

land Canal, \$7,846,145 had been expended up to July 1st, 1878, on the enlargement, at each end, which is nearly completed; the middle section and the aqueduct over the River Welland were only put under contract a few months ago, and could not be completed in less than three years. Until then, the new work was utterly useless, and was falling frightfully out of repair, and an interest account was heavily accumulating on the outlay. In such a state of things, it would be natural that they should feel great alarm for the public credit, strained, as it had been, to the utmost by the prodigality and incapacity of those to whom it was entrusted. He (Mr. Plumb) and his friends had been accused, time after time, of having taken a gloomy view of the position of Canada in their public utterances, but if ever any gentleman on the present Government side had taken so gloomy a view as that taken by the late Finance Minister in his Budget speech of 1874, and in many subsequent speeches, he (Mr. Plumb) could only say he had never heard of it. It was notorious that the Finance Minister, on that occasion, struck a heavy blow at the credit of Canada. But Canada, he trusted, would survive that, as she had already survived five years of the misrule of the gentlemen now in Opposition. In 1873, as he Mr. Plumb had before remarked, about the time that the so-called Reform party came into power, it happened that there was a great revulsion throughout the commercial world; it happened that the constantly increasing revenues of Canada began to diminish; it happened that, in September, 1873, the crash which had been so long foreseen in the United States, and which the late Finance Minister especially claimed to have foreseen, fell upon that country. Canada did not feel it at first; but it was the duty of the men who were at the helm, to look out for the storm, alter the course of the ship, if necessary, take in sail, and prepare for the worst. Up to that time they had been going on with constantly increasing revenues, but his hon. friend (Mr. Tilley) had indicated to the House in the first Session of 1873 that he intended to deal with the fiscal policy of the country, in the direction of an increase in the taxation. He had

predicted that, owing to the legislation of 1873, there would be a necessity for a further increase of revenue, and he indicated clearly that he would deal with the necessities of the case in the direction of Protection, he would so gauge his revenue tariff as to foster the various industries of the country. It must be borne in mind that up to that time there had been no necessity for any Protective tariff in this country; that the condition of things with our neighbours was such that they could sell Canada nothing, whilst we could sell them, at fair prices, everything we produced. The 15 per cent. tariff, then in force, was all that was then required for the protection of our industries. There had been a constant increase of revenue, and a constant surplus—a surplus acknowledged by the late Finance Minister to have been expended upon the public works of the country, and in the redemption of debt, not including the sinking fund payments of £700,000 sterling—of no less than \$11,849,000. This statement was emblazoned on the silver side of that double-faced shield, of which the people of Ontario saw the brass, when the late Finance Minister appeared at their Reform picnics. He (Mr. Plumb) repeated that Canada did not require an increased tariff up to 1874, the industries of this country were protected by the condition of things in the United States, which created inflation prices there. As far as England was concerned, he was well aware, and every gentleman in this House, who was candid enough, would admit, that there was never any disposition on the part of Conservatives to discriminate against the Mother Country, to which they all owned the truest allegiance. Therefore, up to 1873 or 1874, whenever it was found necessary to deal with questions of revenue, it was not necessary to do so with Protective views, because the industries of the Dominion were not affected by competition on the other side of the border. A sudden change took place—so sudden, that very few in this country were prepared to acknowledge its far-reaching consequences. During the first year of its progress elsewhere, it was scarcely felt here, but in the second year it was felt in the increased imports to Canada, from the