

April 14, 1874

desert. That speech was calculated to discredit Canada in the eyes of the world, and to strike down the value of security of Canada in the money market in England. The hon. gentleman had stated, and in this he was correct, that the expenditure for public works chargeable to income was under the control of the Government. He believed that the policy of expending money for the construction of valuable public works was a wise one, but it came with a bad grace for those who had denounced the late Government for this, to ask \$3,723,000 instead of \$2,450,000, that had been estimated by Mr. Tilley would be required. He would have gone more fully into the estimates of the hon. gentleman in regard to income if he had not heard him before, but he knew that that hon. gentleman had never delivered a speech in this House since touching the income and trade of this country without being millions astray, and having underestimated the resources of the people of this country.

He had no objections to the hon. gentleman raising the duty on liquors, but he doubted that a larger duty could be levied without causing a large illicit distillation and a large amount of smuggling; but passing on, he came to what were articles of prime necessity for the poor, and if ever a policy commended itself to the people, it was the policy of reducing the duty on tea and coffee. There were no articles of human consumption which were more required by the poor, and he regretted to see that these were to be taxed at a higher rate. He was also sorry to find that the policy of the last Administration with a view to encouraging manufacturers was likely to be reversed.

He came now to another matter, to which he was bound to take still great exception, and that was the imposition of a tax upon ship building at the time when Canada was suffering most for revenue. The policy of the late Government had been to take the tax off everything that was needed for the construction of ships, and the result had been fraught with a degree of advantage that no man would overestimate, and now it appeared that that policy was at a single blow to be struck down. He had no hesitation in saying that this tariff would strike a dismay into the shipyards of the Dominion. If the hon. gentleman had searched his tariff from end to end he could not have selected one tax which would be more detrimental to the country.

Again with regard to the additional tax on sugar, there was hardly an article, with the exception of the one mentioned, that would not better bear taxation than this. He did take exception to the necessity for an increased taxation, and the hon. gentleman, having come to a conclusion that increased taxation was necessary, should be cautious as to the mode in which he proposed to levy that increased taxation upon the people of this country. He (Hon. Mr. Tupper) doubted whether that policy would compare favourably with that of the hon. gentleman who had proceeded him.

After a few further words, in the course of which he congratulated the Finance Minister on the singular ability with which he had inserted the end of the protectionist wedge, the hon. gentleman resumed his seat.

Hon. Mr. MACKENZIE, in reply to the hon. member for Cumberland (Hon. Mr. Tupper), said that Hon. Sir Francis Hincks had just escaped from the House in time to avoid hearing a most

complete condemnation of his financial policy. If the hon. gentleman told them that there was no depression in the commercial circles of the country, he showed that he was not acquainted with his subject. He (Hon. Mr. Mackenzie) reminded him of the great stagnation in the lumber trade, and contended that the fact of the manufacturers of the country sending deputations asking for more protection was an evidence of commercial depression. He considered it extraordinarily audacious on the part of the hon. gentleman to condemn this Government for increasing taxation in order to make up the deficiency which had resulted from the mismanagement of the hon. gentleman's Government.

With reference to the tax of five per cent on materials used in ship building he (Hon. Mr. Mackenzie) held that the impost was not an onerous one, particularly when the consideration which that industry received was taken into account. There were ship builders present in this House, and some of them had, in talking to him, advised the putting of a tax on the materials used in this business as something which was only fair. With reference to the duty on sugar, he pointed out that the lower grades were made to pay 50 per cent, while the higher grades were only taxed 40 per cent.

Adverting to the remarks of the hon. member for Cumberland with reference to the Pacific Railway, he asked why the late Government had not carried out their scheme if it was a good one, for it had a majority. He (Hon. Mr. Mackenzie) held that the reason the scheme was not carried out was that it was not practicable. The hon. gentleman had alleged that someone representing the Northern Pacific, and some other man, had been the means of preventing the borrowing of money in London. He (Hon. Mr. Mackenzie) thought the scheme must have been what those persons were said to have pronounced it—a bogus one, or it would not have been killed by them. He assured his hon. friend that nothing would give him greater pleasure than to develop our great Western territories by the construction of such a railway, but nothing would tempt him into entering into any arrangement to build it when he had not in his heart the deliberate intention of carrying it out. (*Hear, hear.*) To relieve his hon. friend from the fear he seemed to have, that he (Hon. Mr. Mackenzie) and the Finance Minister differed in their policy with regard to finance, he would inform him that they arranged all that long ago.

Hon. Mr. HOLTON suggested that as the hour was late the resolutions should be allowed to pass and that any further discussion should be deferred until a later stage.

Hon. Mr. MITCHELL asked the Minister of Finance if he would furnish him with a statement showing the Customs receipts for the last ten days, also the receipts for the corresponding ten days of 1872, of 1873 and of 1873-1874. He said that from the course the discussion had taken today, it was important they should have this information.

Hon. Mr. HOLTON said of course persons had, in anticipation of an increase in the tariff, been going during the past ten days to the Customs Houses and taking their goods out of bond, and it was to be expected that the receipts would be swollen for the time.