

but \$1 an acre for half of it (the other half being offered as a free gift to settlers), it will meet the whole expenditure of the Government on the Pacific Railway, and in the North-West, down to 1890. If that be the case, then our debt, which certainly is not alarming, provided we realize from these lands the sum that I have stated, would only be about \$100,000,000, instead of \$175,000,000, or less than twenty dollars per head. Under these circumstances, Sir, I think there is no great cause for alarm as far as the taxation of the people is concerned, growing out of the increase of the debt. Then there is another mode of dealing with this question, and that is the interest we have to pay. We paid per head of the population :

In 1867-68.....	\$1 29
In 1874.....	1 31½
In 1878-79.....	1 56½
In 1881.....	1 57½

In 1890, estimating the net debt at \$175,897,680, and the population based on an increase of 18 per cent. for the ten years—taking into account the fact that the whole debt of the Dominion of Canada will then bear but 4 per cent., instead of the interest we are paying now—taking that into account, and placing the interest on the debt at \$7,000,000 per annum the interest per head of the population at that time would be at most \$1.37 against \$1.57½ at the present day, and this estimate does not take into account the probable reduction of debt by the sales of lands. This, Sir, I think, is an encouraging feature in connection with the future taxation of the people of Canada. We now come to the estimated expenditure for the current year. I submit for the consideration of the House, an amended estimate of the receipts of the current year :

Customs.....	\$20,500,000
Excise.....	5,600,000
Post Office.....	1,400,000
Public Works, Canals and Railways.....	2,460,000
Interest on Investments.....	750,000
Miscellaneous.....	900,000
Bill Stamps.....	100,000
Total.....	\$31,710,000

and an expenditure of \$27,250,000, showing a surplus of \$4,460,000 for the current year. I laid upon the Table of the House, yesterday, a supplementary estimate for the present year, involving an increased expenditure, chargeable to consolidated revenue, of something like \$1,000,000. That is composed of the following items: Indians, \$327,189, (I need scarcely enter upon any explanation with reference to the circumstances under which this additional expenditure was made necessary for the current year. It was referred to by the right hon. the leader of the Government in the remarks that he made on the Address in reply to the speech of the hon. leader of the Opposition.) The next item is working expenses of railways, \$312,000. That is not an increased tax upon the people. It is an increased expenditure rendered necessary, I am happy to say, by the increased business of the railways; and I am also happy to be able to state that they are yielding a revenue equivalent to the increased expenditure, and, therefore, though it adds to the nominal sum of the expenditure of the year, it adds nothing whatever to the taxation of the year. Then we come to the immigration expenses, \$28,000. This is an item that was formerly borne by the Government of Ontario, under an arrangement made with that Government, that they would bear two-thirds of the expenses of immigrants settling in that Province and coming by way of Quebec. They decline now to continue that arrangement, and we have to ask the House for \$28,000, to pay the expenses thus incurred. The increased expenditure for the Post Office, is something like \$75,000, but, as I explained before, it gives an increased revenue. Public Works, income and maintenance and repairs, show an increase of, in one, \$98,336, and the other,

\$29,000, owing to increased expenditure in the maintenance of canals, in keeping them up and having them in efficient order and condition.

Mr. MACKENZIE. Can the hon. gentleman give the canals separate from the railways ?

Sir LEONARD TILLEY. On Public Works for income is charged \$98,366; for maintenance and repairs, \$29,000; Mounted Police, \$90,000. This was also referred to by the hon. leader of the Government in the speech he made in answer to the hon. the leader of the Opposition. It is for the proposed increase of the force; \$90,000 is to be expended during the present year, because a portion of the force will be furnished with their outfit and sent there immediately. The expenditure this year is, therefore, larger in proportion for the time they will be on duty than that for next year. The engagements falling due for the year 1881-82, not chargeable to Consolidated Revenue, may be stated as follows: Redemption of the Debt, \$2,758,880; Railways and Canals, \$9,500,000, Surveys of Lands in the North-West, \$400,000, making altogether \$12,658,880. We purpose meeting this in the following way: Surplus for the year, \$4,460,000; deposits in Government Savings Banks, in excess of payments, \$4,500,000; in banks, to the credit of the Receiver General at call, \$5,300,000, out of which we can take the remaining \$4,000,000. This makes \$12,960,000, without borrowing one dollar on Bonds or Debentures. Before I take up the expenditure of the next year, it will be convenient for me to give some idea of the proposed changes in the Tariff during this Session. I think it best to do so before I enter upon the estimated receipts and expenditures of next year. The following are the proposed changes in the Tariff. The resolutions are differently worded, but I have placed them in this form so that hon. members may understand exactly the effect of the resolutions. It is proposed to place upon the free list, taking them alphabetically, anatomical preparations; they were free previously to 1879, now they are restored to the free list; bees, brass in sheets; Britannia metals in pigs and bars, celluloid in sheets. Celluloid, is an imitation ivory used by cabinet makers and organ builders. It now pays 20 per cent. China clay. Chloralum as a disinfectant is a most valuable article, and used extensively by rich and poor, it has been thought desirable to place it on the free list. Coffee, green (except by Act 42 Victoria, chapter 15), free; fowls for improving stock; iron, sand or globules and dry putty for polishing granite. Quinine. This has been done in deference to the wishes of our hon. friends opposite. Quicksilver; spelter in blocks and pigs; tea, (except as provided in Act 42 Victoria, chapter 15). (Perhaps, Mr. Speaker, it would be as well, while I am on the tea question, to say a word or two with reference to some criticism that has been passed upon the course the Government took in announcing in advance that Parliament would be asked to remove this duty. It will be remembered by the House, that, when last Session the hon. leader of the Opposition presented resolutions for their consideration, proposing a reduction of taxation, I rose in my place and on behalf of the Government, stated the reasons why, at that time, we did not feel ourselves in a position to ask Parliament to reduce taxation. We stated that it was uncertain, what effect this policy would have, although it had shown that it was a revenue-producing Tariff up to that period. Still, there was some uncertainty as to the effects it would have when the new industries being established were in full operation. What was more important, I also stated that there had been petitions sent to Congress from Massachusetts, from Maine, and from New York, asking them to appoint a Commission to confer with a Commission to be appointed by the Imperial Government, to consider the question of reciprocity, that