

—The New Tariff was to do three things for us. It was to bring the revenue to a level with the expenditure ; to foster native industry by incidental protection ; and to coërcé the people of the United States into the renewal of Reciprocity. The third object, though not entirely consistent with the second, was distinctly proclaimed by the provision that if the Americans would reduce their duties on our goods, our new rate of duties on their goods should be again reduced in proportion.

That the first object will be attained has certainly not yet been established. There is a deficit of two millions for the past year. For the current year the Finance Minister admits that there will be a deficit of half a million, while his adversaries declare that there will be one of four times, or even eight times, that amount. The estimates on both sides are evidently conjectures, coloured by the emotions of the calculators. That of the Finance Minister has the advantage of being made under the guarantee of responsibility. But even if we accept his view, the prospect is none of the brightest. A deficit remains ; while the limit of raising revenue by Customs has apparently been reached. If the duties were further increased there would almost certainly be a decrease of receipts : that well has been pumped dry ; and if we persist in our present course of expenditure we must come to direct taxation.

How far the second object has been accomplished we must yet wait awhile to see. The industries which the tariff is supposed to foster have shared the general return of prosperity produced by the good harvest and the revival of the lumber trade ; two causes not only independent of the tariff, but operating rather in despite of it, since the farmer and lumberman must have suffered directly by the rise in the price of the commodities which they consume, whatever indirect advantage they may be destined to reap hereafter from the growing number of their customers and the general increase of purchasing power. The sugar refineries are unquestionably gaining largely by the new system ; and as that industry is in few hands, it may, without imputing anything wrong to anybody, be said to