

with all qualities of Axminster, Brussels, Turkish, etc., should bear heavier import duties in proportion to their costliness. If, in the face of low duties, the manufacture of cheap floor coverings can be successfully engaged upon in Canada, so much the better, but if not, the general interest will not be served by their manufacture as the result of "high" duties.

Under the policy advocated, the cost of necessities would not be unduly increased, while the public generally would contribute to the general revenue. As some forms of general taxation are probably necessary, a moderate customs tax may be as little objectionable as any, since the consumer may escape the tax if poverty compels the sacrifice of personal comfort involved in the failure to use "conventional necessities." Luxuries will be made expensive but the cost will fall upon those best able to bear it. Upon the other hand, if the consumption of luxuries is discouraged, capital otherwise consumed and largely wasted will be available for productive purposes. High duties upon all forms of luxuries will prove, therefore, of indirect as well as of direct benefit.

#### **Tariff for Protection.**

A tariff for "protection" usually becomes protective by the extent to which the duties upon finished products exceed those upon raw materials. A duty of 30 per cent. does not mean that the home product has a "protection" of the same amount. In the case of woollen clothing, the British preferential tariff is 30 per cent., while the intermediate and general tariffs are 35 per cent. The duty on cloth is the same. Cotton linings carry a tariff of 25 per cent. British, 30 per cent. and 32½ per cent. intermediate and general. Button duties are 20 per cent., 30 per cent. and 30 per cent. respectively. The net protection, therefore, in the case of woollen clothing may be, and in fact is, very "low" indeed. Nevertheless, owing to special features of this industry, it is carried on with great success in Canada. Cotton clothing bears a tariff of 25 per cent., 32½ per cent. and 35 per cent., while the duty on white cotton cloth is only 17½ per cent., 22½ per cent. and 25 per cent. Cotton laces and embroideries are dutiable 12½ per cent., 17½ per cent. and 20 per cent. The "protection" in the case of cotton clothing greatly exceeds that upon woollen clothing. In other cases differences in the net protection resulting from the present tariff are still more marked.