

circumstances. As he had told that hon. gentleman on previous occasions, if he had been in Canada during the years between 1857-58 and 1865-66, he would have known that in this country above all others, periods of great prosperity are very apt to be followed by periods of depression, and that it was not wise to judge of the state of the public revenue by calculations which are made during a time when we were really spending a large amount of our capital.

Hon. Mr. MORRIS did not intend to speak at any great length, but he wished to refer to one or two statements of the leader of the Opposition (Hon. Mr. Mackenzie). It was gratifying to find that that hon. gentleman took so encouraging a view of the position of the country. It was refreshing to hear him stand up and declare that we were in a position to pay our way. Everything was *couleur de rose* from the point of observation today.

But it had not always been so, for the hon. gentleman was overwhelmed last Session with alarm, and had attempted to excite the public mind of the Dominion in regard to our financial condition. He had stated that the proposed engagements respecting the Pacific Railway would add to the burdens of the country one hundred millions. Today, how the scene had changed. Today, when the Government have informed the House that the British Government are prepared to help us in carrying out great public works he declares that we are too rich to accept such assistance. (*Hear, hear.*)

The hon. gentleman last session threatened the House with an increase of taxation, but this year when we are asking our people to encourage these great undertakings and assist in developing the resources of our country, he attacks the Government because they are not prepared to recommend a reduction of taxation. He (Hon. Mr. Morris) had been amused at reading a speech made by the hon. gentleman before Parliament met last year in which he had pledged himself that no matter what Government came into power there would have to be an increase of at least five per cent in taxation. He would quote the words he had then used. The speech was made at London during a pilgrimage through the country and was as follows: He (Hon. Mr. Mackenzie) would like to give those present an honest and fair statement of the increase in our public debt, but he would tell them frankly that it was impossible for any man to take up the Public Accounts and ascertain the amount of that debt. We knew the amount that bore interest in England. We knew the amount of a certain kind of stock that carried interest in Canada; but that was about all.

Our debentures of all kinds amounted to nearly 94 millions afloat, but Government—knowing that there was an annual deficit, knowing that if they pushed on taxation to the extent necessary to meet the public requirements, they would be called to account—sought to hide our indebtedness.

He ventured to say, and he knew he would be able to prove the assertion when Parliament met, that if we were called on to pay all our debts since 1867, we would have to impose a rate of five per cent additional to our present taxation. Whatever Government came into power, there was a serious financial difficulty before them, be they what they may.

That was the forecast of the hon. gentleman of the financial condition of the Dominion, and he had heard the reply today. He had heard that instead of there being a deficiency since Confederation there had been a steady increase of our revenue, and that now there was a large surplus in existence.

He had told the people there that it was impossible for any man to form an opinion of what our debt was, intimating that the Government tried to conceal the true state of the debt; but when he came down to the House, he found out from the Public Accounts for himself what the debt was. He (Hon. Mr. Morris) liked honesty and fair play, but he would ask what sort of honesty it was that represented matters in such a light as that.

The member for Waterloo South (Mr. Young) had also given some attention to the financial position of the country. From a paper published by that hon. gentleman on the resources of the Dominion, it would appear that he had no difficulty in finding out the debt from the accounts.

The member for Lambton (Hon. Mr. Mackenzie) had told the people that so great was the embarrassment in our finances, that the Government must come down and add five per cent to the taxation of the country. But what was the result? Instead of adding five per cent, no less a sum than \$800,000 had been taken off last session, and notwithstanding that, the Government met the House with a large surplus, and with resources to justify them in undertaking the large works necessary in the Dominion.

He (Hon. Mr. Morris) had thought it right to call the attention of the House to the changed position of the hon. gentleman. Right glad would he be if he found him in the future standing forward with those who desire to consolidate this Dominion. Right glad would he have been if instead of opposing every measure submitted to this House he had endeavored to stand by the party who have the weal and welfare of the Dominion heartily before them.

But this pleasure was denied him, for he (Hon. Mr. Mackenzie) had set his face against every effort to conciliate Nova Scotia. He had resisted the terms for the admission of British Columbia, and had opposed the construction of the Pacific Railway. He had resisted in every case measures that had been proposed and which time was proving to have been in the interests of the Dominion. He (Hon. Mr. Morris) would like to see the hon. gentleman with his great talents working with those who hope to make this Dominion worthy of its position as a portion of the great British Empire.

Hon. Sir FRANCIS HINCKS said with reference to the statement of his having unnecessarily introduced the Treaty of Washington into his speech, that it must be admitted that under the circumstances it was utterly impossible for him in making his financial statement to avoid all reference to that Treaty, and with reference to the charges of his having omitted to mention necessary matters, he could only say that he had endeavored to confine himself to the financial question as much as possible.