

There is, however, one obvious consequence of this scheme which nobody has the hardihood to dispute, and that is that unrestricted reciprocity would necessitate the imposition of direct taxation, amounting to not less than fourteen millions of dollars annually, upon the people of this country. This fact is clearly set forth in a remarkable letter addressed a few days ago by Mr. E. W. Thompson—a Radical and free trader—to the *Toronto Globe*, on the staff of which paper he was lately an editorial writer, which, notwithstanding, the *Globe*, with characteristic unfairness, refused to publish, but which, nevertheless, reached the public through another source. Mr. Thompson points out, with great clearness, that the loss of customs revenue levied upon articles now entering this country from the United States, in the event of the adoption of unrestricted reciprocity, would amount to not less than seven millions of dollars annually. Moreover, this by no means represents the total loss to the revenue which the adoption of such a policy would entail. If American manufacturers now compete favourably with British goods, despite an equal duty, what do you suppose would happen if the duty were removed from the American and retained, or, as is very probable, increased, on the British article? Would not the inevitable result be a displacement of the duty-paying goods of the mother country by those of the United States? And this would mean an additional loss to the revenue of many millions more.

Electors of Canada, I appeal to you to consider well the full meaning of this proposition. You—I speak now more particularly to the people of this Province of Ontario—are already taxed directly for school purposes, for township purposes, for county purposes, while to the Provincial Government there is expressly given by the constitution the right to impose direct taxation. This latter evil you have so far escaped, but as the material resources of the province diminish, as they are now diminishing, the Local Government will be driven to supplement its revenue derived from fixed sources by a direct tax. And is not this enough, think you, without your being called on by a Dominion tax gatherer with a yearly demand for \$15 a family to meet the obligation of the Central Government? Gentlemen, this is what unrestricted reciprocity involves. Do you like the