

it should be said that this is an isolated example. I turn to the sister colony of New Zealand, the figures for whose railways for the year ending 31st March, 1893, the latest available returns, are before me. The government in that year operated 1,886 miles of railway, the total cost of which for construction was £14,733,000 sterling. The net earnings, after paying working expenses, were £49,380, or a return upon the capital invested of over 3 per cent. For another example I turn to the colony of Victoria. That colony owns 2,975 miles of railway. These railways are reported upon in four divisions. The northern division has a mileage of 836. The net revenue of this system after paying working expenses was sufficient to yield a return of 2.97 per cent on the capital cost. The north-east division, covering 603 miles of road, earned a net dividend of over 4¼ per cent. The eastern section of 500 miles was operated at a slight loss. The western section of 1,018 miles yielded a net dividend of over 3 per cent, and the balance, the Hudson Bay Railway, 4¼ per cent on cost. And let me draw your attention, Mr. Speaker, to the further fact that the year for which these figures are given was the year of the great financial crisis in the Australian colonies, and the reports of the Victoria system speak of decreased freight and passenger traffic, while they state that the regular equipment which was sufficient to transact the ordinary business had been maintained. Mr. Speaker, I point to the position of our sister colonies as compared with that of this Dominion, and I ask, in all fairness, whether the producing population of Canada to-day are receiving returns from these investments compared with the burdens that are placed upon them thereby. The fact that we are receiving no revenue from so large an expenditure is not creditable to the administration of public affairs here, as compared with that in these sister colonies.

Now, Sir, let me turn for a few moments to some of the statements made by the Finance Minister with respect to the taxation that he said he had taken off the shoulders of the tax-payers of this country, and as to our financial position to-day. You remember, Sir, when, in 1891, the hon. gentleman came down to the House and intimated to us that he had decided to take three and a half millions of taxation off the backs of the Canadian tax-payers. That was an exceedingly liberal proposition on the face of it, to be presented in one session to any legislative assembly such as we have here. But, Mr. Speaker, how was it that the hon. gentleman became suddenly so generous to the tax-payers of the Dominion of Canada? I do not think we need to go very far to ascertain the reason. On the American side, for reasons best known to themselves, sugar was made free, and it was an object lesson in taxation that no Government could stand

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very long, to see a staple article of consumption like sugar sold just across an imaginary line at 4 cents per pound, while here it was 6½ cents. The Minister of Finance made a virtue of necessity, and took off \$3,500,000 of duty from the tax-payers of Canada. Here is how he announces it in his Budget speech of 1891 :

Sugar has always been looked upon in Canada as a large producer of revenue. Sugar in one respect is one of the best articles possible for distributing taxation. The rich and the poor use it largely in proportion to their means, and there is, possibly, no article upon which a part of the revenue of the country can be more equitably placed. The Government has come to the conclusion to sweep away from the burdens of the great mass of the people, with one stroke of the pen, \$3,500,000 of taxation.

"Of taxation." Those of us who were in this House previous to that time, remember the pitched battles that used to be indulged in across the floor of this House as to who bore the burden of this taxation. This time there was no hesitation on the part of the Minister of Finance in announcing that this was a burden of taxation, not upon the people outside of Canada who wanted to sell us sugar, but upon the consuming population of Canada who bought and used that sugar. But there is this remarkable feature in the matter to which I wish to draw attention, that the Minister always stops in his Budget speech at this point in his quotation. Now, I want to extend the quotation a little further down in that same speech. The next paragraph goes on to say :

We propose to ask the House to allow us to put on \$1,500,000, and the question is where to put it on.

And he proceeded to put on taxes thus : he added 1 cent per pound additional on malt, and he estimated the yield would be \$500,000 revenue. He added 20 cents per gallon excise duty on whisky, which he estimated would yield \$600,000 ; and he added 5 cents per pound more on tobacco, and he estimated the revenue from that at \$400,000, making, in all, \$1,500,000 of taxes that he immediately imposed, at the same time that he took off \$3,500,000. Now, Mr. Speaker, I may be a little obtuse, but it does strike me that when a man takes credit for taking off \$3,500,000 of taxation, and, at the same time, puts on \$1,500,000 on other necessities or luxuries that our people are consuming, it is not a very brilliant stroke of policy. I do not think it takes a very large-sized statesman to accomplish an operation like that, and I do not think it justifies the statement that at one sweep he had relieved the people of taxes to the extent of \$3,500,000, when he immediately put on \$1,500,000 without giving the people one breathing moment to realize what it meant to be relieved of \$3,500,000. And, Mr. Speaker, there is more than that, he got the additional taxes that were imposed, for