

Policy, oh no, but I think that the National Policy has had a good deal to do with it, in the first place by giving confidence to the people who had their capital invested in Dominion industries. Even on the 14th of March, 1879, the day after the new tariff was adopted, there was increased confidence on the part of every man who had capital invested, and if you travel over the Dominion to-day, and are brought into communication with men of all classes and all branches of business, they will tell you that business has vastly improved. We have few losses now, whereas we had numerous bankruptcies before. In conversation the other day with a large importer doing business at Montreal, he said, "Last year we did an enormous business, and we lost but \$40 in bad debts; everywhere we have prompt payments; money is more abundant, business everywhere is better, and the N. P. has had a good share in bringing about these improvements."

TAXATION.

Now, there has been a good deal said about the increase of the expenditure and of taxation upon the people of Canada since 1874. That was the burden of speeches made last summer when elections were being held, and last autumn, I think it was my hon. friend from South Brant (Mr. Paterson) who stated that this Government was very extravagant and was ruining the country, and I think that my hon. friend, the late Finance Minister, stated that on the return of the present Ministry to power, the expenditure began to increase. "You may look for a large increase," he says. I should not wonder if in 1883 we should have an expenditure of \$28,000,000. Last session the hon. leader of the Opposition went out of his usual sphere, and made an elaborate statement of our financial affairs. He apologized for doing so, but it was not necessary, as he handled the subject in a very able manner. Still, perhaps, his attention had not been called to a few figures I am now about to give him on this subject. The taxation necessary to meet the expenditure from 1873-74 to 1879-80 may be stated as follows:—We may take this \$2,000,000 of surplus, as we are estimating what is necessary to meet the expenditure of the country in the shape of customs and excise; we would take out that \$2,000,000, because we are not spending it. If we had a deficiency of \$1,000,000, we would have to add the million to the amount collected from customs and excise, because we would have