

of a quarter of a cent per bushel in favor of New York, on the freight of grain from Chicago to Liverpool, will sometimes divert a large portion of it from the St. Lawrence to the New York route. By securing a share of this important trade, we obtain employment for large numbers of our working population, in handling these products; for our railways and inland shipping, in moving them; and the merchant who is engaged in shipping them, also receives his share of the profit. From this explanation it will not be very difficult to understand why the public men of Canada, many years ago, adopted the system of free lights on their coasts; but it was not adopted previous to Confederation in any of the Provinces of New Brunswick, Nova Scotia or Prince Edward Island, and it has not yet been adopted in Newfoundland, the lights in that colony being maintained by the shipping in the same way as they were formerly maintained in the Maritime Provinces referred to, none of them being competitors for any particular carrying trade; and there was no special reason for their adopting the free light system.

In the United States, immediately adjoining us, no light dues have been collected for many years, but during the war between the North and the South, about twenty years ago, it became apparent that a large portion of their carrying trade was being carried on by foreign shipping, and a tax or tonnage duty of thirty cents per ton, payable once a year, was imposed on all shipping entering their ports. This tax was not imposed as light dues, but was generally known as the "war tax" on shipping, and has continued to be collected on all United States and foreign vessels up to this year, when a Bill passed both Houses of their Legislature at Washington, abolishing all tonnage dues on shipping, trading between their own ports or coming from any foreign country which charges no tonnage dues on shipping entering such country from the United States. Unless the light dues in the United Kingdom are abolished, all vessels arriving in the United States from that country will still continue to pay tonnage dues, but instead of paying thirty cents per ton on their first arrival in the United States during the year, as formerly, they will pay six cents per ton each time they arrive till they have paid five times in the year, equal to the old rate of thirty cents per ton, if they make five voyages during the year. The tonnage dues on vessels entering United States ports from Canada and countries adjoining the United States have been reduced to three cents per ton, not exceeding five payments in the year, or fifteen cents per ton per annum. If Canada abolishes all tonnage dues on vessels arriving in ports in the Dominion from the United States, such as sick mariners' dues and river police dues (there being no light dues) then vessels entering United States ports from Canada will be exempted from all tonnage dues.

The amount collected by the United States Government on account of the war tax has been large and assisted very materially in maintaining their very efficient system of lighting their coasts and inland waters. During the year ended 30th June, 1883, the amount collected on account of this tax was \$1,320,590.