

interfering with their prosperity by taxing them, or in some way acting prejudicially to their interests. It was a very unfortunate opinion or sentiment to be abroad in the country, but it was abroad, and it was not altogether without ground. The often referred to, sugar refining trade was an instance in point. It had been encouraged until it became exceedingly prosperous, but so soon as that was the case, it became the envy of many, and the Government, who had previously fostered it, turned their backs upon it and starved it. The direct tea trade was actually stamped out by Parliament. The Secretary of State seemed to think lightly of this trade, because it employed only one ship.

Hon. Mr. SCOTT—Two, one year.

Hon. Mr. MACPHERSON said that each ship sent to open trade with a foreign country was a pioneer of the commerce of the Dominion. He supposed the great Eastern trade of the United Kingdom did not commence with a great fleet such as was employed in it to-day, but with one ship. He was a free trader, but he believed that so long as we had to raise a revenue by customs duties, interests would grow up under the protection thus afforded, and the policy, whether sound or not, under which manufactures grew up should not be suddenly abandoned as to destroy new and important interests. The effect of it was not simply injurious to the interests immediately affected, but, worse than that, it inspired uneasiness and distrust, which prevented men from embarking their capital in enterprises in this country. He contended the people of the Dominion were suffering from those feelings of uneasiness and of distrust in the Government. The Administration had manifested a desire to meddle in business between man and man, and its effect was very injurious. It would be well if the tariff could be understood to be fixed for a term of years, that people might know what they had to depend upon. The frequent changes that were made and the uncertainty that attended the tariff, were unfavorable to the creation of new enterprises, and injurious to the country. The debt of the country was being increased with alarming rapidity and for unprofitable purposes. As shown by Sir Francis Hincks in 1870, it was \$22.50 per head. In 1873 Mr. Tilley said the debt per head had not increased, in 1876 the debt per head was \$37.93.

Hon. Mr. SCOTT—The \$20,000,000 added in 1873 makes that.

Hon. Mr. MACPHERSON said the taxation had increased from \$3.50 in 1870 to \$5.76 in 1876; that was the rate of taxation

paid last year, but it was not enough to meet the expenditure of the country. Six dollars per head was now required. In 1873 Mr. Tilley showed that the duty paid on goods entered for consumption was 10.15 per cent; in 1876 it was \$13.54, showing the duty had increased about one-third; in other words every person had to pay one-third more duty on the dutiable goods consumed by him. Where we contributed \$3 in this way to the revenue in 1873, every man, woman and child had now to contribute \$4. We used to pride ourselves upon this being a cheap country. He feared we could not boast of that any longer. The large expenditure was not only affecting our burdens at home, but was injuring our credit abroad. That was exhibited in the negotiation of the late loan by the Finance Minister in October last. He did not intend to say one word in blame of the way in which that loan had been negotiated. The first duty of the Minister of Finance was to make certain of success, because it would have been unfortunate for the country if he had failed. He was completely in the hands of the moneyed men in England. He had to be guided by the financial agents of the country, and while they might have advised him to place the loan at a low price, he would not blame them for that. The Dominion had no right to expect them to give us their money at a lower rate than they could get for it. We have no claim upon them, and when we went to them for a loan they treated us as a banker would a customer. They asked what had been our success during the preceding year—what had been the measure of our prosperity. When this question was asked Mr. Cartwright he must have told the truth, that there was a deficit amounting to one-third of the interest on the public debt, that there was a deficient harvest, and that the country was not as prosperous as it had been when he had negotiated his first loan. At that time he had been able to give a very flourishing account of the country and the use that had been made of the money borrowed by the Dominion. In 1875 he had been able to say "the whole of the debt has been incurred for legitimate objects of public utility," and, he continued, "the indirect advantage, &c., &c., &c." "When the last loan was negotiated, the Finance Minister was unable to say anything so encouraging as that, but had to admit the existence of a deficit, and when asked what returns be expected from the expenditure of former loans, he must have replied that an enormous amount was being expended in constructing a railway between the head of Lake Superior and the Red River through a