

met with considerable opposition in Upper Canada. It is not contended that this system of levying duties is unjust in itself, but that by an unfair application of the principle, it is made to operate against the interests of the Upper Province. The equitable method of collecting an *ad valorem* duty of, say, ten per cent., would be to take ten pounds of sugar out of every hundred pounds imported, or in other words to add the cost of freight and charges to the original invoice, and assess on that amount. In other words the duty should be levied on the cost of the article at the Port of entry, and not at the place of export or growth. By the latter system, being that on which our tariff is based, scarcely two merchants, or two localities will pay the same duty on the same article. Take for example the article of Tea, now imported from China, Great Britain, and the United States, and we have the following result for the same quality :—

Value in China, 15 cents.....	Duty at 20 per cent.,	3 cents.
“ England, 20c.....	“ “	4 “
“ New York 22½c.....	“ “	4½ “
“ Buffalo, 25c.....	“ “	5 “

From the above it will be seen that the Canadian merchant buying his Tea in China will pay *three cents*, while his neighbor buying in Buffalo will have to pay *five cents*. Nor is the present system of specific duties more just, as it presses unfairly on the importer. Thus a specific duty of five cents per lb., on tea, is equal to taking one pound out of every four pounds, counting his tea to cost 20 cents laid down, while his neighbor, buying in Buffalo, whose tea costs over 25 cents, only gives one pound out of every *five* pounds.

The correct method of levying the duty, provided no encouragement was intended to be given to the St. Lawrence Route, would be this :—

Cost of Tea in China.....	15 cents.
Freight and charges.....	5 cents.
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Cost	20 cents.—Duty, 4 cents.
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Cost of Tea in Buffalo.....	25 cents.
Freight and charges.....	1 cent.
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Cost	26 cents—Duty, 5½ cents.

Here we have the *ad valorem* system fairly applied, by which it will be seen that neither the specific duty, now in force, nor the *ad valorem* duty, to come in force on the 1st of January next, is strictly just,—the present system injuring the large importer, the proposed method unfairly burdening the small dealer, if purchasing across the lines.