

creasing her yearly expenditure and National Debt, the United States has presented to the people of Europe the unique example of an enormous reduction in its National Debt, and it is that fact which constitutes one of our greatest difficulties in competing with that country for immigrants. I dare say the hon. gentleman will accuse me of being "unpatriotic," but it is no use blinking the facts. It is not unpatriotic to say what is true.

SIR CHARLES TUPPER: The hon. gentleman mistakes if he thinks I object to his stating the fact that a protectionist nation has succeeded in reducing its debt. I should certainly not make any such objections.

MR. BLAKE: I am not now discussing the general question of Free-trade and Protection. However achieved, these are the results. Nor must it be forgotten that a part of the increase in Europe has been applied to public improvements. Much public money has been expended in the construction of railways there. May not the emigrant, flying from burdens in his own country—flying from an enormous National Debt and annual Budget, say that it is prudent for him to fly to a country which presents a contrast to the one he is leaving, which shows a continually decreasing debt, and which, therefore, promises to lighten the burdens of taxation? We do not present that contrast—the United States do present that contrast. They tell the emigrant that they have reduced their debt by \$630,000,000, their interest by a still larger relative amount, their military expenses enormously, and that they are presenting a prospect of progress in the same direction. Why should we not emulate their plan, by placing, so far as our circumstances permit, this contrast before emigrants, instead of following the example set by the old countries from which we expect them to come? The United States has reduced its National Debt by 30 per cent. of its present amount; and its Budget, though large and extravagant compared to its scale before the war, and embracing many millions for war pensions and interest on war debt, now compares not unfavourably with our own. Before the war the expenditure of the United States, with a population of twenty-seven and one-half millions, showed a charge of \$2 a head.

Of course we pay large sums for provincial services, which do not in the United States form part of the federal charge. It is perfectly true that a comparison would be unfair without a very large reduction on that account, but, making that large reduction, it is equally true that the comparison is not unfavourable after all; that our system has become extravagant and onerous, and has gone beyond the increase of the tax-paying powers of the country; and it is time to call a halt. In this expenditure there is included \$1,272,000 for interest already paid on the Pacific Railway. There will be included \$600,000 a year for future interest on the past expenditure on that Railway, and untold sums for interest on the further expenditure. How have we met all this, while our tax-paying powers have been increasing so slowly? How have we made both ends meet? Partly by fresh loans, and partly by adding to the taxation of the people. The hon. Finance Minister said, the other day, that the difference between the taxes of 1868 and 1879 was a dollar per head, and that the increased taxation thus calculated was four millions of dollars. He gave us the figures by a rough calculation. According to my view, the figures for that period, so calculated, would be \$4,400,000, but I hold that this mode of computation is not a fair way of determining the real addition to the burdens of the people, and that they have been in truth increased to a much larger extent. That mode might be fair on the assumption that the people were consuming relatively the same amount of goods as formerly; but if in fact we are consuming a smaller value per head of goods, while we are paying a larger sum per head of taxes, it is obvious that the added taxation upon that limited consumption, which alone our poverty permits, has risen to a greater amount than \$4,400,000, and and to a larger amount than \$1 a head. Suppose, for example, that our imports for consumption were diminished by one half, while the taxes we paid remained the same as before, it is obvious that the burden of taxation on imports would be doubled. It becomes necessary then to ascertain and compare the rates of taxation of 1871 and 1880. There are three principal heads of taxation—first, Bill