

two-fifths of her revenue from her excessively high customs and excise duties on liquors and tobacco. Owing to the length of our frontier adjoining the United States and the vast size of our territory, with the sparse population, we could not impose such duties without at once promoting smuggling and illicit manufacture on a stupendous scale. Under our present moderate duties on spirits there is a great deal of smuggling in the Gulf of St. Lawrence which gun-boats are powerless to check. For equally cogent reasons we could not afford to levy heavy duties on tea and coffee or on sugar while they are free in the United States. We might raise a trifle by legacy and succession duties, though Mr. Blake said in his West Durham letter that "direct taxation even in its most promising form, a succession tax, is at present out of the question." A land tax, however light, would not suit the farmer in his present circumstances, and a tax on railway passenger earnings would only serve to exalt the rates, already high enough. The income tax in England is levied at so much in the pound on incomes above a hundred and fifty pounds. In the United States the Democrats are proposing to levy a tax of two per cent. on incomes over \$4,000, that is, there is to be a four-thousand exemption, so that the man in receipt of \$5,000 will pay \$20, of \$6,000 \$40 and so on. With us such a tax would not bring in anything worth speaking of and we could hardly impose one on lower incomes, as Britain does, without giving rise to the impression that by comparison with the States, Canada was a poor country for the poor man. It would be still more foolish to tax foreign capital as some Patron speakers have suggested. Instead of coming here, where it is badly wanted, it would go in increased volume to the States or Australia, carrying population along with it.

It is sheer nonsense, then, having regard to our widely different conditions of life and geographical situation, to talk of copying the British system. The municipal reformers of Toronto or Montreal might as well talk of copying the French octroi system, whereby specific duties are collected on all materials and articles of consumption entering a city or town for the use of its inhabitants; indeed, this would be at least practicable, while the other would not. Mr. Blake said at Malvern in 1887, and repeated in his West Durham letter, that "we shall be compelled for an indefinite time to raise the bulk of an enormous revenue by high duties on imports." This is inevitable. No amount of newspaper writing or of debating club rhetoric on the magic power of British duties, direct taxation, single tax, or an irredeemable currency issued on the security of our wild lands, or on the security of the water in Lake Ontario, can remove that necessity of our position. The question is whether the high duties shall be levied so as to afford a fair measure of protection to national industry or so as to favor the foreign producer as far as possible. On this issue the enlightened self-interest of the people is sure to prevail over the theories of the anarchical philosophers now filling the land with their din.

THE LIBERAL PARTY AND THE TARIFF.

A Liberal paper, in addressing the Patrons, speaks of the "years and years during which the Liberal party has suffered exclusion in consequence of its undeviating attach-

ment to free trade" and extols "the leaders of long ago who flung that banner to the breeze" as well as "the men of the present day who have waved it aloft without faltering." This is poetical enough, but it is not altogether true.

The Liberal party and its leaders have been on both sides of the tariff question. Without going back to old times, it is notorious that Mr. Blake's Malvern speech was practically in favor of protection of the continuance of the N. P. with certain modifications. It is not perhaps so well known that the very first speech Mr. Laurier made in a legislative body contained a strong plea for protection. The speech is to be found in the English edition of "Wilfrid Laurier on the Platform," published a few years ago. The Quebec legislature, where he delivered it, had nothing to do with such matters, but that did not prevent him from declaring that it was the duty of French Canadians to create national industries as a means of checking the exodus of population and removing other ills. He wanted to see the abundant raw material which the Province possesses transmuted into factory goods by Quebec labor, and went so far as to endorse Papineau's advice that French Canada should buy nothing from Britain. Papineau recommended such a boycott at his St. Laurent meeting and elsewhere, in order to emphasize the popular discontent and "from hatred of the injustices which we have suffered at the hands of the aristocracy, both Whig and Tory, and to move the English people to crush the iron rod of their and our oppressors." He also intended, as the resolutions show, to encourage home industry by excluding British competition. The boycott against Britain was probably suggested to his mind by the non-importation agreement adopted by the leaders of the revolt in the American Colonies in 1774. Mr. Laurier did not counsel the revival of Papineau's plan as a measure of agitation or rebellion, but simply, as the context shows, as a measure for encouraging native manufactures. Protection was a plank in the Rouge platform of 1872; as worded, the plank read: "To obtain the absolute right to regulate our commercial relations with foreign countries so as to ensure the establishment of manufactures in Canada." In the general election campaign of that year such lights of the party as Mr. Joly, Mr. Jette, Mr. Workman, Mr. Richard, of Megantic, Mr. Fabre and Mr. Mercier talked protection out and out. The *Bien Public*, the leading French Liberal paper in Montreal, argued in favor of increasing the duties on British manufactures to 20 per cent. and of putting the same duties on American goods as Congress levied upon ours. "This," it said, "must be the policy of every government having the prosperity of the country at heart. It is the policy which everyone demands with the exception of certain doctrinaires who sacrifice practical considerations to theory. Mr. Mackenzie has promised to revise the tariff in the interest of Canada, and we are sure he will keep his word." When in power Mr. Mackenzie refused to increase the tariff to 20 per cent. because his Maritime followers objected, whereupon all the French Liberals, with the exception of Mr. Joly, abandoned protection and began to pose as free traders *pur sang*. It was a case of party first, principle afterwards. One of the best protectionist pamphlets ever written in Canada was the "Reform of the