

and our did statement of the increase which has taken place in the earnings and in customs in this country from 1868 to 1888. Now, a distinction might be made between what we may call voluntary taxation and that which is not denominated strictly under that name, but which it is difficult indeed to find a term well to define. What I mean is this — and the statement may go for what it is worth, and it is made particularly with reference to a favorite method of comparison or calculation which states that the taxation of this country is so much per head of its population, as indicating, by the naming of it in that way, that every man, woman and child in the country has perforce to pay that much per head into the coffers of the country. Taxation, then, may be of two kinds—voluntary, and what you may call involuntary taxation. What I mean by it is this: I, for my part, do not use tobacco and do not use intoxicating liquor. My case, which is the case of hundreds of thousands, I think of millions, of people in this country —

An hon. MEMBER. No, no.

Mr. FOSTER. If not of millions now, it will be by-and-by, at no very long period, when my pleasant friend, who is looking upon me, comes to think as I do, and as so many others of the people of this country do think. The total revenue for 1887-88 was \$35,908,463.53, or an average of \$7.22 per head. The earnings amounted to \$7,731,050, which was \$1.55 per head. That leaves \$28,177,413 for what we call taxation, an average of \$5.66 per head. But out of this 28 million odd dollars there was paid into the coffers of the country \$8,084,780 for tobacco and liquors alone, an equivalent of \$1.78 per head of the people. Now that is a voluntary tax. A man may pay that or he may not. If he chooses to think that these are luxuries which he wishes, or if he chooses to denominate them necessities which he must have, he pays a tax upon them. They do not fall in the line of such necessary articles as the staple foods and the staple articles of wear; so that if you take them out, it leaves a *per capita* taxation, on an average, in this country, of \$3.88, instead of a total taxation of \$5.66 per head. But, Sir, I wish to go a step further, and say that this method of *per capita* calculation is a clumsy and a misleading method, in my opinion, and I wish to give the House my reasons for it. The critic says: "There is a certain revenue which is collected in this country; divide that by the number of people in the country, and it gives you to-day \$5.66 per head. For a family of five this means that they pay \$28.30 into the coffers of the country. That is an inordinate taxation, and the poor man especially who lives by his day's work, is not able to pay that and keep his family together and live fairly prosperous in the world." Now, I say that the incidence of taxation, so far as my opinion goes, is not fairly stated by a calculation of that kind. I think we all agree that luxuries should pay most, and that necessary and staple articles should either pay less, or pay nothing at all; and that if taxation is to be laid, we, at least on this side of the House, believe that it should be so laid as to compensate, by its stimulation of industries, its employment of labor, and the increased consumption which it gives, for the taxation which is laid upon the country, and which is necessary for the carrying on of the Government. Now, if that be true, I affirm that Canada to-day, in her geographical position, with her natural resources, of the peculiar kinds that they are, is a country which is particularly happily situated for the system of taxation which has been the policy of this country from 1878 until the present day. For, Sir, Canada is a country which, in comparison with most other countries in the world, has an advantage in possessing an over-supply of the great staples which are necessary for food, for lodging, and for the staple wants of the country. She has her forests with their immense resources, and the houses that are to be built, the barns that the farmers

and the people require, and these works which require lumber as their staple, find in the country itself great resources in that respect, with a surplus going every year into the foreign markets of the world. The same is true with reference to the great cereal productions of the world. Canada is a country which produces more wheat, produces more barley, produces more staple foods of most kinds than is necessary for the sustenance of her people, and in those ways she is happily situated so far as the great necessities of life are concerned. Now, to come down to what may be considered a very common, but I think, a very practical illustration, let me take the case of three persons to illustrate the incidence of the taxation. Here is your well-to-do man, who has means, who has luxurious tastes, and who is disposed to gratify them. With that no one finds fault, but this country says that if he is disposed to gratify them, and has the means to do it, he shall pay a tax for doing it if he goes outside the country to get his luxuries and to get the things which he desires. Sir, if such a man as that buys in the city of New York \$1,000 worth of fine furniture and brings it into Canada, the country taxes him to the extent of \$350 upon that. If he is musically inclined and buys a piano which is worth \$1,000, he pays upon that, when it comes across the customs line, \$230. If he is fond of statuary and makes an investment in that line to the extent of \$500, he pays \$175 in duty in bringing it across the line. If he buys expensive plate to the value of \$500, the duty upon it is \$150. If he wears jewelry, or buys it for his household and brings it from a foreign country to the value of \$500, he pays \$100 duty upon it. If he is fond of wine and lays in 20 dozen of champagne, he pays upon that a tax of \$130. If he requires silks for the wear of himself and his family, to the modest tune of \$300, and imports them, he pays a tax of \$90. If he wishes a fine carriage and sees one to satisfy him there, and brings it across the line, and pays for it \$500, he pays a duty of \$175 upon it. Upon carpets for his house of extra make, which he may buy in a foreign market to the extent of \$800 in value, he pays a duty of 25 per cent, or \$200. Upon that modest stock of luxuries for a man of means who is disposed to gratify his desires in that respect, he has paid into the treasury of the country \$1,600 in duty. That is one man's contribution, but it is the contribution of a rich man who wishes these luxuries, who imports them from abroad, and who, the country says, being able to pay for them, must keep up the revenue of the country by paying a tax upon them. Now, Sir, we will take No. 2, and that is the case of the farmer of this country, whom we all love, and for whom we all desire to do the best we can. The farmer of this country lives upon his farm in the rich Province of Ontario, we shall say. Nearly all the foods that are used by the farmer are raised upon his own farm and pay no duty; the wheat he raises he has ground at the neighboring mill, it is brought into his home and he pays no duty upon it. The home itself, the outhouses, the barns, all that is necessary in the way of housing for the work of the farm is built out of woods which grow in this country, of which we have a surplus and upon which he pays no duty.

Mr. McMULLEN. What about the nails?

Mr. FOSTER. The clothing for himself and his family is in many cases made from the wool which is raised by the farmer himself, or, if not raised by the farmer himself, he clothes himself and his family with the products of our mills, the raw material of which is admitted free. His lumber of all kinds, his furniture of all staple and solid kinds, his farming machinery, is made, and made to the best advantage, out of the woods of his own country. His fuel grows in the forests which are all about him, or is found in the mines in inexhaustible quantities in this coun-