

of that duty off, which will reduce silver-ware to 22½ per cent, or 2½ per cent less than it was under the old tariff.

Jewellery in the old tariff is 25 per cent, they advanced it to 30 per cent, but they have arranged a piece of machinery, which if it means anything will drop one-quarter of that duty, and make jewellery 22½ per cent.

High-priced linens were 25 per cent under the old tariff, but they have arranged a piece of machinery which if it is carried out, will reduce that to 22½ per cent. Silks under the Conservative tariff are 30 per cent, but they have arranged for a reduction of one-quarter, if they are honest in it, which will make the duty on silks 26¼ per cent.

Therefore, the demand of the Patrons, that the duties should be raised on luxuries, and the pledges of hon. gentlemen opposite that they would raise the duty on luxuries, have not been carried out. My hon. friend the Prime Minister chuckles as he sits there, because the pledge has not been carried out. Has the hon. gentleman (Mr. Laurier) one word to say against the fact that I state: that if he is honest in getting reciprocity with any country which produces jewellery, his machinery will reduce jewellery one-fourth, and bring it down to 22½ per cent. No, Sir, the hon. gentleman cannot answer it.

The PRIME MINISTER. The hon. gentleman (Mr. Foster) is mistaken about my chuckling. I laughed at the manner in which the hon. gentleman answered himself about cotton.

Mr. FOSTER. I quite see that my hon. friend (Mr. Laurier) is chuckling because he thinks I have involved myself in a difficulty. It is the hon. gentleman that has involved himself in a difficulty, not myself, as I will show him a little later on.

Have they made any change in the classification, against which they had many hard things to say when in Opposition? No. The first word the Finance Minister uttered last night, was, that the classification would remain practically the same as in the old tariff Act.

Have they made any change upon principle in specific duties? None. Is it a principle with hon. gentlemen opposite that ad valorem duties shall take the place of specific duties? They have said so. If it is, why they have left six-tenths of the specific duties that were in the old tariff, perhaps nine-tenths of them. They had a principle in Opposition, namely, ad valorem vs. specific duties. No man was keener in it than my hon. friend the Minister of Trade and Commerce, but to-day they have shown that they have no principle, and that they are simply rigging the tariff on expediency. Here a specific duty, there an ad valorem duty, and here a specific duty again. Principle does not rule; it is simply a patch up and make up of an expediency tariff.

If there was any principle that hon. gentlemen opposite held in Opposition, it was the principle of the good old English school: that bounties were an abomination. To-day, they take up the system of bounties, and they heighten the range of the bounties of the old Government and of the old policy.

Such are some of the leading characteristics of that tariff. Now, I have one word to say, and only one, with reference to the increases in the duties on spirits and tobacco. The duties that existed on these articles were, in my mind—I may be wrong—up to the highest point of revenue production. Whenever you get beyond a certain point in a rate of duty on liquors or on cigarettes, cigars or fine tobacco, you get to a point where you lose revenue instead of gaining. No man would have been more willing than myself to have made tobaccos and liquors bear a stronger proportion of the services of this country; and in both of my tariff revisions, I went into that matter most thoroughly, and I came to the conclusion—I may have been wrong—that we had on liquors, cigars and cigarettes the highest revenue-producing duties. To add 15 cents a gallon to the duty on liquors, to add dollars to the cigarette duty, and to add largely to the tobacco duty, is not, I think, going to add to the revenue. If it does not, what is the purpose of putting on these increases? If they will give an impetus to smuggling, to which there is already a sufficient impetus, and will not help the revenue, why put them on? I am afraid my hon. friends have made a mistake in that, and will find by experience—which, after all, is the only thing that can teach—that when they come to make up the revenue and so put against it the added cost of watching the borders, their expected increase of revenue will prove imaginary.

My hon. friends have kept the principle of protection in the tariff, but they have made some interference with it which I am afraid will be fatal to the industries themselves. If they are going to adopt the principle of protection, and keep sixty cents a ton on coal for a large interest in one province, why should they imperil the great and widely-distributed woollen industries of this country, which are spread from British Columbia to Cape Breton—which come nearer to that cross-road development of my hon. friend the Minister of Finance than any large industry we have? These small woollen mills are everywhere scattered throughout the country, a market for the farmers' wool, and a supply for the farmer's wear. I reduced the duty on woollens by 5 cents on the pound, keeping 5 cents a pound on 25 per cent; and under that reduction of duty some mills have been closed and the industry has been hard put to it. My firm belief is that with 5 cents a pound off, and simply a 35 per cent left on we may bid adieu to the greater part of the widely distributed woollen industry of this country.