

Mr. DAVIES (P.E.I.)—not because the principle on which that system is based is unsound, because we are thoroughly in accord with the principle, but because the circumstances of this country do not permit its application in the same way as they do there, still, as an academic question, it may be worth while to consider, for a moment or two, whether or not the policy as it is in England, which hon. gentlemen opposite denounce so viciously and so strongly, is as they represent it to be.

Mr. MONTAGUE. Did you not say that the next fight was to be a free trade fight?

Mr. DAVIES (P.E.I.) I will tell the hon. gentleman what I did say. Why, the Controller of Customs, who, above all others, is a man who might be supposed to know something on this question, and whose duty it is to keep himself posted, has been guilty of making statements so opposed to the facts that I can only attribute them to his ignorance; I will not presume to say that he intended to mislead the House, for I give him too much credit for that, but I put them down to his ignorance.

Mr. MONTAGUE. The hon. gentleman quoted them.

Mr. DAVIES (P.E.I.) He quoted an article which he had picked up out of some magazine, the author of which he did not know, and which I challenged him to name, and he was not man enough to do it. He said the English people were taxed on their linen sheets. I asked him his authority, and I offered him the English tariff, which I hold in my hand, and challenged him to show such a tax. He said he had seen it in an anonymous article in an English magazine. And this statement came from whom? Not from a back bench member, but from the Controller of Her Majesty's Customs in Canada, a man whose duty it was to post himself on these matters, and know what he was talking about when he was speaking and making comparisons between the tariff of this country and the tariff of the motherland. The hon. gentleman warned the people of the Dominion what tremendous taxes they would have to pay if the system of taxation as it exists in England was introduced here. The hon. gentleman told the House that there were a large number of taxes imposed, and he read them over with great gusto. He said there were license fees of all kinds to which the people had to submit—fees for liquor dealers, refreshment houses, dog licenses, game licenses, gun licenses, for male servants, for carriages, for armorial bearings, and he went over the list and ran over the items one after another, and then turning triumphantly to his followers, said: This is the Liberal policy, and this is what you would have to submit to. One would suppose the hon. gentleman had examined into this matter.

Mr. DAVIES (P.E.I.)

Are hon. members aware that, although these taxes are collected by Imperial officers they are collected by Imperial officers not for the Imperial revenue, but to be divided among the local authorities of the country? I wish to tell the hon. gentleman that of the £1,000,000 sterling taxation which the Controller referred to as collected by those license fees, and others, the whole sum so collected by Imperial officers was divided among the local authorities in the different counties of Great Britain and Ireland.

Mr. HUGHES. No.

Mr. DAVIES (P.E.I.) And when the hon. Controller tried to frighten us with the probate duties, hon. gentlemen should recollect that half of those duties, collected by the Imperial officers under Imperial supervision are also distributed among the local authorities of the country.

Mr. FERGUSON (Leeds). By Imperial authority?

Mr. DAVIES (P.E.I.) They are collected by Imperial officers and distributed by local officers for local purposes. The whole sum, about seven million pounds sterling, or \$35,000,000, is so collected and distributed. So it is only a mode of collection. In this country we allow certain taxes to be collected by the several provinces, and by the municipalities, and in England they are collected by Imperial officers and distributed in the way mentioned. And so the hon. Controller went on to talk about the income tax, and one would suppose that every man having an income of \$100, \$200, \$300, \$400, \$500, \$600, \$700, or \$800 is taxed in England. It is not so. There is not an income in England under \$800 taxed a penny. The English system is one which aims at compelling rich men to pay a fair share of their riches towards national taxation, and so far as England is concerned, no man who receives up to \$800 per annum pays a penny of taxation as income tax. Further, on all incomes from \$800 to \$2,000 a rebate of \$800 be allowed.

Then we were told about inhabited house duty. The Controller said that every house is taxed. Is that true? I am not arguing that such a system, is ever going to be introduced here, I am simply showing how utterly ignorant are some hon. gentlemen who have spoken without looking into the question and studying it. What are the facts? The total annual value of houses in Great Britain is £142,000,000 sterling, and the total number is 6,833,000. How many are charged house duty? Only \$1,200,000 out of the 6,800,000 and out of the £142,000,000 of value, only sixty-five millions of value are taxed at all. The number not charged house duty is about 5,500,000, the annual value of which is 76 million pounds sterling. All houses occupied by artisans in