for hesitating to put implicit credence in any of the calculations that may be submitted to us to-night. But three years have elapsed since the then Minister of Finance (Sir Leonard Tilley) standing here, exulted and exulted with some apparent reason, in the fact that Canada was possessed of a surplus of $7,000,000. To-day the Finance Minister (Mr. McLelan), if he chooses to state the question fairly and honestly, is obliged to admit, on his own showing, a deficit of nearly $5,000,000. * * * If my calculations be correct, and if he requires to raise, as I fear he will, a sum of $35,000,000 for the service of 1886-87, there will still be a very considerable deficit to be supplied for which his recent taxes will hardly make provision. * * * The hon. gentleman pointed to the increase of the savings banks deposits, and said that was a proof of great prosperity.

Post Office Savings Bank Deposits.

Sir, I say that it is not a proof of great prosperity, but it proves that people are afraid to invest; it is a proof that people are afraid to buy, are afraid to build, are afraid to start new undertakings. * * * From the returns recently laid on the Table of this House that in the case of the post office savings bank there were in June, 1884, $13,179,000 on deposit. Now, it is quite true there were a very large number of depositors, numbering some 66,000, and as the hon. gentleman contended, if you divide $13,000,000 by 66,000, the average is a very small one. But that conceals a very transparent fallacy. When you come to analyze those returns, you find that $2,789,000 of that amount was held by 2,476 persons who had an average of $1,112 apiece; that $3,119,000 was held by 5,000 persons, with an average of $700 apiece, and that $3,200,000 was held by persons with an average of $400 and upwards apiece; so that of these $13,000,000, $9,300,000, in average amounts of $650 was held by one-fourth or rather less, of the whole depositors. And in the same way in the Government savings banks; out of $16,000,000, $9,000,000 were held by 4,000 people, in sums of $2,100 and upwards, and $2,900,000 in sums of $700, and $1,600,000 in sums of $400 and upwards. The result of all that is plain and clear. The Government of Canada has been charged 30 per cent. more than the current rates, for the benefit of persons who have no claim in any shape or way to have the rest of the community taxed for their exclusive benefit. I am willing enough to concede to the Ministers the propriety, if they like, of granting to those who hold small sums of money, let us say below $300, the privilege of depositing in the Government savings bank and receiving interest at 4 per cent. But of this gross amount of $30,000,000 it is quite clear that not 20 per cent. is held by such persons. The vast bulk is held in sums largely in excess of $400 apiece by a class of the community not in any way entitled to expect that the rest of the country should be taxed to enable them to obtain a high rate of interest.

That the result of the New Tariff

has been largely to increase the cost of manufacturing, that it has diminished the number of the manufacturers' customers, and it has diminished their power of purchasing manufactures, that it has led to an enormous waste of capital, and so far as manufacturers are concerned the domestic competition to which they have been exposed has been very much keener and more injurious to them than the foreign competition they were so desirous to escape. * * * As regards the great bulk of the people, every day's experience has demonstrated its worthlessness. We said it was sure to injure the farmers. These gentlemen said: Give us your National Policy, and you shall have such prices for all your products as you never saw before, and in truth they have such prices as they never saw before. In my own county, where I was defeated chiefly because I declined to impose a tax of fifteen cents a bushel