

unhesitatingly was the policy contended for by the hon. leader of the Government (Hon. Sir John A. Macdonald) and the then Minister of Finance (Hon. Mr. Tilley) and he was more than astonished to find the latter gentleman stand up in his place and deny it. He was glad to see how the Government had agreed to the various principles contended for by the Opposition. They had at one time refused point blank to change the gauge of the Intercolonial Railway, yet now they kindly consented to do the same thing they had refused. A pure election law, and the trial of controverted elections by judges, they had now also kindly consented to give us. They had steadfastly year, after year, refused to sanction the passage of a Dual Representation bill, yet now they also gave way on that question too, saving themselves the disgrace of a defeat by dividing the vote of the Ministry. This was certainly gratifying. He did not propose to criticize the financial policy of the Government, and would not have spoken on the occasion at all were it not for the assertion of the late Finance Minister that in the western part of Canada he had not advocated a protective policy. (*Cheers.*)

**Mr. GRANT** spoke warmly in support of the policy of the Government and ridiculed the idea of children in Parliament teaching their father in finances such as the late Minister of Finance. He spoke of the Pacific Railway as an imperative necessity for the consolidation of the Dominion, and maintained, in an excellent speech, that with Great Britain at our backs we had nothing to fear in constructing such a road.

**Mr. WILKES** was glad to be able to congratulate the Finance Minister (Hon. Mr. Tilley) on his speech, but he took exception to the calculation in which that hon. gentleman had entered with reference to our taxation. He proceeded to show that 19 1/5 per cent of the entire revenue was derived from the duty on imported goods, and 37 1/2 per cent from food requisites, such as tea, sugar, coffee, et cetera. The Finance Minister had stated that the total revenue from duties was only 10 per cent of the entire importation, but he (Mr. Wilkes) was prepared to show from that gentleman's own returns that no less than from 35 to 37 per cent was levied on the necessaries of life. The country would learn this with astonishment.

He obtained the figure he had named by means of the classification of ropes and other materials used in ship building with articles of consumption. The true rate of taxation should be estimated on the articles which the people consume and not upon those things which produce our great manufacturing industries. He went on to show that the 10 per cent referred to by the Finance Minister did not apply to the articles consumed by the people upon which there was a much higher rate. The policy of the hon. gentleman and his predecessors had made the country almost entirely dependent upon imports for its revenue, and there was no country pretending to the least degree of economy which derived so large a share of its revenue from imports as Canada. The proportion in 1872 from customs was 61 1/7 per cent, while in Great Britain it was 30 per cent, and in the United States, with its high protective tariff, 52 1/2 per cent.

He went on to point out in detail the heavy duties imposed on the necessaries of life as compared with other imports, and especially as compared with taxation on spirituous liquors, the evil effects of the use of which he depicted. He spoke of the very expensive machinery now in operation for the collection of the revenues, and pointed out by reference to the official returns, that in many cases the expense of collecting was entirely disproportionate to the amount collected. The revenue collected in the six ports of Halifax, St. John, Quebec, Montreal, Toronto and Hamilton, he showed was 84 per cent of the whole revenue of the country. At these places the cost of collection was about 9 1/2 per cent of the amount collected while in other places it varied from 13 1/2 to over the amount collected.

He referred to the increasing quantity of the cloth imported and thought it might be well to give some protection to native manufacturers of that article, especially as to give employment to so many female operatives. He articulated at considerable length the financial policy of the late Finance Minister, and ridiculed the idea of that gentleman endeavouring to throw upon Parliament the responsibility for the effects of that policy. He concluded by urging upon the Government the necessity of reducing the taxation upon articles consumed by the great mass of the people.

**Mr. DOMVILLE** criticized the speech of Mr. Wilkes, which he said was a repetition of that hon. gentleman's address to the Board of Trade.

**Mr. CHISHOLM** said that it had not been his intention to speak on the subject before the House, but as the hon. member for Lambton (Hon. Mr. Mackenzie) in his speech, had asked the question, what the people of Hamilton would think of the statement of the Minister of Finance (Hon. Mr. Tilley) that it was not the intention of the Government to disturb the present tariff, he thought it but right to say that in his opinion the people of Hamilton would be pleased, not only with the statement made by the hon. Minister of Finance concerning the tariff, but that they and the people generally throughout the Dominion would rejoice in the financial statement just made, which showed the financial position of the country to be much better than people generally had been led to expect.

The hon. member for Lambton, and the hon. member for Waterloo South (Mr. Young) had referred to the perambulations of the hon. Minister of Justice (Hon. Sir John A. Macdonald) and the Hon. Sir Francis Hincks last summer through Hamilton and other western constituencies, and said that in these perambulations they had made speeches and promised the people in the large manufacturing cities a higher tariff to protect their manufactures. He said it was true that these hon. gentlemen had visited Hamilton previous to the contest there last summer, and they had been well received. He did not understand them to say that they would increase the tariff; but what they did say, or what he understood them to say, was that the protection which they then had should not be taken from them, while the policy of the Opposition was Free