

attitudes on the tariff. The formula of the Conservatives for tariff making always has been the simple one of giving protection to the manufacturer without reference to the rest of the community. The Liberals on the other hand believe in being fair all round and in distributing the burdens of taxation as much as possible. Consider the situation for a moment. We have five great sources of national wealth. The farm, forest, fisheries, mines and manufacturing industries, on the income of which we keep our national house. It will be obvious that the interests and needs of these various producing branches are not identical. They conflict in some instances very strongly. The farmer for instance has to pay higher prices for his articles of necessity and comfort by reason of customs duties imposed thereon, whereas the prices for his produce are largely determined in the markets of the world. The miner, too, could buy most of his supplies and machinery cheaper if they were free from duty. The fishermen, who are chiefly located in the provinces forming the extreme boundaries of the Dominion, are unable to supply the markets in our principal centres of population by reason of the great distance separating them therefrom, and are consequently obliged to export the bulk of their catch to foreign markets easier to reach, but where they have to encounter stiff competition. The lumberman also is affected by the tariff on his commodities. Manufacturing industries are an immense benefit to the country but not more so than the agricultural industries; indeed, if we take the population engaged and the capital invested in farming and ranching, the agricultural interests bulk greater in the national wealth. Everybody recognizes that manufacturing institutions are necessary to build up a great nation and acknowledges that it would be undesirable to devote our attention purely to pastoral pursuits.

The Liberal Government recognizing

all these salient factors endeavoured to strike a fair balance and thereby promote the utmost development in all industrial pursuits. The principal thought in their minds was to provide the maximum of profitable labour for the people in all spheres of activity which surely is the truest and highest duty of statesmanship.

Reduction of Taxation.

The extent of the reduction in taxation brought about by the tariff can be best arrived at by taking the average rate of customs duty imposed by the Conservatives during the last years they were in office, and applying it to the imports under the Liberal rule. In 1896, which was the last year of Conservative administration, \$18.28 was on the average collected on every \$100 worth of goods imported into the country. If the same rate had been collected during the time the Liberals were in office, instead of collecting duty to the amount of \$605,000,000 they would have collected \$685,000,000, so that there was an actual reduction of \$80,000,000 in fifteen years. This is at the rate of about \$5,500,000 per annum. In addition to this saving one has to consider the reduced price of Canadian manufacturers to the consumer by reason of the reduction in protection, because undoubtedly as a general rule, although not in every case, the selling prices of Canadian manufacturers are based upon the amount of protection they enjoy.

Again there is the indirect saving to the people in reduced prices on foreign exports to Canada by reason of the operation of a British Preferential tariff. The United States exporters to Canada for instance, had to reduce their price to Canadian buyers to offset the reduction in duties in favour of British goods. This is an undoubted fact.

Another way of arriving at the extent of the reduction in taxation brought about by the Liberal Government, is to take the average rate of duty imposed