

199. The expenses of collection of Customs revenue were only 3.66 per cent. of the amount realized, and with the exception of the years 1882 and 1883 was the lowest proportion in any year since Confederation. The fact, however, of those two years and the one under review being the years in which the largest amounts were realized, shows that the proportion does not always increase with the amount, and that it costs as much to collect a small Customs revenue as a large one. Considering the large area of the Dominion, and the length of its frontiers, together with the large number of ports of entry it is necessary to keep up, the cost of collection must be considered as being moderate. In the United Kingdom in 1887 it was 4.70 per cent.

Collection  
of Customs  
revenue.

200. There being no system of direct taxation in this country, and the use of articles on which Excise duties are collected being to a very large extent optional, it follows that the Customs duties alone form that part of the general taxation of which everyone must pay a share, and it will therefore, be satisfactory to notice from the foregoing table that the receipts from Customs duties have increased in far larger proportion than has the proportion of population, showing that the ability to purchase has increased in much greater ratio than the burden of taxation, the increase in the receipts from Customs being 160 per cent. since 1868, and in the amount per head only 41 per cent.

Indirect  
taxation.

201. In the United Kingdom in 1887 the proportion per head was \$2.62, in the United States in the same year it was \$3.53, in both cases being a smaller proportion than in this country, while in some of the Australian colonies it was very much higher; for instance, in New South Wales it was \$10.04, in New Zealand \$10.86, and in Queensland \$15.27 per head.

Customs  
duties per  
head in  
some fo-  
reign  
countries.

202. The following is a statement for the last twenty years of the amounts received from the principal heads under which taxation has been levied by means of customs and excise duties. As the tariff has undergone many changes during the period, notably in 1879, no comparisons can be strictly made from year to year, and the figures must always be considered with reference to the tariff in force at the time:—

Heads of  
taxation,  
1867-1887.