

articles of importation now free, or to suspend the sinking fund requirement and materially diminish other expenses of the Government. After making elaborate arguments in sustaining this position, discussing the means of disposing of the surplus fast accumulating in the treasury, the Secretary suggests the adoption of a system of deficit financing. He thinks that taxation should be diminished to such an extent that the annual revenues would be less for some years to come than the appropriations, so that the accumulated surplus could be used for ordinary expenses. We do not reconcile the two arguments. If it is desirable to reduce the receipts to an amount less than the necessary expenditures of the government, it could be accomplished by doing away with the revenue from internal taxes, and the tariff need not be touched at all.

The customs officer at St. Stephen, N.B., recently observed a boy of unusually stout proportions crossing Calais bridge. An examination revealed the fact that the lad had arrayed himself in numerous articles of wearing apparel, and in this ingenious manner was endeavoring to smuggle them over the border. On payment of three times the duty value of the clothes the lad was allowed to depart.—*St. Stephen, N.B. Courier.*

A few days ago a Windsor lady went to a Detroit store and selected a very handsome jacket, which, after purchasing, she secreted in a comfortable place. When she arrived at the Windsor house she was requested to step into the office of the landing waiters. When she left she was without the sack. It is said that the lady was detected in the store where she made her purchase.—*Windsor, Ont., Review.*

The mills of the gods grind slow, but they eventually arrive at destination. We are pleased to notice that the customs officers at St. Stephen and Windsor are waking up. Clothing manufacturers have some rights that even boys and "ladies" should respect. The Windsor bride's trousseau smuggling bag, which is carried in "a comfortable place" about the person, should be frequently and thoroughly investigated. Let the suspicious secret "comfortable places" about smuggling women be relentlessly explored and perhaps the "ladies" will become wearied of the amusement.

MR. JACOB Y. SHANTZ, of Berlin, Ont., is one of the largest manufacturers of buttons on the American continent, having extensive factories not only in Canada but in the United States also. The Commercial Unionists thought that it would be smart to claim Mr. Shantz as an adherent of their political party, and the Grit newspapers gave extensive circulation to a report to that effect. Mr. Shantz brands the report as a falsehood, and declares that he is strongly in favor of that National Policy which has made it possible for him to become a prosperous Canadian manufacturer. And well he may be. The trade in the United States is in a depressed condition, owing chiefly to the competition of prison labor in European button factories. There are some 2,000 convicts in one Austrian prison alone kept steadily employed in the manufacture of buttons, and there are some 1,000 free workmen in button factories in Newark, New Jersey, alone, out of employment because of the Austrian prison labor competition. The duty upon these prison-made buttons is very small, and although American workmen are thrown out of employment because of this competition, the free trade party of the United States desire to still further reduce the duty, or remove it entirely. Free workmen

in America are starving that convicts in Austrian prisons may be employed. Canadian laws forbid the importation of convict made buttons, but how could such importation be prevented under Commercial Union? Mr. Shantz and all other Canadian manufacturers see where the change would lead to, and what would be the inevitable result.

Discussing the methods proposed for reducing the American revenue, the *Toronto Globe* says: "The necessary reduction cannot be accomplished by freeing tobacco. It paid only \$19,676,731 last year, while the national income needs to be lowered by at least \$80,000,000." *The Globe errs in its figures.* For the fiscal year ending June 30 last, the total receipts from taxation against tobacco in its various forms were \$30,108,067; the tax on spirits being \$65,829,321, and on fermented liquors \$21,922,187. The receipts from taxation on these articles tobacco and spirituous and fermented liquors—alone amounted to \$117,859,575. In the same issue of the *Globe* from which we quote appeared a telegram stating that a joint resolution had passed the Virginia House of Delegates by a vote of 90 to 1 requesting the United States Congress to repeal the entire internal revenue system of taxation. *This coming from an ultra Democratic State is indicative of the sentiments of the people of the South regarding the tariff question.* Within the past decade the Southern states have identified themselves with new manufacturing industries in which hundreds of millions of dollars have been invested, and they well know that the safety of these investments, and remuneration from them depends upon the perpetuity of the tariff. It is strange that intelligent newspapers should attempt to convey the impression that there is no other way open to reduce the revenue than by lowering or abrogating the duties upon imports. The revenues derived from the two sources above alluded to—tobacco and liquors—amount to more than one-third of all received by the government, and if the prayer of the State of Virginia be answered, and the entire internal revenue system of taxation be repealed, the expenditures of the government would considerably exceed the receipts. There may be some equalization and modification of the tariff made, but Mr. Cleveland and the free trade wing of his party will not be able to destroy the stepping stone by which the United States has reached the acme of prosperity.

At a recent meeting of the city council of Brantford, Ont., the Manufacturers Committee of that body reported that in the event of certain manufacturers now engaged in business in other towns establishing their industries in Brantford, they be exempt from taxation for ten years. They also reported in reference to the application of a carriage manufacturing firm who have been established in business in Brantford for a number of years for similar exemption from taxation, that inasmuch as the firm's business is not a new one, the application be not granted. This latter firm desired to considerably enlarge their business, and asked for only just such municipal encouragement in doing so as was being granted to bonus-hunting strangers already comfortably in business in other places, but who proposed to move to Brantford and become active competitors of those already established there. But a few weeks ago Brantford voted a bonus of \$20,000 in hard cash, and valuable exemptions from taxation, etc.,