

ing, decreased \$3,709,249. All these figures show that, according to the theory of the hon. Finance Minister, everything is working wrong. These figures will require a better explanation than they have yet received at the hands of that hon. gentleman, before we shall be able to accept unreservedly his statement that at no period in the history of Canada was the country more prosperous than it is now. With reference to this question of the balance of trade, the hon. Finance Minister went into an explanation to show that the balance of trade, as it appears in our Trade and Navigation Returns, is after all not the correct balance of trade. I quite agree with some of the statements made by the hon. gentleman on that point; but what is true now was true in 1879, when his contention was, that the balance of trade which appeared in our Trade and Navigation Returns was the one that must be taken; and if the explanations that he gave this afternoon as to the influence of certain items upon this question are to be taken now with reference to the balance of trade, they must also be taken with reference to the period of the Mackenzie Administration. When we find that in the case of Britain, the balance of trade against her amounts to hundreds of millions in the course of a few years, we can readily understand that she cannot possibly be that much poorer than she was before. How can it be explained, then, that England goes on increasing in wealth with this balance of trade against her? The hon. the Finance Minister touched one of the great secrets of the question when he said that Britain has to do the work of carrying the commerce of the world. The wealth that she earns on the sea as the carrier of the trade of all nations, enters materially into this question; and as the hon. Finance Minister said, our balance of trade is overcome partly by the fact that about \$30,000,000 is engaged in shipping, which, he estimated, at 10 per cent. would give us \$3,000,000 per annum to be applied to the reduction of the balance of trade against us. Then he said that the trade carried by our ships amounted to \$350,000,000, which, at 5 per cent., would give \$17,500,000 that should be applied to reduce the balance of trade against us. The hon. gentleman may be correct in part; but I think, in giving our own carrying trade the benefit of the whole of that amount, he lost sight of the fact that we carried only one-fourth of it ourselves.

Sir LEONARD TILLEY. I did not say it was the freight carried, but disbursements at the port where the loading took place.

Mr. MACKENZIE. That is the same thing.

Mr. PATERSON. Well, scarcely the same thing. I do not wish to misquote the hon. gentleman, but he will find that his statement will not be borne out fully, although there is something in it. But I say that the hon. the Finance Minister's position, which he took so definitely and so positively, that an adverse balance of trade is an indication of poverty, in which opinion he was joined by the hon. members who surround him, cannot be borne out by any facts which he chooses to bring, and must be given up as an utterly untenable position, and that the statement made by hon. gentlemen on this side of the House that the balance of trade is subject to explanations and variations from outside causes, is right and correct, and that an apparent balance of trade against us, according to the Trade and Navigation Returns, does not of necessity mean that the country is poorer by the excess of imports over exports. I agree with the hon. Finance Minister in the opinion that it is not desirable that there should be too great an importation of goods. I think we are threatened, and will be to a greater extent before long, with an over-importation of goods from other countries. But there is the fact to be borne in mind—that the hon. Finance Minister gave us to understand that the increase in our importations was largely in fancy goods. Now,

I maintain that it is possible for a country to import more than it exports and be financially embarrassed without being any poorer. If a farmer spends \$200 more than he makes in any one year, you would say that he was \$200 poorer; but if he applies that money to the erection of a barn, or to anything else that would come back to him in increased profit in years to come, it might be said that he is hard-up, but not poorer. He has his money in a different shape. So the country that imports that which is necessary to develop the country and to get out its hidden wealth, though it may for a time be short of money, it cannot be said to be poorer, because what it has spent will come back to it in increased profit in years to come. But the hon. Finance Minister tells us that this is not the kind of goods we are bringing in at all, but perishable commodities, the consumption of which actually leaves us poorer by the amount expended in that direction. Instead of it being a matter of congratulation to the people of this country to be told that the excess of imports consists of fancy goods, it is a matter to be regretted, because it can be of no lasting benefit to the country. Now, permit me to notice, in a brief way, the claim of the hon. Finance Minister with reference to the effect of his Tariff, as shown in the prosperity that prevails in the country. Allow me to say at the outset, that I am willing to admit—nay more, I am glad to admit—that during the year 1882, the Province, at any rate, from which I come, and of which I know the most, has been in what may be termed a prosperous condition. It must be a source of great satisfaction to any citizen to know that the country in which he dwells is thriving and prosperous; and when I scrutinize the statements of the hon. Finance Minister, when I take exception to some of them and endeavor to prove that he has misstated altogether the causes of that prosperity, I do so in order that the people may understand its real cause, and knowing the cause, bend their energies in that direction. The hon. Finance Minister has done what I am sorry to see him do. I had thought that he would have modified his language somewhat, and depart a little from the line of boasting which has been indulged in during previous years by himself and his colleagues. Last year, in the Speech from the Throne, that was put into the mouth of His Excellency by hon. gentlemen opposite, there was a clause which I considered to be eminently appropriate. Having referred to the many blessings, commercial and others, that we enjoyed, the Speech said, we cannot be too thankful to the Giver of all good for these blessings. I would say, without desiring to treat the matter with the slightest irreverence, that I consider that paragraph as an acknowledgment on the part of the Government of the good Providence, which overrules the destinies of men, having been extended towards us; but as I listened to the same hon. gentleman, who now claims all the credit for our prosperity, I wondered whether the Government meant in that paragraph to substitute some other one for the One that I understood to be referred to under the title of "The Giver of all good." I believe that in this land we have been blessed by a beneficent Providence, but I notice that even the acknowledgment of this Providence has been omitted this year by hon. gentlemen opposite in the Speech from the Throne. Willing to attribute the blessings last year, in word, to Him, they are unprepared to do even that this year; and the hon. Finance Minister comes down and says: "See our prosperity and behold the giver of it. If you do not believe," he says, "that I am the giver of prosperity, look at your earnings as shown by the deposits in the savings banks; that will tell the tale. See your extra deposits in the chartered banks; see the price of your bonds in the London market. I am the giver and I am the man that raised the price of your bonds in the London market. It is I," he says, "that has done all this." It is not necessary to follow the hon. gentleman in his argu-