

manufacture. We propose that for the next two years, instead of 14 cents, as now levied, per pound, 8 cents per pound shall be levied on all tobacco which is grown in the Dominion of Canada, and for the two years following, 10 cents per pound. This change will probably affect the revenue, although we cannot pronounce exactly on this point—\$50,000 the first year; after that the reduction will probably range from \$50,000 to \$75,000 a year. Then there is another question which has been brought under the consideration of the Government, by the commercial men and bankers of Canada. I refer to the legislation requiring stamps on notes and bills of exchange. In the preparation of this Tariff no special consideration was given to those who are engaged in business except in the way of increased business, and the prompt payment of accounts. We propose to relieve this class of the community of this duty, which has given a revenue of \$200,000 a year. And further, the Government have decided to ask Parliament, in the Supplementary Estimates, for \$150,000 to be distributed in the shape of a bounty to the fishermen of the Dominion of Canada in lieu of the interest on the Fishery Award. This subject, Sir, has been a difficult one, because pressure has been brought to bear by some of the local governments for the payment of the amount of the Fishery Award to them; but a vote—and a very large vote—of Parliament declared that this should not be done. In consideration, however, of the competition and interference of the Americans with our own fishermen, it has been considered desirable to give a tonnage bounty to every vessel engaged in the fisheries, and also a certain sum to every boat which is employed in the fisheries and which is licensed for that purpose. And while this will encourage the fishermen of the Dominion and extend our fishing operations—an important industry, the exports of which amount to over \$6,000,000 a year—it is expected that it will increase the building of a certain class of vessels in the Dominion of Canada, such as are to be found in Massachusetts, and constructed especially for this branch of business. Our people go there now, as they have gone every year since the passage of the Washington Treaty, as well as before that treaty was in existence, and to ports elsewhere in the United States to make arrangements with the owners of the vessels and clippers which are adapted for their purposes, to man and sail them on shares—as we have no vessels such as they require—consequently, the step which we propose to take will not only encourage and benefit our fishermen in the prosecution of their occupation, but it will also give a new impetus to the construction of the class of vessels which are required for this special work. Now, Sir, the result is that the propositions which I have just submitted, will entail a loss to the revenue from Customs and Excise to the amount of \$1,300,000 a year, while there will be an extra expenditure of \$150,000 for the purpose which I have named. This will, of course, reduce the available means at the disposal of the Government to the extent of \$1,500,000 per annum, and it may do more. Still that may be the limit, though other circumstances may reduce the revenue. We are now having erected three sugar refineries for the manufacture of beet root sugar. This is a business which, so far, has been limited, but still we must not shut our eyes to the fact that the day is not far distant—and, perhaps, it will occur in the next twelve months—when the revenue which is now received from imported cane sugar will be diminished, owing to the vigorous prosecution of this industry. That this will occasion a loss of revenue; but, at the same time an impetus will be given to a manufacturing industry, which will be of especial advantage to the agricultural interest, if it proves a success. When we bear in mind the fact that we have at present but 180,000 spindles engaged in the manufacture of cotton, and that, before the close of the

year 1882, we are likely to have 400,000 spindles in operation, the probabilities are that we will not obtain from cotton goods the same amount of revenue which we have received from this source during the past year. The experience of the last three years has shown that where vitality is given to any one of these manufacturing industries, we find that the employes, and those who are connected with them, and the parties who import machinery, pay large sums into the revenue—the revenue from machinery alone during the past year amounted to \$120,000—and these restore to the Treasury much of that which is lost in duties on articles manufactured; but still, as these industries increase and multiply, the imports of some of these articles must necessarily decrease. Still, we may fairly consider that, under the operation of these proposed changes, and under the operation of the increase in the manufacturing industries of the country, we may have available \$1,750,000 less during the next year than we will have during the present year. Now, Sir, I desire to come to the estimate with these changes in view of the expenditure and the estimated revenue of next year. It is estimated that the Customs will yield next year, instead of \$20,500,000, which was the estimate for this year, the sum of \$19,500,000; from Excise, \$5,500,000; from the Post Office, \$1,500,000; Railways and Canals, \$2,500,000; Interest on Investments, \$700,000; and Miscellaneous, \$900,000, making a total of \$30,600,000. The expenditure, according to the Estimates which are now laid on the Table of the House, will be \$27,300,000, or somewhere in that neighborhood. The vote that will be asked, in the Supplementary Estimates, as bounty to the fishermen, will be \$150,000, and there will probably be further Supplementary Estimates amounting also to \$150,000, making the gross Estimates, \$27,600,000 for next year. The items in which the expenditure is increased are those which are placed in the Supplementary Estimates for the present year, the Indians, the postal service, railways, and various other services, and this will leave a surplus of \$3,000,000. I have not taken into account the probable receipt of a very much larger sum from the proceeds of lands to be sold in the North-West, likely to be received during the present year. The estimate of receipts, from all sources, under the head of miscellaneous last year, was something like \$800,000. They are estimated this year at \$900,000, and I have continued that estimate for the next year, but there is every indication, and it is quite within the range, not of possibility, but of probability, that if the Government feel that they can reserve a sufficient amount of land in the districts of the country that will be required for actual settlement, the Government may be able to sell for cash, without interfering with the principle of actual settlement, a large quantity of land, and a very large revenue will be received from it. I have placed, however, in this estimate, nothing more than the ordinary sum expected to be received during the current year. It will be seen that we will have to provide a very large sum for expenditure under the head of Capital Account. For instance, the Minister of Railways has asked for \$8,200,000, as subsidy to the Pacific Railway Syndicate during the next year. That is based upon their own statement of the work they expect to perform. I rather think that an outside estimate, but, at all events, whatever money may be required to pay to the Syndicate under the terms of the agreement will be received by the Government from the sales of the land-grant bonds, and therefore we will not require to go outside for any loan for the purpose of meeting whatever that expenditure may be. What is more, the hon. Minister of Railways and the hon. Minister of Public Works claim that they will expend, on the Pacific Railway now under contract, in the completion of the sections between the head of Lake Superior and Manitoba, on the British Columbia section, on the Canals and on other Public Works chargeable to capital, \$9,000,000;