

pose to take to make up the additional sum required to meet the anticipated deficiency. Taking the capital expenditure for 1897-98 at \$5,000,000, and deducting the expenditure for sinking fund investments of \$2,300,000, it would appear that the results of the operations of the year 1897-98 would increase the net debt to the extent of about \$2,700,000.

Before passing on to another subject, I may perhaps occupy the attention of the House for a few moments while I dwell upon the fact that the expenditure asked for next year, in comparison with the expenditure of the present year, appears to be beyond what would be supposed to be required. If hon. gentlemen will recollect, in the year 1895-96, the last year for which full returns have been issued, the expenditure was in round numbers \$36,949,000. This diminished outlay was arrived at, I think I am justified in saying, by the postponement of necessary expenditures. As before pointed out, the militia camps were dispensed with, and bills of various departments were held over. The expenditure, therefore, of that year cannot at all be regarded as a normal expenditure. It will be recollected that in the Estimates that my hon. predecessor in office laid on the Table of this House during the first session of 1896, he asked for a service on consolidated fund account of \$38,300,000; and, in addition to that, although it has been said that they were not settled upon by the Government and were not presented to the House, there were supplementary Estimates to be brought down, of which we have heard something in past debates. I know that my hon. friend has desired it to be understood that those Estimates had not received the sanction of the Government in all respects, and he has not been willing to be held responsible for them; but at all events he will, I am sure, admit that a considerable portion of those Estimates had become public property, inasmuch as hon. gentlemen who had the confidence of the Government thought proper to assure their friends in different parts of the Dominion that the expenditures contemplated under those Estimates were to be made. When we came into office, we found large estimates prepared in the departments, and we cannot suppose that they were prepared without any intention of their forming part of the expenditures of the year. If we add to the main estimate of \$38,300,000 above given the probable amount that would have been asked for in supplementary Estimates for 1896-97, it will be found that the expenditure asked for by me next year, say \$38,250,000, is much less than the probable sum that would have been asked for had hon. gentlemen opposite remained in power.

Mr. FOSTER. Rather speculative.

The MINISTER OF FINANCE. My hon. friend says that is rather speculative, and

Mr. FIELDING.

he laughs at the idea that those supplementary Estimates represented expenditures. I regret that he does so, because he laughs at his friends who on every hustings throughout the Dominion represented that those expenditures were to be made; and, as many of those gentlemen are no longer here to meet him, I do not think he should laugh at them in this way to-day.

Now, Mr. Speaker, having said so much in explanation of our financial position, it becomes my duty to turn my attention to what I am sure is a more interesting part of the subject; that is, the new tariff that we are about to submit. Before I proceed to speak of that tariff, I think it is well that we should reflect for a moment on the history of the present tariff, commonly called the National Policy.

Mr. FOSTER. That is a new version, I suppose.

The MINISTER OF FINANCE. My hon. friend will find that it is not my habit to give new versions of things which are always the same. I cannot hope, Sir, to offer anything that is new on the subject, because I know it has been well threshed out in this House again and again by men abler than myself. But I do think that at a moment when we are about to turn away from the policy, which I regard as a mistaken policy, we shall do well to make some reference to the present policy and the circumstances under which it came into existence. I suppose it will not be questioned that at the time of the union of the provinces, one of the most serious obstacles which the promoters of that great movement encountered was the difficulty on the tariff question. The lower provinces were firm believers in the policy of free trade, as the words were understood; at all events, in favour of the policy of a low tariff. The upper provinces—Old Canada—had a tariff which the maritime people regarded as somewhat high, though I am bound to admit that, in comparison with tariffs of later years, it was very moderate. But I am sure the hon. leader of the Opposition (Sir Charles Tupper), who was intimately and prominently connected with the movement for confederation, will bear me out when I say that the tariff question was one of the great causes of difficulty in bringing about the union of the provinces. The hon. gentlemen who desired to promote that movement found it necessary to give to the people of the maritime provinces the most sacred and solemn assurance that if this union could be accomplished, the maritime provinces would not have to assume the burden and responsibility of a high tariff. True, you will not find that in the British North America Act, but I venture to say it was an unwritten treaty between the promoters of the union and their friends in the maritime provinces, and it is but fair to say that, in the beginning that treaty was