

think—possibly I may not entirely disagree with him—that although the real taxation of the people of Canada is less than it was in former years, that taxation is heavy and might be reduced. Why is it that the hon. gentlemen who lead the Opposition in the House of Commons have not, to the best of my recollection and belief—and there are gentlemen here who can correct me if I am wrong—moved to reduce the taxation? Why is it that in all their debates, their assaults and attacks on the present government, I have failed to see one single motion made by them for the purpose of reducing the taxation of the people of Canada? If my hon. friend knows of any motion they have made, I should like to know it. Possibly I might see my way to agree with him again in the desirability of such reduction, but I have heard none. I do not think that he will find—on the contrary if he will study those debates he will see that there have been attacks made by those hon. gentlemen and their supporters upon the present administration because they would not add to the taxes of the people of Canada when they were asked to do so. This has been the complaint, and that has been the claim of the hon. gentleman's friends outside of parliament and they have, I think, more than once intimated their conviction that we ought to have a tariff as high as Haman's gallows for the purpose of excluding goods, and for the purpose of doubling, trebling, and quadrupling, as the case may be, the taxes of the people of Canada.

Hon. Mr. LOUGHEED—I think it was a supporter of the right hon. gentleman who said that.

Hon. Sir RICHARD CARTWRIGHT—What is his name?

Hon. Mr. LOUGHEED—I do not desire to mention names.

Hon. Sir RICHARD CARTWRIGHT—If he is a supporter he must be a recent convert. I know what you did while we were in opposition. I could find a use for a gallows as high as Haman's, but it would not be for the use my hon. friend would be disposed to put it to.

Hon. Mr. LOUGHEED—His appeal was to the present government of whom he is reputed to have been a consistent supporter for ten years.

Hon. Sir RICHARD CARTWRIGHT.

Hon. Sir RICHARD CARTWRIGHT—His appeal was for increased taxation, and he did not agree with the views of the present government on that point. The hon. gentleman alluded to another matter of very considerable practical importance, and, if I followed him right, I think he was disposed to intimate that it would be a good thing for us to greatly diminish our gold reserve. The hon. gentleman, I think, is labouring under a confusion of ideas there. It is perfectly true that there is no occasion for maintaining a very large gold reserve for the purpose of protecting the genuine circulation which the government of Canada puts out, but the hon. gentleman is aware, no doubt, that the amount of circulation which we put out is really a very limited quantity. We have, no doubt, a circulation—speaking from memory—of some fifteen million dollars or thereabouts, of ones, twos, and fours. But what is called circulation, and against which a gold reserve is held, is a totally different thing. It is not against that comparatively trifling note circulation that we hold this reserve. We hold it in much the same way as the Bank of England does, for the maintenance of the credit of the banks and people of Canada. How did this reserve come into our hands? By legislation under which we practically took possession of the gold reserves heretofore held by the banks of Canada. At this moment, if the banks of this country saw fit they could, under the existing law, draw twenty or twenty-five or thirty millions of this same gold reserve at an hour's notice out of our vaults. There is nothing to prevent them doing so, because our law does not require that the banks shall retain any special amount of specie in reserve. It requires that of the reserve they have they shall hold at least forty per cent of legal tenders.

Hon. Mr. LOUGHEED—Twenty-five per cent.

Hon. Sir RICHARD CARTWRIGHT—The hon. gentleman is thinking of a different thing. The law provides that whatever bank reserves are maintained, forty per cent of these should be in legal tenders. That is what they require. You can, if you choose, possibly—but I do not think it would be at all a wise thing—relieve the government from the necessity