

In accordance with these rules it will be found that nearly the whole Customs revenue of the United Kingdom is derived from articles to which one or other of them is applicable.

In the year 1858, the net revenue received from the Duties of Custom, upon each of the following articles, was:

Coffee,	-	-	-	-	-	-	£ 440,000
Currants and Raisins,	-	-	-	-	-	-	432,000
Sugar and Molasses,	-	-	-	-	-	-	5,842,000
Tea,	-	-	-	-	-	-	5,186,000
Tobacco,	-	-	-	-	-	-	5,432,000
Wine,	-	-	-	-	-	-	1,703,000
Spirits,	-	-	-	-	-	-	2,264,000
Total	-	-	-	-	-	-	21,299,000

The total net revenue derived from Customs, in that year, having been only about £23,830,000.

The changes in the Tariff of the United Kingdom at present under the consideration of Parliament, will, when completed, effect a large further reduction in the revenue derived from articles other than those enumerated above.

If similar conditions of production and financial requirement existed in all the portions of the British Empire, there would be nothing in the strictest principles of Economical Law, to prevent them from forming a vast Commercial Union, with a Common Tariff, and complete freedom of trade between them.

So far, however, from such similarity existing, the British Crown embraces in its rule, countries exhibiting almost every conceivable variety of soil, climate, population and wealth, rendering the conditions both of production and consumption so diverse as to preclude the possibility of any common commercial system.

Any general assimilation of Tariff, therefore, or Freedom of Trade between all the different portions of the British Empire, is altogether impracticable, so long as it is found necessary or expedient to make external trade a medium of taxation.

It remains to consider how far it is possible to admit this policy in the case of particular portions of the possessions of Her Majesty, such as the group of the North American Provinces, the Australian Colonies, or the West Indian Islands.

It is easily conceivable that there may exist in two or more distinct possessions of the Crown, such an identity of character, both as regards their industrial and their financial condition as to render their commercial union compatible with the maintenance of the rules of Imperial policy which have been indicated above; and wherever such identity is found, there appears to my Lords to be no reason, so far as commercial principle is concerned, to deter Her Majesty's Government from giving their assent to any such union, if it be desired by the several communities concerned.

The advantage of such an arrangement between the Colonies so contiguous as the North American Provinces, divided as some of them are only by a land or river frontier, are sufficiently apparent.

The maintenance of different tariffs, and of inland Custom Houses, is obviously both expensive and inconvenient, and must very seriously interfere with the natural operations of trade.

In the case of the Australian group of British Colonies, the expediency of their adopting a common tariff has, on former occasions, been considered by Her Majesty's Government, and although the measure has never been carried into effect, it is probable, that if practicable, it might be attended with similar advantages.

The group of West Indian possessions do not present altogether similar conditions, nor do their motives of commercial union appear so decided.

At the present time, however, it is only necessary to consider the case of the North American Provinces, but in sanctioning any measure of the nature of that under discussion, it must be recollected that a precedent will be established which will make it more difficult to resist future extensions of the principle which is would involve.

It cannot be denied that the commercial conditions of the five provinces in question present a great similarity of general characteristic.