

of meeting objections to any particular project or theory of his. If you add so much here and take off so much there, you get a certain divisor, and if you add to that divisor a certain amount, your quotient will be so much less. That is the process by which he gets the results which he wishes to obtain. Let me refer for a moment to one or two of his statements. In order to prove that the tax on imports now is less actually than it was some years ago, he takes up an average of years. He will not compare his present income with the income of any one of those years of depression of which we hear so much, but he chooses to make an average of all the years under the Mackenzie Administration, and in making that average he is careful to take those years which would diminish the side of the account which he wishes diminished. He chooses to date the beginning of the Mackenzie Government from the first of July, 1874, whereas they came into power early in November, 1873, and had control of public affairs during the spending portion of that time, and succeeded, notwithstanding all the Minister of Railways has said on that point, and notwithstanding that they did add to the annual expenditure a sum which he wished to charge to capital account. That hon. gentlemen are very fond of capital account. We had any number of charges to capital account last year, and they appear this year in the Estimates for the Intercolonial Railway and other places. As I said, the hon. Minister of Railways wished a certain amount charged to capital, but when the new Administration came in they thought, and thought properly, that it should be charged to revenue. They so charged it, and Parliament, notwithstanding all the hon. gentleman could say, approved of their course. Oh, but the hon. gentleman will say: "It was a hostile Parliament." When a vote in Parliament or in a constituency goes in his favor, the fact is sufficient, in the hon. gentleman's eyes, to clear a character, no matter how badly it is stained, or to brighten a reputation, no matter how dark it may be, but when a election happens to go against him, or a vote in the House, its decision is of no value at all. But though that amount was added to the annual expenditure—so careful were the Ministers of that day in their control over their expenditures, that they kept them largely under the income, and then came the addition derived from the increase in the Tariff. I will not stop to argue whether that increase was a necessity or not; it was alleged to be a necessity at the time, and the Parliament of that day, by a majority of some eighty votes, declared it to be a necessity in order to save the country from the deficit with which it was then threatened, thanks to the extravagance and the improvidence of hon. gentlemen opposite. But the hon gentleman does not choose to take that first year and give gentlemen on this side credit for the surplus they succeeded in securing by economy on the one hand and by the imposition of this additional taxation on the other. He wants, if possible, to make up a deficit by-and-bye, and he has also another object in view, and so he takes the years 1874-75, 1875-76 and 1876-77. He strikes an average of the whole and says the population was so-and-so—a purely fanciful figure—and then makes this division and says: "the quotient is \$4.88 *per capita*." Then he goes to the other side of the account and takes 1878-79 as a year of his own. This is the first time I heard them claim that year as one of theirs, for they have always repudiated it. I find that 1879-80 and 1880-81 are the two years on which he calculated as their own. It was upon these two years that I wanted to contrast two calculations of the hon. gentleman, in one of which he claimed 1879, and in the other he changed the late Administration with that year. I find, however, in taking up the paper, I have substituted the one year for the other, but the contrast between the two will remain the same. In calculating the amount *per capita*, he takes it in this way. He takes 1874-75, 1875-76, 1876-77,

1877-78 and 1878-79. He takes the population at 4,050,000, a fanciful figure, but probably nearly correct. On the one side he adds what he calls the deficit and from the other he subtracts a surplus, and the deficits he wants to make out as \$5,491,000. His colleague the Minister of Railways has told us over and over again that that deficit was \$7,500,000; and I think these two hon. gentlemen should contrive to agree on so important a matter instead of contradicting themselves so materially. If we take the actual time during which the Mackenzie Government had control of public affairs—only the time which can be legitimately calculated—the deficit would not be quite \$2,000,000, but by working the calculation out as I have described one of these hon. gentlemen makes it \$7,500,000, and the other \$5,500,000. The Minister of Railways makes the amount *per capita* \$4.88, while he says that in the present condition of things it is only \$4.65. Let me contrast this with the calculation of exports, by which the hon. gentleman endeavors to show that the prosperity of Canada is due to a very small extent to the increase of the exports. Instead of taking the figures for the last year or two of the season of depression and contrasting them with the present two years, he goes back to a period when, in point of fact, there was little or no commercial depression or suffering in this country, when there were no people out of employment, although depression prevailed in the United States, which was then in possession of the panacea which these gentlemen prescribe for all such evils—namely, a high Tariff. During these years Canada was enjoying a fair degree of prosperity, but the hon. gentleman does not compare the returns for the last two years with those for the two previous years. He calculates on the five years previous to 1879, and charges hon. gentlemen on this side—or rather he does not really charge them, because it is really an admission—that there was not a depression at the time, but only for a short period in the latter portion of their Administration. But on the other side he adds in the year 1879, claiming that as their year, because in that year the whole exports were a little over \$60,000,000—\$8,500,000 less than in 1878, and very much less than they were in our previous years. He then takes the years 1879, 1880 and 1881, and strikes an average from these, and by means so improper he succeeds in reducing his own average exportation, saying: "My exports only exceed yours on the average by about \$1,700,000 a year, and therefore the increased prosperity cannot be due to the increased value of the exports;" whereas, if he had compared 1881 with 1878 and 1879, he would have found an enormous difference in the exports. In 1878 they were but \$68,000,000, in 1879 \$60,000,000, in 1880 over \$70,000,000, in 1881 they were \$80,923,379—\$150,000,000 in round numbers in the two latter years, against \$128,000,000, or an increase of over \$22,000,000 in the exports of those two years as compared with the exports of the two years which were the real years of depression. Sir, I state that is not a fair mode for a Finance Minister to adopt, as it does not represent the true state of things in this country. That \$20,000,000 has come into the country and created that purchasing power which the hon. gentleman attributed to the National Policy, and, increasing the purchasing power, has stimulated all industries in this country, manufacturing as well as importing. The hon. gentleman took another way of proving that the people of the Dominion pay less than they did years ago. He says the Maritime Provinces imported more and paid more per head some years ago than they do now. Sixteen years ago the Province of New Brunswick imported \$10,000,000 worth of goods. After Confederation the imports declined for some years, because the times which these gentlemen say were times of prosperity, were really times of depression and suffering. After Confederation the item of flour coming into Canada disappeared from our accounts,