

In this connection, the stock argument of the Conservative party might be referred to. They state that when they left office, they were taking less than twenty-one million dollars per annum in customs taxes, whereas last year (1903) thirty-seven million dollars were collected, and they endeavor to argue that the increase represents additional burdens imposed upon the people. A little consideration will, we think, show any unprejudiced man that that is one of the most fallacious arguments ever advanced by a political party. It is purposely designed to mislead the people by beclouding the issue. The volume of customs revenue is not in any sense a measure of customs taxation; the true and only fair test is the average rate of customs duties, and, as has been established in the foregoing paragraphs, such average rate has been substantially reduced under the tariff introduced by the Liberal Government. There are two reasons for the increase in customs revenue. One is, increase of population; the other is an increase in the purchasing power of the people. During the last seven years the people have been very prosperous, and consequently their purchases of commodities have been greater and heavier, *but they have paid less money for customs duties on each hundred dollars worth of the goods they have imported than they ever did on the average since 1878.* If the importations last year had been the same in point of total value as they were in 1896, less duty to the amount of two and three-quarter millions would have been paid than was paid in 1896. The Government have no power or control over the quantity of imported goods the people may buy; all they can deal with is the rate of duty to be levied thereon, and when, as has been shown, they have reduced the average rate of duty, they cannot, in fairness, be charged with increasing customs taxation.

To illustrate our argument, take the case of a manufacturer who in 1896 imported twenty tons of bar iron or steel for use in his business of manufacturing implements. On this he paid duty at the rate of \$10 a ton—in all \$200. Last year, however, let us suppose he imported to meet the demands of his increasing business 100 tons. The rate then was \$7 a ton, and he would pay \$700 in duties, or 500 more than he paid in 1896. Now, would it not strike you as absurd, if that manufacturer were to argue that because he paid more duties in the aggregate in 1903, the Liberal Government had increased the burdens of customs taxation bearing upon his industry? Similar