

It does set up vested interests. Mr. Maclean showed that twelve cents additional duty on iron ore carries ninety cents protection on a ton of iron and two dollars and twelve cents on a ton of rails. Here is a vested interest which will interpose strong resistance to restoring the old scale of duties at the end of the War. And to the extent that the increased protection diminishes import trade, the new duties will not produce new revenue for the Dominion Treasury at all.

It is therefore self evident that this part of the budget was not designed to raise war taxes, but to please certain party friends. This being clear, it is also clear that the government have no intention of dropping the extra seven and a half per cent., but will keep the general tariff at the new high level and afterwards reduce the duties on raw materials to secure still further partisan advantage.

Such being the case, the tariff proposals constitute a flagrant violation of the truce between the parties, all the more flagrant since the present is no time for earnest consideration of what Canada's tariff should be. In point of fact, the government have tried to slip through, under cover of the flag of truce, more drastic fiscal legislation than they would likely have ventured to offer to Parliament if the War had not supervened, and they hope for political advantage in proportion to their achievement.

Extravagance Taxes

It is all very well to call them war taxes, but are they war taxes? It is admitted that all the money Canada has spent or is to spend on war, has been or will be borrowed. What then are the taxes for? Simply to cover up extravagant expenditures. Grant that the revenues have fallen off since the War began, and it still remains true that there would be little or no necessity for special taxes if the Borden Government had been satisfied to carry on the business of the Dominion on the scale of the last and most expensive years of the Laurier Administration. Everybody knows that during the fifteen years of Liberal rule the expense of Government went up. It had to. There was expansion everywhere. But can anybody point to anything that has happened since 1911 to warrant still further increase in the cost of Government? There has been nothing. Things have been getting worse and worse. And yet in the Government Departments the costs have gone up and up. Here for, example,