

April 1, 1873

their existence, 1869, amounted to \$856,814, while in 1872 they had increased to \$3,096,500. Now this shows that although we may have had a very large increase in the expenditure of this department without an equivalent from the other side of the ledger, still there has been a wonderful increase in the amount of accommodation given to the people of the Dominion, and that at a reduced cost.

Now I come to some of our proposed transactions during the next year. Under the head of ocean steam services there is an item of \$90,000. This is under a new arrangement with Sir Hugh Allan, and after conversation with the Postmaster General I think I am authorized to state that it is hoped that in a very short time the receipts from that service will be equal to, if not in excess of the sum paid for the service. The Cunard line, employed by the United States Government, did not make such good time as did the Allan steamers—(*Cheers*) and the result was that persons corresponding within some districts of the United States, particularly the Western States, forwarded their letters by the Allan line, because they found the letters reached their destination earlier than when sent by the American line.

Next we come to the item for Militia, in which there appears a reduction as compared with the estimated expenditure on this account of \$653,887, but fairly there should not be placed as a reduction \$144,000 before this charge against the Department for instalments of arms and now charged to Miscellaneous, and there might fairly be deducted \$93,000, estimated not to be expended in the present year: therefore the difference instead of being \$653,887 was about \$430,000 reduction.

Then with respect to the fisheries, there was a reduction of \$61,900 under this head. There was an expenditure in the current year for the support of the marine police for the vessels to look after and guard against encroachments by vessels belonging to our American neighbours.

Now, Sir, the question arises how is the Government to obtain the means to provide for this increased expenditure? It was estimated last session that it was possible after having made a reduction of \$1,200,000 on duties, that the Government would probably be in a position that they would have to ask the House this session for increased taxation in some direction. Well, sir, I can quite understand that hon. members and the country generally would not be displeased if the Government were to declare on the present occasion that this was their intention. But after having surveyed the whole matter carefully and looked into it with the most rigid scrutiny, the Government have arrived at the conclusion, that it is not wise, nor is it necessary, to ask Parliament at this session to impose any additional taxation. (*Loud cheers from the Ministerial benches.*)

Sir, I know we may be asked—are we not prepared to make some readjustment of the tariff? The Government at the present session are not prepared to touch the tariff in any shape or in any form. (*Hear, hear from the Opposition benches.*) There are undoubtedly some interests in the country in regard to which, if the tariff

question was opened at all, the Government would feel itself justified, nay, would feel it their duty, to make readjustments; not under the peculiar circumstances in which we are placed—(*Opposition cheers and laughter*)—with the certainty of increased expenditure next year, for which some adjustment must then take place, the Government have concluded, as they feel they will have ample means to meet all their engagements, to declare their fiscal policy to be to tamper as little as possible with the tariff, unless some radical changes are necessary.

Now let us see whether we are justified in arriving at the conclusion at which we have arrived as to the means at our disposal being ample for public purposes. It is estimated that the revenue from customs during the next year will be \$12,500,100. I know that hon. gentlemen of the opposite side may say “your estimate is excessive, because during the past year you had larger importations than in the interest of the country we ought to have had; that there were goods lying on the shelves of merchants, on which duty had been paid, unsold, and of course unconsumed, which would take the place of other goods that under different circumstances would be imported during the next year.” But, Sir, on careful examination of the whole matter I have arrived at a different conclusion.

I admit that during last autumn there was an excessive importation. I admit that it is not desirable in the interest of the country to see a very large importation, as compared with the exports of the country; but I still believe that there is no real ground for alarm in connection with this matter.

Let me just for a moment digress and go back upon this subject for the five or six years past, and ask whether we have anything to apprehend on the ground of excessive imports. As compared with the exports during the last five years there appears to be an excess of imports over exports of \$60,000,000, or \$12,000,000 a year; and it is very natural for persons looking at this subject in a cursory manner to believe that this must lead to embarrassment and financial difficulty. But let us examine the subject. Here we have an excess of \$12,000,000 a year. Add to this the interest on the debt of the Dominion, viz., \$4,000,000, and we have here \$16,000,000 to be provided for that our exports do not appear to provide for over imports for the same period. I think, however, that on examination we shall arrive at the conclusion that there is no ground for apprehension so far as the past is concerned.

I have taken some pains to select one city in this Dominion as an instance of this, viz., the city of St. John, which I have the honour to represent. By the most careful examination made by the President of the Board of Trade, I find that the return freights through the Port of St. John to shipowners in the Province of New Brunswick amounted to \$2,000,000 a year. If that is the case in a city such as St. John, we may fairly assume that return freights to the amount of \$5,000,000 to \$6,000,000 come back to shipowners in different parts of the Dominion which may be set off against the excess of imports over exports. But let us go further. If we take the expenses increased in shipping the produce of the Dominion, amounting to \$80,000,000 a year, and the expenditure on account of labour on