as to the effect of protection upon our industries. I said to the farmer, you take a steer that you sell for $40.

Hon. GENTLEMEN—Hear, hear.

Hon. Mr. BOULTON—Anything in the shape of a steer story I dare say produces a certain amount of amusement, but it is downright earnest with us. The cattle buyer purchases a steer for $40. That steer is transported to England—because all our products are exported to Great Britain—our wheat, our cattle, all go there. That steer is exported to Great Britain and there it sells for $90. Now, that $90 is paid to us by the English people, not in gold, but in goods. The system of trade is a system of exchange between foreign nations. It would be impossible to receive gold for the payment of that steer, or else the cargo would have to support the railway and the steamboat one way instead of both ways by the exchange of trade. Now, that $90 worth of goods is returned to Canada and the moment it reaches a Canadian seaport there is a duty of 32 per cent charged on it—that is the average duty at the port of Montreal. Those goods cost the wholesale man who is importing them $120 when they are taken out of bonds. Then, as is usual with the wholesale trade, they take their invoices and add say 10 per cent to the cost of the goods, and that $120 on the shelves of the wholesale merchant becomes $130. The retail man from Manitoba or Toronto purchases from the wholesale merchant and has to pay $130 for those goods. For his share of profit he adds 25 per cent, so that the cost of those goods sent back in payment of the steer shipped from Manitoba has reached $167 in the trade.

Hon. Mr. COCHRANE—I have always got money for my steers.

Hon. Mr. BOULTON.—But you draw on England for the money for your steers and the people of England in order to meet that when they purchase, will send goods to Canada and draw on Canada for their value, they could not buy if they could not sell. You do not get the gold.

Hon. Mr. COCHRANE.—I get the gold.

Hon. Mr. BOULTON.—No, it is Canadian currency.

Hon. Mr. COCHRANE.—I can get gold for the currency.

Hon. Mr. BOULTON.—Every one knows that gold is not a medium of exchange between nations. It is trade. Our currency is worth gold because the financial standing of our institutions is sound. If you trace back our imports and exports since confederation you will find there has been on one side an import of bullion of about $4,000,000 and an export of bullion on the other side of about $3,500,000 or the reverse. That has been shipped through the clearing houses. Trade is carried on by exchange. I do not think anybody will question that economic condition for a moment. Now, supposing there was no tariff on the necessaries of life, the conditions would be altered and the goods would come to Montreal and be delivered there for $90. The wholesale merchant would add 10 per cent and the retail merchant 25 per cent, making it $124. The price of the goods has reached $165 in Manitoba without calculating the freight but with the duty added; while without the duty it has reached $124. The difference between the two amounts is $41, exactly 45 per cent of the $90 which was paid for the steer in Great Britain. The proportion of that which belongs to the farmer in Manitoba is $40, and that $40 is used for the purchasing of the goods which he requires in his industrial enterprise, and the price of those goods is taxed in that way to the extent of 45 per cent under the present tariff. In other words he receives $22 for his steer instead of $40, or for $22 he will purchase the same amount of necessaries that he is now paying $40 for under protection. If there was no taxation on the necessaries of life, he would have $18 to put in the bank, or improve his farm or invest as he chooses. Under the tariff, he is unquestionably taxed to that extent, and it is open to the hon. gentlemen to pull the simile to pieces and prove the contrary if they can possibly do so. It cannot be argued away. That is the condition of affairs that presents itself to us in the province of Manitoba, and no attempt has ever been made to refute it. The same pressure rests, I have no doubt, on the agricultural community in all parts of Canada. With us probably it presses more heavily, because there are none of the counterbalancing advantages which, although I think fal-