

Briefly stated the new tariff:

1. Materially reduced the 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, fisherman and manufacturer.
3. Reduced the duties on iron and steel which constitutes the staple raw materials for many industries; duties on other raw materials were also lowered.
4. Simplified the classification of articles for duty purposes and thereby assured more uniform administration.
5. Last but by no means least, gave a substantial preference to the products and manufactures of Great Britain over the rest of the world.

EXTEND REDUCTION OF TAXATION

The extent of the reduction in taxation brought about by the tariff can be best arrived at by taking the average rate of customs duty imposed by the Conservatives during the last years they were in office and applying it to the imports, under the Liberal rule. In 1896, which was the last year of Conservative administration, \$18.28 was on the average collected on every \$100 worth of goods imported into the country. If the same rate had been collected during the time the Liberals were in office, instead of collecting duty to the amount of \$605,000,000 they would have collected \$685,000,000, so that there was an actual reduction of \$80,000,000 in fifteen years. This at the rate of about \$5,500,000 per annum. In addition to this saving one has to consider the reduced price of Canadian manufactures to the consumer by reason of the reduction in protection, because undoubtedly as a general rule, although not in every case, the selling prices of Canadian manufacturers are based upon the amount of protection they enjoy.

Again there is the indirect saving to the people in reduced prices on foreign exports to Canada by reason of the operation of a British Preferential tariff. The United States exporters to Canada for instance, had to reduce their price to Canadian buyers to off-set the reduction in duties in favour of British goods. This is an undoubted fact which we will elaborate later on.

Another way of arriving at the extent of the reduction in taxation brought about by the Liberal Government is to take the average rate of duty imposed by Conservatives during the eighteen years they were in office which was \$19.10 on every \$100 worth of goods imported into the country. If the same rate had been applied to the imports during the fifteen years from 1896 to 1911, the additional taxation which would have been imposed would have amounted to \$110,000,000 so that there was a saving to that extent to the people of the country.

BRITISH PREFERENCE

Perhaps the most outstanding feature of the new tariff was the adoption of a preference in favour of British goods, and it was probably the most popular step ever taken by any Government