

April 30, 1872

criticism from the hon. gentlemen opposite, and have no desire to shrink from it, I will anticipate the charge that my estimates of revenue have turned out wholly unreliable.

I readily admit that such has been the case, but I have very high authority, no less than that of the distinguished statesman who is Chancellor of the Exchequer in England for maintaining that it would be most unsafe for a Minister to make a mere speculative estimate, and to ignore that furnished by officers whose special duty it is to make themselves acquainted with facts.

The gentleman to whom I refer was placed in rather an embarrassing position inasmuch as he had in a previous year made too low an estimate of revenue by something like £2,000,000 sterling, and had, in order to meet the anticipated deficiency, put on an income tax against the remonstrances of some gentlemen in the House who told him his estimate was a great deal too low. It turned out as they stated and next year he had to come down and admit that the gentlemen who had criticized his estimates were more correct than he was. He thus certainly found himself in an embarrassing position, one much more embarrassing than I put myself in, as last year when I stated my expectations of revenue the hon. member for Sherbrooke (Hon. Sir A.T. Galt) admitted that they were reasonable and no exception was taken to them.

I will say, moreover, that erroneous calculations in estimates are of far less importance in Canada than in England. In England, as we all know, there is an enormous public debt of £750,000,000 sterling, which was contracted ages ago for the Defence of the country, and handed down from generation to generation. Public opinion in England has long since settled down against making any attempt to reduce the capital of that debt.

It is considered that the people should not be taxed beyond the amount necessary to pay the interest and the ordinary expenses of Government. It is to be recollected that our debt is not contracted for such purposes as the debt of England is contracted, but for objects which will be more beneficial to the generations to follow us (*Hear, hear*), than they are to us. If I had anticipated that the result would have been as it has turned out, I would not have been prepared to come forward under the circumstances to propose any further reduction of taxation.

It will be recollected that last year we reduced taxation by the abolition of the 5 per cent duty equal to about \$500,000 and that afterwards at the instance of the House, without doubt from the pressure of the House, we had to take off other duties which might be estimated at \$300,000 making a reduction of taxation during that year of no less than \$800,000.

I desire to explain the chief items in which the revenue is in excess. In order to do this satisfactorily, I must eliminate the amounts received on account of new duties imposed in 1870. These duties in the year ending 30th June, 1871, amounted to \$640,778, and deducting this amount from the aggregate revenue of \$11,843,655 we have a revenue of \$11,202,877.

Making the same deductions in 1870 we have a revenue of \$9,277,489.69. There were some alterations made in the Customs tariff in 1870 that were not included in the reductions of 1871. There was additional duty on wine, tobacco, cigars, rice, hops, and one or two other articles, but they are not of great importance, though it is not desirable to lose sight of them as they have added a little to the revenue.

The excess of 1871 over 1870 was \$1,925,387.35. It will be obvious that considering the very great number of articles upon which the revenue is raised, being chiefly on articles which came under the 15 per cent duty, it would be perfectly impossible to go into any minute detail with regard to those items. I will, however, observe that out of this \$1,925,387.35 there was a gain on nineteen leading articles of \$1,543,637.45. Then, if you compare 1871 with 1869, the excess on the 19 leading articles was \$2,474,190. I will state what these articles principally are:

Spirits gave in		
	1869	\$810,019
	1870	\$901,547
	1871	\$1,024,287
Cigars gave in		
	1869	\$37,126
	1870	\$55,372
	1871	\$108,115
Tea gave in		
	1869	\$916,177
	1870	\$1,140,648
	1871	\$1,157,315
Wine gave in		
	1869	\$129,178
	1870	\$170,547
	1871	\$195,181
Sugar cane juice and molasses in		
	1869	\$1,476,531
	1870	\$1,846,774
	1871	\$1,933,154