

loans can be made on better terms than they could a few years ago. That likewise is an elementary truth which I am glad to see he perceives, but which it was very difficult to convince his hon. colleagues of in discussing the transactions which have taken place in the last few years. And here I will take the opportunity to say—though I shall refer to it at greater length later on if time permit—that, on the whole, I am glad to bear my testimony to the fact that, as far as I can judge, the last 3 per cent. loan was a good loan, was well made, and the time well chosen. Further, I am agreed with the hon. gentleman, that it is most desirable that we should have larger trade with other countries, that there is a great and increasing sentiment all over this country, in favor of an enlarged trade with other countries; and I advise him, and I advise the Government and the people of Canada, to seek that trade where it can be found a hundred times better in quantity, and twenty times more profitably to us—next to us, at our doors, within half a day's journey of us—than to go ten thousand miles away, and ransack the Antipodes for a trade which, when we get it, will not be worth one hundredth part of that which I am afraid the hon. gentleman is disposed to turn his back upon. I also agree with the Minister of Finance—and I am delighted to find that there are so many points of agreement between us—"that our manufacturers could meet competition as Canadians can meet it, and ought to meet it. That is our doctrine also, and I believe the best manufacturers in Canada will endorse that doctrine. They do not want, as I believe, a hot-bed protection; and, if the facts are true as stated by the hon. gentleman, if the time has come when Canadian cotton manufacturers are able to undersell English goods in neutral markets, does not the hon. gentleman perceive that the obvious inference is that our manufacturers must be able to manufacture as cheaply as English manufacturers, and that therefore they do not need any more protection? I am therefore surprised that the hon. gentleman does not propose to reduce the duties on cotton manufactures, because I cannot possibly imagine that he means that it is to the public advantage that Canadian manufacturers should sell their goods below cost in foreign markets, and so tax the Canadian consumer doubly for the benefit of the heathen Chinese. If that be not the case, and I cannot for a moment suppose that that is the view of the hon. gentleman, if the Canadian manufacturer is now able to compete in equal markets, on equal terms, with English and American manufacturers, what does he need of further protection at our hands? I am delighted also to agree with the hon. gentleman that prices fluctuate from causes which no Government can control.

Mr. MILLS (Bothwell). "Flies on the wheel."

Sir RICHARD CARTWRIGHT. Prices fluctuate from causes which no Government can control, and the rider I put to that is that it is most dishonest for politicians who know better to state that a Government can keep up the prices of articles—notably the price of farm produce, for example. I agree with the hon. gentleman that it is in every sense the true policy of Canada to extend a steady, courteous treatment to its neighbors, and not on the Thursday to repeal a statutory declaration which they had assented to years ago, and on the Monday to restore it to the Statute-book; nor to attempt to evade solemn obligations by such little petty devices as putting taxes on the packages which contain articles which they agreed were to enter free. Lastly, I agree with the hon. gentleman on the whole in the proposition on which he laid so much stress, that, if trade continues to increase, if all things go well, if the North-West fills up rapidly, if no new demands arise and no naughty No. 8 should come into existence to disturb the repose of the Finance Minister, if, in short, we have smooth seas and fair winds, all will go well enough. It is not altogether the

first time that we have heard these prophecies from the predecessor of the hon. gentleman—not the hon. gentleman who occupies a place on the floor this evening, and whom I am glad to see here, but another predecessor of the hon. gentleman, the Elijah, whose mantle appears to have fallen on the hon. gentleman himself, and who, in smooth and dulcet tones, was wont to prophesy smooth things to us, not one of which, I am sorry to say, has as yet come to pass, though I hope my hon. friend opposite may be more fortunate in that respect than his predecessor. Having thus briefly indicated the points of agreement between the hon. gentleman and myself, into which I will enter at more detail further on, I may now venture to indicate certain points of difference. For example, though I agree perfectly with him that it is not quite fair to measure the incidence of taxation in a country by the mere *per capita* rate, I cannot agree with him that the incidence of taxation in Canada on the poor man is less than it is in Great Britain. I think he labors under a great delusion there; and, Sir, as I, for all the hon. gentleman may say to the contrary, am a great admirer of the British system of taxation, as I think it far superior to our own system of taxation, if the hon. gentleman wants to know, I will call his attention to certain facts which I suppose must be well known to a man of his reading and intelligence, which will show him that he labored under a very great delusion indeed when he said that the poor man in Canada was less subject to taxation than the poor man in England. He is quite right in saying that so far as regards excise taxation, that is purely voluntary. No man need smoke, and no man need drink, as the hon. gentleman told us, unless of his own free will.

Mr. MILLS (Bothwell). Nor shave.

Sir RICHARD CARTWRIGHT. Which, no doubt, is a source of expense, though not as yet of taxation; I do not know what may be in store for us, though. Now, Sir, in England taxes are raised, as he rightly said, in these several ways; first, by excise, which is voluntary in his sense of the word; second by stamps, which does not touch the poor man in England to any appreciable extent; thirdly, by the land tax; fourthly, the customs; and fifthly, the house tax, and by the income and property tax. Of all these forms of taxation in England none necessarily touch the poor man except a certain part of the customs. Now, Sir, England raises 20 million pounds sterling by her customs duties, and how does she raise it? 9½ millions from tobacco, which is a voluntary tax, 4 millions from rum, brandy and other spirits; and one million and a quarter from wine; so that, in other words, of all the taxes in England the only tax a poor man need pay is his proportion of the balance of 5 million pounds sterling of customs duties. What does that amount to? We know that the population of England is close upon 36 millions, and taking for this occasion the *per capita* argument, the English artisan, if he chooses, can escape with an average tax per head for himself and his family of 66 cents per annum, as against \$4 per head paid by every artisan and his family here. Our tax on the poor man is 600 per cent.—as the hon. gentleman likes that way of calculating it—greater than the taxation of his fellow in England. I differ with the hon. gentleman—and I will give him, if he likes, in the amplest detail, my reasons for differing, though not at the present moment—in the wisdom of comparing the taxation in Canada and the taxation in the United States during the last twenty-one years. We will work that problem out as long, and as often, and as fully as the hon. gentleman can desire, but for the present let him and the House be content with this simple statement, which he can verify at his leisure from the records of both countries: Twenty-one years ago the average necessary taxation per head of the people of Canada was 33 per cent. of that then borne by the people of the United States; to-day the necessary taxation of the people