

year has been received by the country. We believe that that policy has given unbounded satisfaction. We did not make the mistake, and we do not make the mistake now, of supposing that the tariff is perfect. There are duties in it which are higher than some of us would like them to be. There are duties which we hope will not remain for ever or for a very long time. There has been, however, a very general recognition among the friends of the Government of the fact that, in a matter of this kind, it is necessary that we should proceed in the spirit of compromise. It was realized that, in a large question, affecting such a wide area of country, with so many conflicting interests, we could only hope to work out the details of the tariff by giving and taking, as respects the different sections of the country. It was recognized by the people that we ought to avoid, as we did, such radical changes as might be calculated to seriously disturb the business of the country. All these considerations, into which the Government were bound to enter, and which influenced the policy of the Government to a considerable extent, have been recognized by the public at large. I believe the people are reasonable in that respect, and will not ask us to make at once that which would be a radical change, and that which might have a disturbing influence on business. I think it will be admitted that frequent tariff changes are not desirable. Something in the nature of tariff stability is much to be desired. It is better, even, that we should bear with some inequalities that may exist, than suffer the greater evils which would arise from frequent tariff changes. We have had representations made by a number of interests which, they think, ought to receive more consideration. Some of these presented cases which have, to some extent, commended them to our judgment, and if we were opening up the general revision of the tariff, or a revision to any considerable extent, we would be able to lend a willing ear to some of the representations that have been made to us. But we think, Sir, on the whole, believing as we do that the changes in the tariff should not be numerous or frequent, believing that we should have a large measure of tariff stability, believing that the public understand the policy of the Government in this respect and will be content to have us carry it out in that spirit of moderation and caution that we have so far evinced, we wish to announce to the House that it is not our intention to make any numerous changes in the tariff at the present session. In fact, I may state that, so far as the rates of duty are concerned we have only one change to announce. There are some other changes which are more matters of form than of substance. The preferential tariff will have to be amended in the direction I have already indicated. We think it is expedient to make a change that is purely

technical in the section of the law relating to prohibited goods. As respects the duty on raw leaf tobacco, which we imposed a year ago, we propose that, after the 1st July next, it shall be collected through the Department of Excise instead of through the Department of Customs. It has been arranged that in the Excise Department the duty shall be collected on a basis on what is called in the Inland Revenue Department the standard weight. Under the existing law, tobacco is dutiable on the weight when it passes through the customs. Arrangements have been made by some of the large manufacturers to dry tobacco before it passes out of the warehouse, so that they do not pay on the moist weight. Other manufacturers, not being so well able to do that, are obliged to pay on the moist weight. It seems only fair and equitable that we should treat all alike, and when it is to be dealt with by the Excise Department, that the regulations of that department should be adopted in the matter. With regard to the duties on tobacco, which were increased last year to a considerable extent, I am free to say that I have doubts that this is as wise a measure as we hoped it would prove. I may say frankly that I am afraid it has led to an increase of smuggling to a very considerable extent, and we may well consider, at a future day, whether or not we can successfully enforce so high a scale of duty. However, the law in that respect has been in force for a very short time, and we think it only reasonable to give it a fairer trial before we condemn it. So we do not propose to make any change with regard to tobacco except as I have just announced.

But, Sir, while it is a good thing to avoid what is called tariff tinkering, there is just a possibility that in condemning that practice we may go too far. I find that tariff tinkering is an expression which means different things in the minds of different men. A man who is quite satisfied with the tariff thinks that any interference with it is tinkering, whereas a man who is not satisfied thinks that some change such as he desires would be high statesmanship. We wish to guard against frequent changes in the tariff, against tariff tinkering, but let us be careful how we convey the impression to the public, because we do not mean it, that we regard the tariff as final. Let it not be supposed that the tariff is settled for ten years or even for five years. So long as there are high duties, there must be demands for tariff changes. Nothing is settled until it is settled in accordance with right, and so long as there are high duties, we may expect agitation for reduction. I am afraid there is no rest for the protected manufacturer. I am inclined to think, Sir, that he will find eternal vigilance to be the price of his protection. He must be on guard all the time against the attack that he knows must always come. So long as