1878, a weakly miserable concern, employing ten to twenty hands; it now employs sixty hands steadily, and the proprietor states: "We are pleased to bear testimony to the good effects of the National Policy." Then another statement from the Bolt and Nut Works of Toronto, see what the proprietor says. They failed in 1874, under the benign influence and regime of hon. gentleman opposite, and remained closed until August, 1879; they are now getting steady work, they are running from 7 am. till 10 at night; they employ 193 men in their factory, and a large number besides making boxes. Under the old Tariff it had no existence whatever. The salaries range from \$1.25 to \$3.25 per day, and this is, no doubt, bad news to the hon. gentleman opposite. I can almost fancy I can see the wrinkles on the face of the hon. member for South Brant and his annoyance, because new industries are flourishing in the country. I will now address myself to a subject with which I am somewhat familiar, and which I am sure our friends will be glad to hear discussed, and on this question there is one thing in which we have an advantage over them; it is this: We have surpluses where they had deficits, and that is the great difference between them and our party. We have also the fact staring us in the face, that the public debt has largely increased, though at the same time we know that that debt had been increased for works of public utility. I referred, this afternoon, to the speech of the hon member for Centre Huron, in which he said publicly—when showing that bright shield to the capitalists of England—that the whole expenditure had been incurred for works of public utility. I cannot do better expenditure b**e**en than repeat it, because it is a matter that I like to hear read, and because the hon. members for North Norfolk and West Middlesex are accustomed to proclaim to the general public that the debt had been increased by the extravagant course of Sir John A. Macdonald, during the time he was in power previous to their getting office, and pointing to the fact in order to justify their own extravagance during the preceding five years; in other words, while condemning what is wrong in the other party, they justify themselves in doing the same thing. The hon. member for Centre Huron says:

"The revenue has shown a continuous surplus during each year since Confederation, although it has in the interval been charged with much heavy expenditure of an exceptional kind, such as the outlay connected with the several Fenian attacks on the country, the acquisition and organization of new territory, and providing an adequate defensive force for the Dominion."

Now, Sir, that is the testimony of the hon member for Centre Huron. Let us call into the witness box the master of the hon gentleman, and see what he says. I find in the Globe—they have heard of that paper, no doubt—of November 16th, 1881, in speaking of Goldwin Smith, the following:—

"Who does not see that Mr. Smith wants the same thing for Canada, and is ready to decry this country if so he may injure its credit, and thus prevent development of its incalculable resources and induce the people to look to Washington or despair; it is true that the debt of the Dominion is large, but nineteen-twentieths of it have been incurred for productive purposes, and the interest has always been promptly paid. With no debt and without works, in which the money has been expended, the country would be infinitely poorer than it would be were the debt doubled without adding to the works."

Now there is the testimony, not only of the hon, member for Centre Huron, but of the organ of the party, that the public debt, large as it was, was justified under all the circumstances. When the hon, leader of the Opposition went down to the sea, he discussed the financial policy of the Government. He had never been much of a success at figures, but when he was not in the hearing of gentlemen who knew better he undertook the financial aspect of affairs in the Dominion of Canada. The hon, gentleman made a speech containing what I would call reckless statements. What struck me as being most remarkable was one in reference to the deficits of the late Government. He had never been much of a success at figures, but thousands and thousands of dollars to cover up their thousands and thousands of dollars to cover up their heaverage expenditure under two years of Conservative the average expenditure under two years of Conservative rule was \$25,177,574, or a difference of about \$1,665,365.

Now, if the hon, gentleman had been desirable of telling us

ment. Now, I have been on almost every platform in the Province of Ontario and heard these spouters talk about the deficits of the Dominion, but I never yet heard one of them say the deficits were caused by expenditures in the North-West Territory. But the hon. leader of the Opposition wanted to let himself down lightly by catching on to the coat tails of the Mackenzie Government. He stated the whole of these deficits were caused by expenditures in the North-West Territory. Let me read an extract from that speech, revised by himself, which I find in the St. John Daily Telegraph of February 16th—I believe the hon. member looks upon that as a good clear Grit paper:

"But for the North-West there would have been no deficits in the last Administration. It was the North-West that created them. If you remember what has been done they must go on. I believe they must go on."

Well, Sir, that is something satisfactory. We have a statement here under the hand of the Deputy Minister of Finance where I find what were the deficits and what were the expenditures. During the years 1875-76, this economical Government, of which the hon, gentleman was so distinguished a member, ran behind \$1,900,085; in 1876-77, \$1,460,027; in 1877-78, \$985,776, making a total of \$4,346,-588. The great trouble is this: that the hon. gentleman knows so little about figures, he cannot tell whether it is capital account or otherwise. If he will turn to the 24th schedule he will find that the Pacific Railway expenditure is carried to capital account. And how did they get the money for that? Why, they borrowed it. The whole expenditure of the North-West, in 1875-76, was \$1,136,194; in 1876-77, \$918,742; 1877-78, \$864,890, or a total of \$2,919,026, showing a difference between that and the deficits of \$1,427,762. Now, Sir, why did not the hon. gentleman state the fact? It seems to me it would have been far better and more to his credit in aspiring to lead the government had he stated the facts just as they were, and allowed the country to judge whether his position was better than that of the right hon. gentleman at the head of the government. Now I propose briefly to refer to some financial statements in connection with this matter. The hon. member for West Middlesex, who lately has assumed the position of Minister of Finance for the Opposition, undertook to criticize the expenditure of the Government, and in that criticism he did not deal fairly with those figures at all. Nevertheless, I do not blame the hon. gentleman because he knows as little about figures probably, as the leader of the Opposition, and for that reason it is natural for him to mix and muddle figures. Now, let us take a few figures: for 1877-78 they collected \$22,375,013 at a cost of \$5,301,124, or at the rate of 23 per cent. For 1881, they collected \$29,635,297, at a cost of \$5,683,123, or at the rate of 19 per cent., a difference of 4 per cent. in favor of the Conservative Government. The collection of Customs cost, under the Grit regime in 1877, 5.82 per cent.; in 1878, 5.59 per cent., and, in 1881, 3.89 per cent., or a difference of nearly 2 per cent. in favor of the present Government. The hon, member for West Middlesex (Mr. Ross) took the average expenditure of the last two years of the Grit Government, and he took those years because he thought he could make a point with them, although he knows right well that the last year was no fair test. In that year they starved everybody and everything in order that they might be ready to meet the electors, as was evidenced by their bungling on the great public works. They so starved the Welland Canal that it has taken thousands and thousands of dollars to cover up their neglect. The average expenditure during their last two years, according to that hon. gentleman, was \$23,511,229; the average expenditure during their last two years, according to that hon.