

**Mr. PLUMB**, in the course of his remarks, referred to the commercial crisis of the United States which affected Canada so very little, and which he thought went a long way to proving that the country was not in that very distressed state which the Hon. Minister of Finance wished to make out. He did not see anything which warranted him in thinking that the statement of the Finance Minister as to the deficit of three million had any foundation except in his own imagination. It was the easiest thing in the world, however, to make an imaginary deficit.

He did not object to a proper system of taxation, and hoped that both he and every member of the House would support the Finance Minister, if he only based his taxes on a sound system; but he contended that the present tariff muddled everything, protected nothing, and disturbed every branch of the Legislature.

He then proceeded to review the chief items, and observed that there had been an argumentation on every one of them. The people, he thought, would be disappointed when, after the promises of the new Government of the many retrenchments to be made, they still had an augmentation in the taxes. It would be useless to tell the people that the increased taxation was owing to the late Government, for they would be told they were sent there to eliminate them from it.

**Mr. WILKES** pointed out what little ground the member for Cumberland had for claiming for Hon. Sir Francis Hincks the name of a great Finance Minister, and went on to combat the assertion that the new tariff was drawn up in the interest of Ontario. He pointed out that the taxation on the shipping of the Maritime Provinces would not amount to more than \$30,000, or one per cent, and ridiculed the assertion of the member for Cumberland with reference to the increased tax on tobacco, which would amount probably to a tenth of a cent a day to the smoker. If this were such a terrible impost, what must the poor English working man suffer who had to pay 78 cents on each pound of tobacco he used?

With reference to the hon. gentleman's calculations as to future revenues, he contended that it was not safe to base such calculations on the certainty of uninterrupted prosperity. He thought we had now arrived at a time when we should pause, although there was no doubt that we were making great progress, as the returns showed that our trade is nearly double per head what that of the United States is.

He had great pleasure in expressing the confidence which he believed the country would have in the Government with reference to the estimates that had been made.

**Mr. YOUNG** said that he had listened with pleasure to the able exposition of our financial situation in the budget speech and in the other speeches the Finance Minister had made, and although those speeches had been denounced as disingenuous and gloomy, he ventured to say that there was nothing in them which would be more acceptable to the people of the country, and nothing which had been more acceptable to this House, than the fact that he had given them a full and candid statement and laid bare our whole financial position. There was nothing in that statement, in his (Mr. Young's) opinion, to startle the country. He had great faith in the

resources of our Dominion; and after all we were not a very highly taxed people—but the Finance Minister's statement was one which might well excite serious thought.

He (Mr. Young) predicted from the floor of this House last session that increased taxation would be the inevitable result of the reckless expenditure of the late Government. He would have been surprised had he not heard the hon. gentleman express surprise at the hardihood of the hon. member for Cumberland in seeking to defend the financial transactions of the late Administration in face of the fact that the Finance Minister was compelled, in order to pay the debts of the late Government, to come down with the enormous estimate of \$42,000,000, and announce a deficit for the current year. The hon. gentleman had endeavoured to mystify the amount of that deficit, but they had the carefully prepared estimate of the Finance Minister; and the revised statements for the current year from the Finance Department, which were usually correct, showed that the whole expenditure for the current year would be \$24,100,000, and the receipts \$22,000,000, leaving a clear deficit of \$2,100,000.

A hon. gentleman opposite had objected to this statement, and endeavoured to impugn the figures which had been laid before the House; but did he show that one single item mentioned by the Hon. Finance Minister was incorrect? They had the Hon. Finance Minister laying the estimates of Mr. Tilley before the House along with his own, and showing every item which increased the latter's estimate, and the hon. gentleman did not impugn one single item of that increased expenditure.

There were two items which went to make up a large portion of the whole of the increase—that for Prince Edward Island and that for the Mounted Police—and the hon. gentleman did not deny that the late Government were responsible for them. How did the hon. gentleman proceed with his argument then? Why, he went on to say that there had been an increase in the revenue over the estimated expenditure of the current year, as far as it had gone, of \$3,900,000, and he went on further to say that taking the same estimates as an indication of our income for the rest of the year, there would be an increase on the estimated revenue for the whole year of \$590,000. Deducting that, however, they found that there would still be a deficit of \$1,840,000. They were not sure that the revenue would continue to be as great for the rest of the year as it had been, and the hon. gentleman himself had admitted that if the importations had not declined, they had commenced to do so.

And what did the hon. gentleman say further? Why, to reduce the deficit and try to make out a surplus, he actually counted in the surplus of \$1,638,822 for last year. Who ever heard of anything like that before? The hon. gentleman must have known when he was doing this that he was almost insulting the intelligence of the House. The fact that the hon. gentleman had to resort to that subterfuge showed the poverty of his position, and how unable he was to make good his very emphatic utterances with regard to there being no deficit.

No evidence had been brought before them to show that there would be no deficit, but he (Mr. Young) contended that there would