direct taxation to the local governments, but I do not agree with that.

Sir JOHN A. MACDONALD-Oh, no! I did not say that. What I stated was, that power was given to the local legislatures and municipalities, and that if we exercised it as well, it would amount to confiscation.

Hon.Mr. MACKENZIE-That is very true. I would like to see my hon. friend adopt his protective policy. I do not wish him any ill, but if I did I could desire nothing worse than to see him on this side announcing a protective policy, and the imposition of a poll tax on the people, in order to make up for the taxation required to carry on the Government. I would like to see him carry it out.

Sir JOHN A. MACDONALD—I dare say you would.

Hon. Mr. MACKENZIE—And I tell the hon. gentleman that it would have delighted him two or three days ago, if he had us bringing down such a policy as would have made this course a necessary consequence. That was what the hon. gentleman desired and hoped.

Sir. JOHN A. MACDONALD—The hon. gentleman raised the tariff from 15 to  $17\frac{1}{2}$  per cent. That was a protective policy; and yet it increased the revenue.

Hon. Mr. MACKENZIE-No, Sir; that was purely a revenue policy.

Sir.JOHN A. MACDONALD—It was both; try another rise and to get more revenue.

Hon. Mr. MACKENZIE -- I would much rather take a rise of my hon. friend.

Sir JOHN A. MACDONALD—You have already.

Hon. Mr. MACKENZIE-My hon. friend says that I have already; I will not do it again.

The increase from 15 to  $17\frac{1}{2}$  per cent. was made in order to secure a

revenue policy.

It is quite true that I have always said, as I reiterate now that so far as such a policy encourages maunfactures, I will not on that account complain. If the country was so situated geographically that our system of taxation could be so re-

adjusted, I believe that nothing would enrich it so much as to relieve trade and commerce from every species of restriction imposed upon them. I look upon every restriction as regards trade and commerce between man and man as simply a relic of a barbarous age: and if we are compelled in our fiscal system, as is and will be the case as long as our neighbours are so diametrically opposed to the views I personally hold, we must take this means to raise the revenue. We require from Customs and Excise duties. as I told my hon. friend from Montreal-and so I tell him now-and as I have always said in my speeches at Hamilton, &c., the necessities of the country are such that it is impossible that we can succeed in raising sufficient revenue with less than 15 per cent. And when I spoke at Hamilton I remarked that my impression was that we would soon require an advance. This proved to be the case, and we imposed an increased tariff without hesitation; but the Government were bound in this particular juncture in our affairs to consider whether it was possible to obtain any more revenue by means of an additional percentage on certain classes of goods. It may be reasonably doubted whether it would be possible, or if so at all, it would have only been possible to the extent of excluding certain articles from which we now derive revenue, every cent of which we require for our expenditures. This was a policy which the Government was bound to consider in the interests of the country as well as in the interests of manufacturers and

farmers.

It was a very easy thing for my right hon. friend, in his position, to criticise and to offer a policy which he knew he would have no opportunity of putting in force for many years to come, if ever. This was a safe course to pursue; and if the right hon. gentlemanderived much pleasure from contemplating the effects of that policy among the farmers of the country, then I am sure that as far as I am concerned he is quite welcome to it.

My right hon. friend also took serious. objection to the policy of the Government, because he said it had produced

Hon. Mr. MACKENZIE.