50 "
Locks of all kinds	32 1/2 per cent.	30 per cent.
Machines and Machinery		
Fanning mills	35 "	25 "
Grain crushers	35 "	25 "
Windmills	30 "	25 "
Ore crushers and rock crushers, stamp mills, cornish and belted rolls, rock drills, air compressors, cranes and derricks and percussion coal cutters	27 1/2 "	25 "
Rollers or feed cutters	35 "	25 "
Horse powers	30 "	25 "
Portable engines	30 "	25 "
Portable saw mills and planing mills	30 "	25 "
Thrashers and separators	30 "	25 "
All other portable machines	30 "	25 "
Slot machines	27 1/2 "	25 "
Typewriting machines	27 1/2 "	25 "
All other machinery, composed wholly or in part of iron or steel, n.o.p.	27 1/2 "	25 "
Nails and spikes, cut, and railway spikes	10. per lb.	10. per lb.
Nails, wire, all kinds, n.o.p.	10. "	10. "
Mould boards or shares or plough plates, land soles and other plates for agricultural implements, cut to shape from roll plates of steel but not unrolled, punched, polished or otherwise manufactured, when costing 4c. per lb. and under	20 "	5 per cent.
Pumps	30 "	25 "
Railway fish plates and tie plates	\$10 per ton	\$8 per ton.
Rolled iron or steel angles, tees, beams, channels, joists, girders, zees, stars or rolled shapes, or trough, bridge, building or structural rolled sections or shapes, not punched, drilled or further manufactured than rolled, n.e.s., and flat eye bar blanks, not punched or drilled	12 1/2 "	10 per cent.
Rolled iron or steel lamp and scroll or strip, eight inches or less in width No. 18 gauge and thicker, n.e.s.	\$10 per ton	
Machines and Machinery—		
Rolled iron or steel angles and channels, weighing less than 35 lbs. per lineal yard, not punched, drilled or further manufactured than rolled, n.o.p.	35 per cent., but not less than \$10 per ton	\$7 "
Rolled iron or steel plates or sheets, sheared or unheared and skelp iron or steel, sheared or rolled in grooves, n.e.s.	\$10 per ton	\$7 "

Appendix B.—Continued.

STATEMENT giving a list of Dutiable Goods upon which the Duty under the present General Tariff is lower than it was under the old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 33 $\frac{1}{3}$ per cent. reduction under the British preferential tariff since 1st July, 1900.

	Old Rate.	Present Rate.
Rolled iron or steel plates not less than 30 inches in width and not less than $\frac{1}{4}$ -inch in thickness, n.o.p....	12 $\frac{1}{2}$ per cent.....	10 per cent.
Rolls of chilled iron or steel.....	35 "	30 "
Skates of all kinds and parts thereof.....	10c. per pair and 30 per cent., equivalent to 57 per cent. ad val. based on 1898 imports.....	35 "
Skelp iron or steel, sheared or rolled in grooves, imported by manufacturers of wrought iron or steel pipe for use only in the manufacture of wrought iron or steel pipe in their own factories.....	\$10 per ton, equivalent to 54 per cent. ad val.	5 "
Stoves of all kinds and parts thereof, n.e.s.....	27 $\frac{1}{2}$ per cent.....	25 "
Stove plates and sad or smoothing hatters' and tailors' irons, plated wholly or in part or not	27 $\frac{1}{2}$ "	25 "
Boiler tubes of wrought iron or steel, including flues and corrugated tubes for marine boilers.....	7 $\frac{1}{2}$ "	5 "
Tubes of rolled steel, seamless not jointed or welded, not more than 1 $\frac{1}{2}$ inches in diameter.....	15 "	10 "
Tubes, seamless steel for bicycles.....	15 "	10 "
Enamelled iron or steel ware, n.e.s.....	35 "	30 "
Wire fencing wovee and wire fencing of iron or steel, n.e.s.....	27 $\frac{1}{2}$ "	15 "
Buckthorn strip.....	$\frac{1}{2}$ c. per lb.....	15 "
Wire of all kinds, n.o.p.....	25 per cent.....	20 "
Wire, stranded or twisted, clothes-line, picture or other twisted wire	27 $\frac{1}{2}$ "	25 "
Iron or steel scrap, wrought, being waste or refuse, including, punchings, cuttings, and clippings of iron or steel, plates or sheets having been in actual use; crop ends of tin plate bars, blooms and rails, the same not having been in actual use.....	\$4 per ton.....	\$1 per ton.
Table cutlery of all kinds, n.o.p.....	32 $\frac{1}{2}$ per cent.....	30 per cent.
Steel plate, universal mill or rolled edge, bridge plates imported by manufacturers of bridges.....	12 $\frac{1}{2}$ "	10 "
Steel in bars, sheets or plates, thicker than 17 gauge, when of greater value than 2 $\frac{1}{2}$ c. per lb.....	\$10 per ton.....	5 "
Steel in hoops, scrolls or strips, 18 gauge and thicker, when of greater value than 2 $\frac{1}{2}$ c. per lb.....	\$10 "	5 "
Adzes, cleavers, hatchets, hammers, picks, mattocks and axes or poles for the same.....	35 "	30 "
Axes.....	35 "	25 "
Saws.....	32 $\frac{1}{2}$ "	30 "
Files and rasps) n.e.s.....	35 per cent.....	30 "
Tools, hand or machine, of all kinds, n.o.p.....	35 "	30 "
Leather—		
Tanner's scrap leather.....	20 "	15 "
Type-making accessories for lithographic presses.....	27 $\frac{1}{2}$ "	10 "
Composition metal for the manufacture of jewelry.....	25 "	10 "
Stereotypes, electrotypes and celluloids for almanacs, calendars, illustrated pamphlets, newspaper advertisements or engravings, and all other like work for commercial, trade or other purposes, n.e.s., and matrices or copper shells for the same.....	2c per sq. in.....	1 $\frac{1}{2}$ c. per sq.in

Appendix B.—Continued.

STATEMENT giving a list of Dutiable Goods upon which the Duty under the present General Tariff is lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 33½ per cent. reduction under the British preferential tariff since 1st July, 1900.

	Old Rate.	Present Rate
Stereotypes, electrotypes and celluloids of newspaper columns and bases for the same, composed wholly or partly of metal or celluloid.....	1c. per sq. in.....	1c. per sq. in.
Stereotypes, matrices or copper shells for the same.....	2c. ".....	1½c. "
Wire of all kinds, except iron or steel, n.o.p.....	25 per cent.....	20 per cent.
All parts of organs, except reeds.....	30 ".....	25 "
Pianofortes.....	35 ".....	30 "
Oils—		
Coal and kerosene distilled purified or refined, naphtha and petroleum, n.e.s.....	6c. per gall.....	2½c. per gall.
Products of petroleum, n.e.s.....	6c. ".....	2½c. "
Olive oil, prepared for salad purposes.....	30 per cent.....	20 per cent.
Lubricating oils, composed wholly or in part of petroleum and costing less than 25c. per gallon.....	6c. per gall.....	2½c. per gall.
Paper and manufacturers of—		
Hanging or wall paper.....	Equivalent ad val. rate based on 1896 imports, 39 per cent.....	35 per cent.
Plaster of Paris or gypsum, calcined or manufactured.....	40c. per brl. of 300 lbs.....	12½c. p 100 lbs
Enamelled iron or steel signs, and letters for same.....	35 per cent.....	30 per cent.
Socks and stockings of silk.....	10c. per doz. prs & 35 p.c.	35 per cent.
Slate—		
Roofing slate.....	30 per cent. but not more than 75c per square for black or blue, or more than 99c. per square for other colours.....	25 p.c. not over 75c sq. 25 per cent.
School writing slate.....	30 per cent.....	25 per cent.
Soap—		
Pearline and other soap powders.....	35 ".....	30 "
Stockinettes for the manufacture of rubber boots and shoes, imported by manufacturers of rubber boots and shoes for use in their own factories, unbleached and shoes for use in their own factories, unbleached coloured.....	22½ p. cent } 30 " }	15 per cent.
Stone and manufactures of—		
Flagstone, granite, rough freestone, sandstone and all building stone not hammered or chiselled.....	20 ".....	15 "
Granite and freestones, dressed; all other building stone, dressed, except marble.....	30 ".....	20 "
Flagstone, dressed.....	30 ".....	20 "
Glucose or grape sugar, glucose syrup and corn syrup, or any syrups containing any admixture thereof.....	1½c. per lb.....	1c. per lb.
Watch cases.....	35 per cent.....	30 per cent.
Rakes, hay, of wood.....	35 ".....	25 "
Willow or osier—		
Window shades in the piece, or cut and hemmed, or mounted on rollers.....	35 per cent. but not less than 5c per sq. yard, equivalent to 41 per cent computed on basis of 1896 imports.....	35 "
Wool and manufactures of—		
Socks and stockings of wool, worsted, the hair of the alpaca goat, etc.....	10c. per doz. prs. & 35 p.c.	35 "
Yarns costing 30c per lb. and over, imported on the cop, tube, or in the hank, by manufacturers of woolen goods for use in their products.....	30 per cent.....	20 "

Appendix B.—*Concluded.*

STATEMENT giving a list of Dutable Goods upon which the Duty under the present General Tariff is lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given as "present rate" has been subject to 33½ per cent. reduction under the British preferential tariff since 1st of July, 1900.

	Old Rate.	Present Rate
Worsted tops made from lustra, wools and other like combing wools such as are grown in Canada.....	20 per cent.	15 per cent.
Blankets.....	5c. per lb. and 25 p. c. equivalent to 39 p. c. ad. val. computed on 1896 imports.....	35 "
Carpets, two-ply and three-ply, treble ingrain, composed wholly of wool.....	5c. per sq. yd. and 25 p. c. equivalent to 36 p. c. computed on 1896 imports.....	35 "
Carpets, two-ply and three-ply, treble ingrain, of which the warp is composed wholly of cotton or other material than wool, worsted, etc.....	3c. per sq. yd. and 25 p. c. equivalent to 37 p. c. computed on 1896 imports.....	35 "
Paraffine wax candles.....	30 per cent.....	25 "
Paraffine wax.....	30 ".....	25 "
Illuminating oils composed wholly or in part of the products of petroleum, coal, shale or lignite, costing more than 30c. per gallon.....	25 ".....	20 "
Lubricating oils, n. e. s., and axle grease.....	25 ".....	20 "
Vaseline, and all similar preparations of petroleum for toilet, medicinal or other purposes.....	35 ".....	25 "
Common and colourless window glass.....	20 ".....	15 "
Plate glass, not bevelled, in sheets or panes not exceeding seven square feet each.....	25 ".....	10 "
Silk fabrics for the manufacture of neckties.....	30 ".....	10 "

