

the past ten years. Suppose there should be no increase in the importations and in the general trade, which is supposable, but which certainly will not be realized. Let us see what our position would then be in the event of our having to fall back on increased taxation to make up deficiency. I have stated that in the last five years the average of duty collected on the imports was $12\frac{3}{4}$ per cent. For the first six months of the current year it was not ten per cent. At the expiration of the year it will not exceed ten per cent. Suppose it became necessary to impose additional taxation on the people equal to that which has been exacted during the first five years of Confederation, by increasing the average from 10 to $12\frac{3}{4}$ per cent. Has the taxation of the past been oppressive? Have our people felt that it was grievous and hard to bear? I think not. But let us apply that increased taxation to the imports of the present year which will probably be \$125,000,000. This would give us \$3,437,500 to meet the interest, and the sinking fund, and the commission on interest amounting altogether to \$3,367,000. Bearing in mind that during the last five years we could have borne an increased debt of \$30,000,000; we can bear \$30,000,000 more in the next ten years, without materially increasing the taxation of the people, while at the same time we are opening up a magnificent country for the millions who will pour into it, and are increasing the strength and power of this Dominion, and making it what I trust it will ever continue to be, the strong right arm of our own British Empire."

I think, Mr. SPEAKER, I have vindicated my late hon. colleague, and the hon. gentleman's predecessor against the imputation of having proposed an increased taxation of three millions in order to cover a deficit which would arise in 1873-74. But there is another phase in connection with these statements to which I will direct the attention of the House and it is this:—I say there is no member of this House but must regard with pleasure the fact the statement of the Finance Minister made a year ago that he would require these additional three millions has proved altogether unfounded. I cannot but believe that the hon. gentleman himself possesses a spirit of patriotism sufficient to lead him to rejoice that in this particular he proved a false prophet. But there is a feature connected with this increased taxation of three millions on the people of this country that I feel ought to be gratifying to the members of this House and to the people, and it is this:—that three millions—more than this, if we are to judge by what we have already received—have been taken from the pockets of the people during the past year in increased taxation, and I doubt

Hon. Mr. Tupper.

if any one would have known it, if I had not made a noise about it. Such is the position of Canada, and it is a circumstance that no patriotic mind could contemplate without a feeling of pride—such is the power of the people to bear taxation, which springs from the wealth of the people as compared with that of most other countries, that these three millions of additional taxes, whether required or not, had slipped from the pockets of the people into the public treasury without any person having felt that there was reason to complain. I give that to the hon. gentleman as the reason why this House and this country would never suffer the hon. Minister of Finance to throw a doubt on the capacity of the people to carry to completion the great public works on which the prosperity and future progress of Canada depend. Now, sir, the hon. gentleman stated that he had nowhere stated that the expenditure would reach twenty-four millions. What was all the discussion about last winter? Was it that the hon. gentleman would establish a deficit on paper which would never really exist, or was it a tangible deficit that would have to be met by increased taxation? I will not turn to the hon. gentleman's speech unless it is necessary to do so. Any hon. gentleman has only to read it to find that the whole controversy last year was whether the expenditure which would be made during the year ending 1st July, 1874, required increased taxation in order to meet the then existing deficit. But if a single doubt remains in the mind of the Minister of Finance himself—for none remain in the mind of any other gentleman in this House or in the country who has watched the progress of the discussion—as to whether there can by any possibility exist a deficit—let me remove that doubt by turning the hon. gentleman's attention to a page in the printed public accounts that has not yet attracted the attention of this House. What is it? If he will turn to page 12 of the public accounts he will find a statement which he himself has submitted to the House, of the amount that has been expended on capital account out of the current revenue of the year. Will you tell me how any person can make an expenditure on capital account out of current expenditure unless he has got the funds? What is the fact? The fact is,