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000,000 annual revenue, and in view of the debt we have incurred for our trans-continental railways, and expenditure still to be made on these and on the Georgian Bay Canal and the Hudson's Bay Railway, we cannot afford to forego this revenue, and it would be necessary to adopt the alternative of taxing the farmers' land. It may be pretended that the revenue will not be entirely lost, but will be partly made up by an increase in the volume of trade. But while that may affect the absolute amount of our loss, it will not remove the inequality to which I have adverted. The volume of our trade will increase on the American side, but will decrease proportionately and certainly cannot increase relatively on the British or sea-borne.

And while it is possible that the railway interests may make up what they lose in carrying Canadian goods to the seaboard, by the increase in the quantity of American goods they carry, they will lose on their west-bound traffic, unless Canadian manufacturers can fully compete with American, and unless imports at Canadian sea-ports are increased. Under this agreement, the total volume of exports from Canadian sea-ports is not likely to increase on the whole. The injury will be felt by Canadian Railways, but it will be less striking upon the railways than upon the shipping. Already, we have secured a fair proportion of the outward cargoes for our Canadian sea-ports; but the great difficulty the shipping interest has had to contend with is not to find outward cargoes; it is to find inward cargoes; and instead of these increasing as a result of this agreement, there is everything to show that they will decrease, for if we levy two million and a half of duties more than at present upon our imports by sea, that is so much of an additional obstacle to the prosperity of those engaged in shipping. It will also be a serious handicap to the probable success of the Hudson's Bay route. If the railway is built, it may find outward cargoes, but it will be at a serious disadvantage, if we levy heavier tolls on imports from Europe than on goods bought in Chicago, Minneapolis and other southern cities.

Now, these results may not be immediately apparent, because the actual volume of exports and imports by sea may not diminish; but the result will be equally disastrous if they fail to increase in proportion to the growth of our population and wealth, and in a growing country like Canada, it is the future and not the present that is of importance.

Turning now to the list of dutiable articles, the only one I would comment upon is agricultural implements. This is to be 15 per cent under the new duty, which certainly should be ample; and if the British preference is maintained, the duty on these things will be ten per cent coming from the United Kingdom. If the British preference is increased to 50 per cent, as the farmers demanded, the British rate should 7 1-2 per cent.