per cent. is borne equally by the laborer who manufactures and the laborer who farms, mines, lumbers or those engaged in the fisheries, in proportion to his powers of production: the capital engaged in production and manufacturing also bears its proportion. Now to show how it bears on this great Western country: Manitoba produced last year sixteen million bushels of wheat, for which we received forty cents a bushel for our surplus exported that amounts in the aggregate to $6,400,000.00, add two million for cattle and coarse grains, and our population of 160,000 has a purchasing power of $8,400,000.00 which we exchange for a like amount of the necessaries of life, which are reduced in value to us by the protective tax, or $2,100,000.00. It is easy to see how we are impoverished, our purchasing power is reduced by $2,100,000.00 on a total output of $8,400,000.00, which value is regulated by the competition of the world's markets. Under free trade or free competition in our purchasing power we should have $2,100,000.00 more capital to work with. How much easier it would be for us to contribute ten per cent. or $800,-000.00, which the revenue calls for, in consequence of the increased wealth accumulated by our increased working capital. Apply that principle all over Canada, and it is easy to see how the wealth of the Canadian people would be increased through the increase of their purchasing power and a consequent increase in their employment, and how the producing power of the people is reduced by the withdrawal of such a large proportion of their working capital under protective taxation, while limiting the selling power of their manufacturing population to the restricted area of five millions people in consequence of their increased cost of product, limiting their export, and in consequence limiting their demand for employment. We should like to present the free trade argument to the member for East York as a stimulus for the growth of the city of Toronto, a city we are all proud of. That is, to exchange the protected and limited markets of Canada for the extended markets of the world in order to provide permanent and profitable employment for our manufacturing population. We see it stated in the cable despatches that England is feeling the competition of the United States in agricultural machinery; that is an evidence that there is a demand for agricultural machinery there, and that it can be reached if the manufacturers are cheap enough. Why don't we hear that England is feeling the competition of Canada? Because Canada cannot manufacture cheaply enough to reach this matter in sufficient quantities to make her competition felt, in consequence of the protective prices our manufacturers have to pay for their material for manufacturing. The policy of the United States under the McKinley Bill was to give a rebate on the material used in the manufacture of agricultural implements exported. This is a bonus to the exporter which the people at large have to pay. The Government of the United States having realized that such is the case, and that the effect is to enable their manufacturers to sell more cheaply abroad than they sell to their customers at home, the Wilson Bill proposes to relieve their people from this anomaly by throwing the market for agricultural machinery open to the world. Suppose we were to apply the principles of free trade to the manufacture of agricultural implements in Canada, namely, that we remove taxation from all articles required in the manufacture of agricultural implements. We then have the resources of the United States, Canada and Great Britain open to the manufacturer free of any taxation. We have the same transportation facilities, the same skilled labour and the same capital to enable us to compete. Our manufacturers will not only have the benefit of the rebate on export that the manufacturers of the United States possess, but we will have the benefit of a rebate of all duties permeating the whole of our industrial life, which is extended to the manufacturers in the United States only upon exports and upon those articles which enter directly into their manufacture, and no section of our people would thus be burdened by taxation for the purpose of encouraging their export. We should like the member for East York to explain why the manufacturers of the city of Toronto, with free coal, free coal oil, iron, nuts and bolts, bar iron machinery, etc., and the taxation incidental to the necessities of labour, could not compete successfully not only in the British market, but in their own home market, with the manufacturers of the United States. They would no doubt have to get a hustle on, but not nearly such a hustle as we have to get on when the chattel mortgage comes due. There is this further point in the favour of our manufacturers, that while the British market is free to United States labour, the market of the United States is closed to British labour. If the markets of Canada are open to the British labourer on their principles of free trade, will not the eventual exchange very largely favour our powers of competition with the manufacturers of the United States and transfer to the city of Toronto a portion of the industry now engaged in supplying the markets of Great Britain and other foreign markets from their factories. Place the markets of thirty-eight million people in the United Kingdom beside the markets of five million people in Canada, impoverished as they are by high taxation, will not the agricultural machine trade quadruple its output? Will not the domestic trade centring in the city of Toronto be greatly increased thereby to the advantage of the rural constituents of the member for East York?

Will not the agricultural development of Canada expand by the removal of taxation from its industrial life? Will not the advertising columns of the Toronto *World* be filled with advertisements from the United States and Great Britain in the efforts of advertisers to sell their wares in this new open market? Ah, but we hear the member for East York raise the old bugbear of the slaughter market. We will admit that under a revenue tariff of fifteen or seventeen and a half per cent. the slaughter market had some foundation, because fifteen per cent. taxation upon the necessaries of life was a tax of fifteen per cent. on the power of our industrial population to compete at home and abroad. But the removal of all taxation on industrial employment presents an entirely different feature in our powers of competition which has never yet been tried in Canada, but if tried, it will be found to be a new departure in our commercial life fraught with immense possibilities.

Before concluding our article, we will note one item of our necessities, to show that the impoverishment of our farmers by a twenty-five per cent. addition to the cost of their necessities is not over-stated. We have to pay, in Russell, forty-five cents a gallon for our coal oil, buying by the single gallon, and we believe that price is pretty general. The statement has been made that the merchants are responsible for this excessive charge in their profits. This we believe to be an injustice to them. They have a regular scale of profits in the regulation of their business on their different classes of merchandize and the cost to them of handling it, therefore the greater the cost of the goods the heavier the merchant's percentage of profits weigh on his customers, but without any increase of his percentage of profits, which he finds it necessary to impose to maintain his business. Why, then, is coal oil forty-five cents a gallon? It should be explained that last , under the pressure of tariff reform, the Finance Minister discovered a hidden tax in the restrictions that were put upon importation by requiring that all coal oil should be imported in barrels. In the United States coal oil is distributed in tank cars, effecting a great economy in cost to the consumer over its distribution in barrels, but the Petrolea Oil Company not being able to afford tank cars; in fact, the distribution of ten million gallons, the product of their wells, not being sufficient to justify the expenditure, a tax was added to the duty by prohibiting the entry of United States tank cars in order to further protect the Petrolea oil wells and putting the importation of oil in barrels on a par with the barrel distribution of Petrolea. The Finance Minister removed this hidden tax in a degree by allowing tank cars to enter certain large centres. Tank cars are now allowed to enter Winnipeg, but for distribution westward the oil has to be transferred to barrels. Russell being an inland point, cannot import a tank car of oil, consequently our agricultural district has to pay in addition to the duty a tax for barrelling in Winnipeg, and the addition to the cost of our coal oil through duty and restriction is as follows:

Duty, 7 1-5 cents per gallon	7.20
Duty on barrel, 1 cent	1.00
Inspection, ¼ of a cent	.25
Leakage and handling in bbls	3.50
Cost of bbl., 2½ cents	2.50
Local freight, Winnipeg to Russell, overplus from through freight	2.00
	16.45
Increase of cost to merchant	
Add merchant's profit on increased cost, 33⅓ per cent	5.30
Increase to consumer in Russell by protection	21.75

The rebarrelling in Winnipeg necessitates a transhipment and brings our coal oil under the charges for local freight from Winnipeg to Russell, two cents, the difference between the through freight if it came through and the local freight. To the purchaser of the American oil the added cost is 22 cents by duty and restriction. The question naturally arises, Why not buy Canadian oil? Before writing the above the writer priced coal oil in three stores in Russell. In one American oil was exclusively sold, price forty cents a single gallon, in the other two stores Canadian oil was sold, price forty-five cents a single gallon. The merchant who sells American oil for forty cents does not advertise; if he did let the public know through advertising that he sold American oil for forty cents, can any one doubt, quality being equal, that consumers would prefer to buy American oil? Because in this case it is cheaper. Can a case be stronger? American oil, subject to duty on oil, duty on barrel, cost of transfer to barrels in Winnipeg, subject to local freights from Winnipeg, sold for less than