

Government, although challenged, presumed to deny that the following dictum of John Stuart Mill, is a true exposition of the mode of taxation for the adoption of which the Government is "prepared to fight to the death." Mr. Mill says:—"Custom duties are, *ceteris paribus*, much less objectionable than excise, but they must be laid only on things which either cannot, or at least, will not, be produced in the country itself, or else their production there *must be prohibited* (as in England is the case with tobacco) or *subjected to an excise duty of an equivalent amount.*"

I pointed out that there is nothing to prevent the adoption in Canada of this mode of raising revenue—if Ministers are retained in power and have the courage of their declared convictions—but that its adoption would cause the immediate overthrow of nearly all the manufacturing industries. I endeavored to show that the vaunted Free-Trade policy of England, is a *novel and most ingenious form of Protection*, and that it was so intended, and that it was given to English manufacturers at a time when (they having entire control of the home market) protective duties were nugatory, and when the removal of duties from raw material and breadstuffs afforded them the *most efficient aid and protection that Parliament had power to give.*

I endeavored to prove, that the labored statistics of Mr. Charlton are utterly valueless as evidence, either of the actual condition of our own manufactures, or of the true results of a Protective Policy in the United States.

I endeavored to show, that an attempt to build up *King Wheat* in Ontario on Free-Trade foundations would be as futile and disastrous as was a similar effect to build up *King Cotton* in the Southern States, and that the true interests of the farmers would not be served by breaking down their best market, diminishing the number of consumers and increasing the number of producers of farm products.

I pointed to the serious loss occasioned by the inactivity of the Government in 1876 in the matter of Petroleum duties, and the inconsistency and "legalised robbery" involved in their legislation of 1877.

I endeavored to show, that we strengthen the hands of our enemies and weaken the hands of our friends in the United States on the Reciprocity question, so long as we tolerate the existence of trade relations which have the effect—

- 1st. To diminish our trade with England;
- 2nd. To diminish the ratio of exports to imports in our trade with the United States;
- 3rd. To add 30 per cent. in three years to the value of our imports of manufactured goods from the United States, in the face of diminished exports and diminishing cost of goods.

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