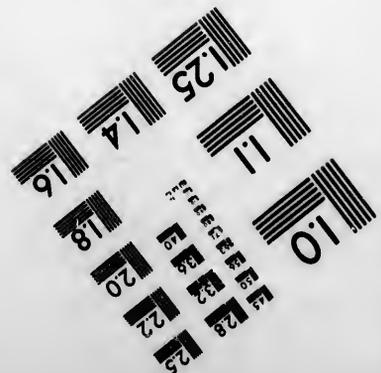
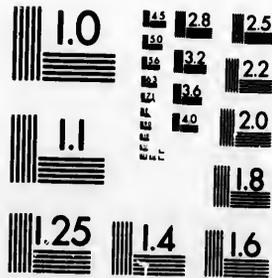


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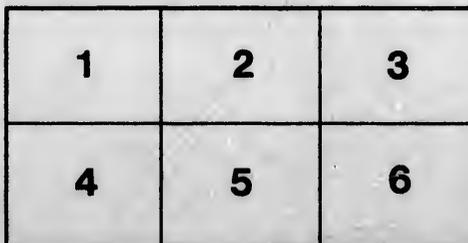
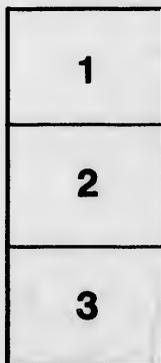
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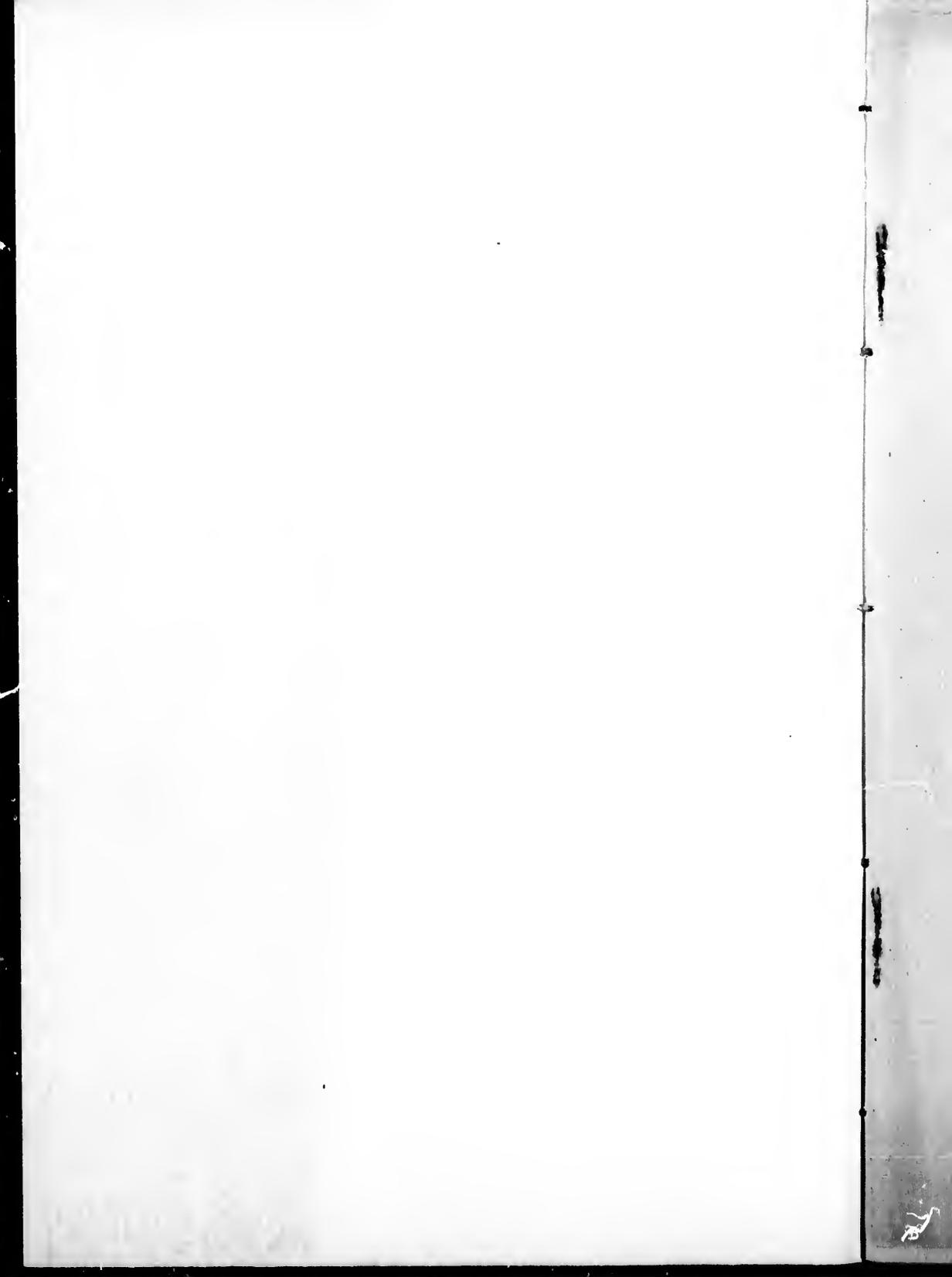
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THE BUDGET.

SIR RICHARD CARTWRIGHT'S SPEECH IN THE HOUSE OF
COMMONS, IN REPLY TO THE FINANCE MINISTER'S
STATEMENT.

DELIVERED TUESDAY, MARCH 5, 1889.

SIR RICHARD CARTWRIGHT, who on rising was greeted with loud and prolonged cheering said: In much that has been said, I am glad to say I agree with the hon. Minister of Finance; and as no doubt it will promote the harmony of this evening that I should do so, I will first enumerate the points on which I agree with him, before it becomes my unpleasant duty to insinuate certain doubts which exist in my mind as to the perfect accuracy of his statements in other respects. First of all I agree entirely with the hon. gentleman in saying that if you dwarf the aspirations of a young and growing people like this, you are sure as the hon. gentleman has rightly said, to do it an infinite injury; and I append to that the rider that you will do exceedingly great injury if you refuse to a young rising people, the right, under proper conditions, to make its own treaties and to appoint its own negotiators. I agree also with the hon. gentleman to the fullest extent that it would be most desirable that we should link together the various sister Provinces of this Confederation in the closest bonds of union. No man can feel that more intensely than I, but I beg leave to doubt whether the facts disclosed in our own records, to which I took occasion to call the attention of this House and the country some few months ago, such facts as that by the last census we possess there were settled in the Maritime Provinces only 748 persons who were natives of Ontario, while on the other hand, twenty-five years ago there were 7,600 natives of the Maritime

Provinces to be found in Ontario alone and in 1881 the number had been reduce to 7,200—I beg leave to doubt if facts like these are altogether indicative of that close and cordial and intimate union, which I, as well as the hon. the Minister of Finance so much desire to see. I agree entirely with the hon. gentleman that the value of every financial statement depends in a very great degree on the accuracy of the estimate which the Minister of Finance, for the time being, shall be able to make of the expenses of the year to come, and I propose a little later on to give this House some very notable illustrations of the marvellous accuracy that has been attained during the last few years by the hon. gentleman's predecessors in that particular. I will add that another most valuable index of the value of a financial statement consists in the honesty with which the public accounts have been prepared and the accuracy with which the items properly chargeable to income are charged to that account and not to capital account. With respect to the volume of trade, I am entirely in accord with the hon. gentleman that you must consider value as well as quantity. But the hon. gentleman, not being as old a member of the House as some of the rest of us, is not aware that I spent tedious hours in endeavoring to teach hon. gentlemen beside him that elementary truth eleven years ago ; but I

PREACHED TO DEAF EARS,

and could not convince those hon. gentlemen (though the proof was clear and incontestable) of the simple elementary fact, the truth of which the hon. gentleman has now discovered, that you must take value as well as quantity into account in estimating that. I advise him to extend the educational process, and try to convince the hon. gentleman on his right, and the hon. gentleman on his left, of that truth, of which I was not able to convince them. So agree with him that it is quite fair, in discussing deficits, to consider that the large amount which is put to sinking fund may be fairly reckoned as a matter of offset ; but when I expounded that doctrine in 1877-78, I was met by the colleagues of the hon. gentleman with shouts of derision ; and again I urge upon the hon gentleman to instruct his colleagues on the right and on the left in that elementary principle of finance. We all admit on this side of the House, and we all agree, not merely

in principle, but in practice, and when we were in power, we put our principle into practice ; that it is

MOST GROSSLY UNFAIR

that the poor man should pay more taxes than a rich man, in proportion to his means. Why, that is the fundamental principle of our opposition to the hon. gentleman's protective tariff. Every specific duty which he lays on, *pro tanto* is an injury and an injustice, and does inflict a heavier tax on the poor man than on the rich man. When I look around the House, and see that probably my hon. friend himself, probably myself and probably my hon. friends around me are wearing garments which came into this country at a tax of 20 per cent., whereas our poorer neighbors have to pay 30, 40, 50 and even 60 per cent. for their garments under the present tariff, I agree with the hon. gentleman that it is most grossly unfair that poor men should be compelled to pay twice and even three times as much as rich men pay, as they do under the present tariff. (*Cheers.*) I agree again with the hon. gentleman that all over the world the rate of interest has fallen immensely within the last few years, and also in the fact, which he did not state so clearly, though no doubt his intelligence saw it, that it is therefore that to day loans can be made on better terms than they could a few years ago. That likewise is an elementary truth which I am glad to see he perceives, but which it was very difficult to convince his hon. colleagues of in discussing the transactions which have taken place in the last few years. And here I will take the opportunity to say—though I shall refer to it at greater length later on, if time permit—that, on the whole, I am glad to bear my testimony to the fact that, as far as I can judge, the last 3 per cent. loan was a good loan, was well made, and the time well chosen. Further, I am agreed with the hon. gentleman, that it is most desirable that we should have larger trade with other countries, and that there is a great and increasing sentiment all over this country, in favor of enlarged trade with other countries ; and I advise him, and I advise the Government and the people of Canada, to seek that trade where it can be found a hundred times better in quantity, and twenty times more profitably to us—next to us, at our doors, within half a day's journey of us—than to go ten thousand miles away, and

RANSACK THE ANTIPODES FOR A TRADE

which, when we get it, will not be worth one hundredth part of that which I am afraid the hon. gentleman is disposed to turn his back upon. (*Cheers.*) I also agree with the Minister of Finance—and I am delighted to find that there are so many points of agreement between us—“that our manufacturers could meet competition as Canadians can meet it, and ought to meet it.” That is our doctrine also, and I believe the best manufacturers in Canada will endorse that doctrine. They do not want, as I believe, a hot-bed protection; and, if the facts are true as stated by the hon. gentleman, if the time has come when Canadian cotton manufacturers are able to undersell English goods in neutral markets, does not the hon. gentleman perceive that the obvious inference is that our manufacturers must be able to manufacture as cheaply as the English manufacturers, and that therefore they do not need any more protection? I am therefore surprised that the hon. gentleman does not propose to reduce the duties on cotton manufactures, because I cannot possibly imagine that he means that it is to the public advantage that Canadian manufacturers should sell their goods below cost in foreign markets, and so tax the Canadian consumer doubly for the benefit of the heathen Chinese. (*Loud cheers.*) If that be not the case, and I cannot for a moment suppose that that is the view of the hon. gentleman, if the Canadian manufacturer is now able to compete in equal markets, on equal terms, with English and American manufacturers, what does he need of further protection at our hands? I am delighted also to agree with the hon. gentleman that prices fluctuate from causes which no Government can control.

MR. MILLS (Bothwell) “Flies on the wheel,” (*Laughter.*)

SIR RICHARD CARTWRIGHT. Prices fluctuate from causes which no Government can control, and the rider I put to that is that it is most dishonest for politicians who know better to state that a Government can keep up the prices of articles—notably the price of farm produce, for example. I agree with the hon. gentleman that it is in every sense the true policy of Canada to extend a steady,

COURTEOUS TREATMENT TO ITS NEIGHBORS,
and not on the Thursday to repeal a statutory declara-

tion which they had assented to years ago, and on the Monday to restore it to the Statute-Book; nor attempt to evade solemn obligations by such little petty devices as putting taxes on the packages which it was formally agreed should enter free. Lastly, I agree with the hon. gentleman on the whole in the proposition on which he laid so much stress, that if trade continues to increase, if all things go well, if the North-West fills up rapidly, if no new demands arise and no naughty No. 8 should come into existence to disturb the repose of the Finance Minister, if, in short, we have smooth seas and fair winds, all will go well enough. It is not altogether the first time that we have heard these prophecies from the predecessors of the hon. gentleman—not the hon. gentleman who occupies a place on the floor this evening, and whom I am glad to see here, but another predecessor of the hon. gentleman, the Elijah, whose mantle appears to have fallen on the hon. gentleman himself, and who, in smooth and dulcet tones, was wont to prophesy smooth things to us

NOT ONE OF WHICH, I AM SORRY TO SAY, HAS YET
COME TO PASS,

though I hope my hon. friend opposite may be more fortunate in that respect than his predecessor. Having thus briefly indicated the points of agreement between the hon. gentleman and myself, into which I will enter at more detail further on, I may now venture to indicate certain points of difference. For example, though I agree perfectly with him that it is not quite fair to measure the incidence of taxation in a country by the mere *per capita* rate, I cannot agree with him that the incidence of taxation in Canada on the poor man is less than it is in Great Britain. I think he labors under a great delusion there; and Sir, as I, for all the hon. gentleman may say to the contrary, am a great admirer of the British system of taxation, as I think it far superior to our own system of taxation, if the hon. gentleman wants to know, I will call his attention to certain facts which I suppose must be well known to a man of his reading and intelligence, which will show him that he labored under a very great delusion indeed when he said that the poor man in Canada was less subject to taxation than the poor man in England. He is quite right in saying that so far as regards excise taxation, that is purely voluntary. No man

need smoke, and no man need drink, as the hon. gentleman told us, unless of his own free will.

Mr. MILLS (Bothwell). Nor shave.

Sir RICHARD CARTWRIGHT. Which, no doubt, is a source of expense, though not as yet of taxation; I do not know what may be in store for us, though.

CANADA'S TAXATION COMPARED WITH ENGLAND AND U.S.

Now, Sir, in England taxes are raised, as he rightly said, in these several ways; first, by excise, which is voluntary, in his sense of the word; second, by stamps, which does not touch the poor man in England to any appreciable extent; thirdly, by the land tax; fourthly, the customs, and, fifthly, the house tax, and by the income and and property tax. Of all these forms of taxation

IN ENGLAND NONE TOUCH THE POOR MAN

except a certain part of the customs. Now, Sir, England raises 20 million pounds sterling by her customs duties, and how does she raise it? 9½ millions from tobacco, which is a voluntary tax, 4 millions from rum, brandy and other spirits; and one million and a quarter from wine; so that, in other words, of all the taxes in England the only tax a poor man need pay is his proportion of the balance of 5 million pounds sterling of customs duties. What does that amount to? We know that the population of England is close upon 36 millions, and taking for this occasion the *per capita* argument, the English artisan, if he chooses, can escape with an average tax per head for himself and his family of

66 CENTS PER ANNUM, AS AGAINST \$4

per head paid by every artisan and his family here. Our tax on the poor man is 600 per cent.—as the hon. gentleman likes that way of calculating it—greater than the taxation of his fellow in England. I differ with the hon. gentleman—and I will give him, if he likes, in the amplest detail, my reasons for differing, though not at the present moment—in the wisdom of comparing the taxation in Canada and the taxation in the United States during the last twenty-one years. We will work that out as long, and as often, and as fully as the hon. gentleman can desire, but for the present let him and the House be content with this simple statement, which he can verify at his leisure from the records of both countries: Twenty-one

years ago the average necessary taxation per head of the people of Canada was 33 per cent. of that then borne by the people of the United States; to-day the necessary taxation of the people of Canada is 50 per cent. greater than the average necessary taxation of the people of the United States, if you deduct a hundred millions, or thereabouts, that they use for reducing their debt. Then, Sir, I take leave to differ with the hon. gentleman as to the truth of that remarkable statement which he made, that every cent of taxation raised in Canada has not been wasted, but has been properly spent, not in bribery or corruption practices, but in productive public works, of which, as I shall presently show the House, the Intercolonial Railway affords a most notable and remarkable specimen. Likewise I have my doubts whether the history of the world will show that increased taxation is the only path to national development, though it may be the only short cut by which a number of Government supporters in a poor country can bloom suddenly into millionaires. (*Cheers*) Sir, I have my doubts of the correctness of the hon. gentleman in intimating that we showed profound wisdom in assuming the debts of the Provinces, and that the United States were guilty of great folly in refusing to do likewise. I also doubt extremely whether the hon. gentleman was well advised in the comparison which he proposed to institute with Australasia and the Australian colonies, and at a later date I will lay before the House certain reasons which I think will convince the hon. gentleman that he spoke unadvisedly with his lips when he challenged a comparison with Australasia, without going a little more into the subject, or, to use his own words, without looking a little more deeply below the surface than he did. When the hon. gentleman stated, as I understood him to do, that he expected that we would have an export of twenty million bushels of grain this year from the North-West, I would be delighted to believe he was correct, but I would like exceedingly to know on what grounds he made these statements. I would like to know what amount has yet been exported from the Province of Manitoba, and the North-West, what amount may be in the elevators, what likelihood there is of his figures being reached; and, if the hon. gentleman wishes, I will give him the floor to state his reasons for making that statement, which is an important one, and valuable if true, and one which I would be very glad to see con-

firmed. Then, Sir, the hon. gentleman made another statement in regard to which I have some difficulty in understanding him. As I took him down—and I am open to correction if I am wrong—the hon. gentleman stated that we had got fifty-one million dollars worth more public works than the additional debt represented.

Mr. FOSTER. Capital expenditure. (Oh!)

Sir RICHARD CARTWRIGHT. Well, I would like to know where that came from. Now, I happen to know, on the authority of the hon. gentleman's own returns, that the total surplusses we accumulated in the last twenty-one years amount

EXACTLY TO THIRTEEN MILLIONS,

as I understand it. That is all the surplus over our debt that we had to invest in public works, or in anything else, and where he gets his fifty-one millions is a thing that—I won't say no fellow understands, because, I suppose, the hon. gentleman understands it—but I humbly profess my entire inability to comprehend it without further details, which, I dare say, the hon. gentleman will give at a convenient season.

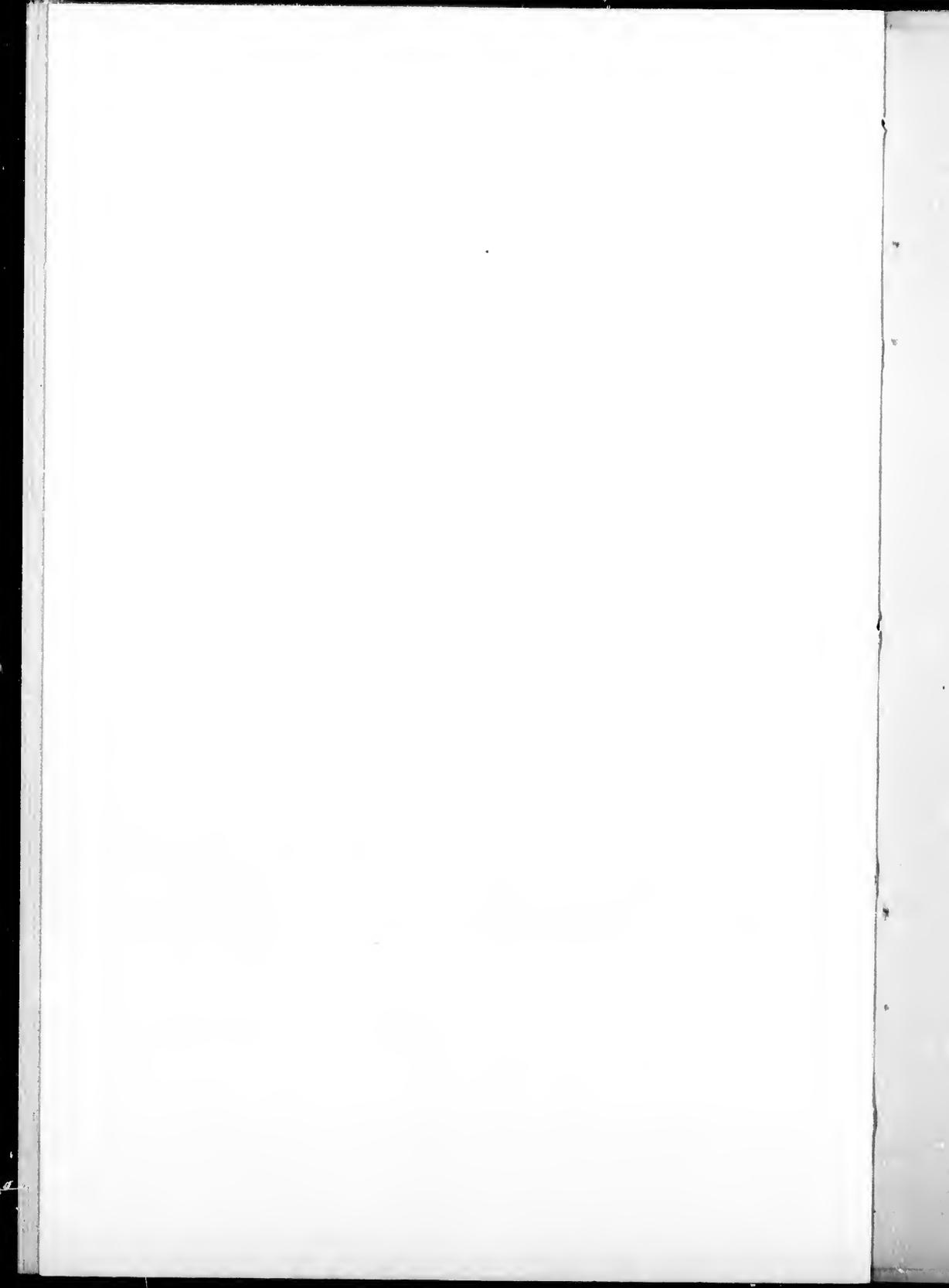
THE TAXES ON FARMERS.

Then, I have my doubts—and I see here several influential and notable representatives of the farmers of Ontario who can speak on this point—whether he is quite correct in saying that the farmers of Ontario pay no duty on their food. The farmers of Ontario, if I understand the case, use a good deal of sugar, and a good deal of rice, a good deal of dried fruits, and not a little spices and various other condiments with their food. Nor, would I put out of sight the question whether they may not, some of them, be so far lost, to—what shall I say? so far lost to wisdom and self-restraint as to take

A LITTLE BEER WITH THEIR DINNER, TOO.

Therefore, I think that the farmers of Ontario do pay some duty on a portion, at any rate, of their food. (*Cheers.*) Then, as to the trifling duty on their farm implements, which the hon. gentleman thought, and told my hon. friend behind me, was such an infinitesimal thing. I think if the hon. gentleman had only spent six months on a farm in the North-West Territories, he would come to





the conclusion that the duty on farm machinery was an extremely onerous burden on the farmers who are doing their best to develop that noble country. (*Loud cheers.*) One little thing I did notice. The Hon. Minister of Finance spoke very highly of his predecessors, not even excepting myself. Then he proceeded to intimate that there were a number of stock assertions which those who formerly held the position of Finance Minister had entirely failed to answer, but which the Finance Minister now incumbent of the office would remove forever. I fear that the hon. gentleman has not taken sufficient stock of the obstinacy of Bourbons like my hon. friend from Bothwick; I fear he will find that these same assertions have deep roots, far-reaching roots, and that not even his great talents, not even his most lucid explanations, will entirely avail to remove from the popular mind those delusions which his talented predecessors, on his own showing, have hitherto failed to eradicate. I have now a word or two to say as to the general position. I repeat that I agree entirely with the Finance Minister that the value of the financial side of his statement depends almost entirely on these two things: First, on the accuracy of the Estimates submitted to Parliament at the time of making the financial statement; and, second, on the accuracy of the accounts of last year's expenses, which are furnished to us.

INCORRECT ESTIMATES EXPOSED.

Now it may interest the House to know—as we cannot tell for a period of two years or thereabouts, how accurate the hon. gentleman has been, and I was glad to observe that he took occasion to correct his earlier estimate by adding \$1,250,000 to the modest sum of \$34,440,000 with which he started—I repeat it may interest the House to know what has been the actual results of our exposures for the four last years. I find that in 1885 an original estimate was brought down of \$29,811,639; but when the year closed we found the total expenditure was \$35,037,060, being an excess in expenditure over the original Estimate of \$6,225,421. Of this it is only fair to point out that \$1,697,851 were due to unforeseen causes—if they can be said to be unforeseen, that is to say, that abominable misgovernment produced a revolt in the North-West, and the disproportion between the original estimate submitted in 1885, and the expenditure may

therefore be reduced to \$4,527,570. In 1886, we were called to consider the financial condition of this country on an estimated expenditure of \$31,757,032, which swelled finally to an actual expenniture of \$39,011,612, being an excess of \$7,554,580 over the expenditure, from which on the same principle I would deduct \$2,177,220 for war expenditures, making an excess for that year of \$4,077,360. We find in 1887 an estimated expenditure of \$33,123,000 and an actual admitted expenditure of \$35,637,000, being an excess of \$2,533,130, to which in all conscience ought to be added \$456,000 most improperly charged to capital account, making a total excess over estimated expenses of \$3,000,000 odd. In a similar manner in 1888 we had, when the statement was made to us. an estimate expense of \$35,041,855, which has resulted in an actual expense of \$36,718,000, being an excess of \$1,676,000, to which ought to be added \$674,000 for items improperly charged to capital account. The result of all this is, that in the last four years the original estimates on which the financial statements were based have been exceeded on an average by \$3,000,000 or more. I do not say, no body can as yet say, how the hon. gentleman's estimates may fare; but I submit, with the evidence of those four year before us, it is hardly unreasonable on our part to express some doubts as to whether the hon. gentleman's estimates will be verified, and whether the surplus on which he has calculated will be likely to be realised. Independently of that, I have another thing to say to the hon. gentleman. I had hoped that when the hon. gentleman assumed the office he now holds he would have had the manliness and sound sense to depart from the evil ways into which the department had fallen, and he would have returned to the honest mode of stating public accounts practiced under Mr. McLelan and under Sir Leonard Tilley. I have to say now, that I regard the statement of the Public Accounts for the years 1887 and 1888, as open to very grave exceptions indeed. In my opinion those

ACCOUNTS HAVE BEEN COOKED.

I will not say those accounts are fraudulent because things are done under political exigency and necessities of state which are supposed to be spoken of in a different fashion from the way in which he would treat such transactions if they occurred in ordinary bookkeeping. But when you take the Public Accounts and see that prior to

1887 the capital received for lands was not credited as revenue—and you will find that this rule had been formally agreed to in this House—so long as any portion of the charges for surveying the lands were put to capital account. We find this in 1887 reversed. We find that the whole revenue from lands is taken and credited as ordinary income, amounting to \$491,000; but we find \$162,891 for expenses of these Dominion lands charged to capital account, contrary to the practice of Mr McLelan and Sir Leonard Tilley with respect to this account. Then as to money spent for expenses of the rebellion we have \$293,917 charged to capital account, although nothing of that kind had been done with the very large sum expended in 1885 or 1886, the result being, without taking into account for the moment the vexed question of improper charges in regard to the Intercolonial Railway, that contrary to the deliberately settled policy agreed upon by this House and carried out for several years by two successive Finance Ministers, a surplus of \$96,832 was forced for 1887, whereas there was a real deficit of at least \$363,000. We find, I am sorry to say, that the present Finance Minister has gone on in the same evil way. He has admitted a deficit of \$810,031.

BY SOME HOCUS POCUS

with respect to the Post Office, although the accounts in my hands show there is an actual deficit for 1888 in the Post Office service of \$729,978, that is reduced in the hon. gentleman's statement to \$267,000 by some mode of reckoning five quarters' revenue within the one year. It may be that the department has collected from the postmasters money held back by them, although until an explanation of a fuller character be given by the hon. gentleman—and he did not allude to this matter at all, all I can do is to point out that according to the mode of computation which prevailed in 1887, the deficit would have been \$972,978 instead of \$810,000. But as the charge of \$135,047 on account of Dominion lands charged against capital account, while the hon. gentleman took credit for every penny of \$217,000 received from these lands as ordinary revenue, I say that is simply fraudulent book-keeping, and the same remark applies to the charge of \$339,929 for North-West rebellion losses. I cannot for one moment admit that there is any ground whatever for treating that as an asset or as a thing for which we have received any

return or which ought to appear in any way in the capital account of this country. I say that this practice of keeping two accounts, one an ordinary account and one a capital account, is being grossly abused and is likely to be grossly abused in order

TO BLIND THE EYES OF THE PEOPLE

of this country to the real actual extravagance of these hon. gentlemen. Looking over the Intercolonial Railway accounts, in my judgement, although that I admit it to be a question in dispute, I believe that \$408,385 ought to be added to our ordinary expenditure, and I further state that even on the hon. gentleman's own showing, even only taking the lines laid down by his predecessors Mr McLelan and Sir Leonard Tilley, our true deficit is not \$810,000, but the true deficit is as nearly as possible \$1,500,000, and if you add the sums improperly charged to the Intercolonial account, and the item of the Post Office, the genuine deficit would be over \$2,000,000, or as nearly as might be \$2,056,000. With respect to two of these items every man can see for himself if he turns to the Public Accounts that what I have stated is absolutely and exactly correct. He will see (page 50, table 7) that for a period of four years and more, not one penny of these Dominion land receipts was credited to income, by Mr. McLelan or Sir Leonard Tilley. During the time that they made charges on that score to capital account, they carefully abstained, to their credit be it said, from violating the agreement come to between this House and the Premier, that no charge should be made on one side without giving credit at the same time on the other. As regards the rebellion losses I commend the hon. gentleman again to the example of Mr. McLelan, who had the courage and manliness to charge the six million dollars to ordinary expenditure in the two years of 1885 and 1886, while for the purpose of making a false balance we find in 1887 and 1888 these comparatively trifling sums of \$293,000 and \$547,000 charged to capital account. Of course the reason for this is obvious. Hon. gentlemen do not like to have

FOUR SUCCESSIVE DEFICITS

staring them in the face, and so they deliberately turn round on their own predecessors and alter their whole method of book-keeping to suit this present exigency. I

am glad to hear that we are not likely to have any more of these rebellion losses to pay, but I enter my protest once for all against the most vicious practice of crediting the whole receipts received from our Dominion lands and charging part of the expenses to the ordinary income and part to capital account. I ask what confidence the Minister expects us to place in his statements, what confidence can he expect us to place in all those calculations which he is good enough to submit, when we find in matters absolutely under his own control that he cannot resist the temptation of making things appear a few hundred thousand dollars the better than they really are, although by so doing he flies directly in the face of their own predecessors in office? (*Cheers.*) Now, Sir, I come to a matter which bears a good deal on what the hon. gentleman has said, a matter which bears very largely on the extent to which we have succeeded in creating a genuine self-sustaining traffic between the various Provinces of this Dominion, and the extent to which his statement can be relied upon that we have spent no portion of our taxation except it be "on productive public works."

THE INTERCOLONIAL RAILWAY.

I have here the statement of the revenue we received from the Intercolonial Railway in the year 1888. It amounted to, all told, \$2,912,783. Our expenditure for working the Intercolonial Railway during that year amounted to \$3,276,441. To that I add \$408,485 for items of rolling stock and for matters of that kind which in my judgment are improperly charged to capital account and which ought to have gone to the ordinary expenses of the Intercolonial Railway for that year, I add also interest on the cost which I find recorded in our Public Accounts, interest on 47,178,000 at 4½ per cent. which is the rate the hon. gentleman will find that sum stands us in. That amounts to \$2,110,000, so that we are to-day working the Intercolonial Railway at an expense to the people of Canada of \$5,794,836 for expenses, for interest and for items improperly charged to capital account. We get back from it \$2,912,783, so that for every dollar of revenue we receive from the Intercolonial Railway \$2 are to-day paid out of the Treasury of Canada, as a proof of the value of that road in producing a genuine self-sustaining commerce and in uniting our scattered Pro-

vinces together, and conveying coal from the Springhill mines to the consumers in Montreal and elsewhere at rates far below actual cost of carriage. Now this is an illustration which this House will do well to ponder on. There you have the result of having a road built for political purposes and the result of having a road run for political purposes. I say that the management of that Intercolonial Railway is not honest or these results would never be produced. When you find that after that road has been opened for thirteen or fourteen years, after you had all possible opportunities for developing its commerce, when you find that year after year a million or more than a million is demanded on so-called capital account, when you find with all this that that railway is not only not able to produce one single cent in return for interest but that you have to charge on your own showing \$363,000 a year dead loss, I say, Sir, that speaks louder than any man can speak of the value of political roads and of the value to the country of running them for political purposes. As if to make the matter worse the hon. gentleman alluded to-night, and other gentlemen have alluded elsewhere to the wisdom, the good policy and the sagacity the Government are displaying—while the Intercolonial Railway is a dead yearly loss on our hands to the tune of hundreds of thousands of dollars—in having taken other hundreds of thousands of dollars out of the public chest to construct a short line to compete with the Intercolonial Railway, and to cut the Intercolonial Railway's throat and to add still more to the burdens of the taxpayers—the people of Canada. Sir, the hon. gentleman spoke, and I dare say correctly enough, of what may be called our ascertained liabilities, for railroad subsidies, for canals, for public works of various kinds; but the hon. gentleman did not dwell on the chance of our having made upon us a heavy demand for further railway subsidies. Now, I have never wavered or flinched from saying that although in certain individual instances good might come from this system of railway subsidies, the thing is vicious and wrong in itself, unless they be granted for purposes of the clearest general utility to the Dominion; but I tell the hon. gentleman this: let him not deceive himself, let him not deceive this House, by imagining that he and his colleagues can, at their own supreme will and pleasure, give subsidies for railways to this supporter or that supporter, and then turn around

and say to the people of Canada: Now that we have glutted our own supporters, now that we have paid these men for the assistance they have given us, we are going to shut down, and you other constituencies and other Provinces and other portions of this Dominion who could not be bought or whom it was not worth our while to buy, shall have nothing because we do not see fit to continue the system any longer. Sir, that cannot be. (*Cheers.*) There may be good reasons for putting a stop to the system, but it does not lie with the hon. gentlemen to say that they can put a stop to it without a good deal better reason than they have yet given. We have heard nothing of another question, which is the subject of an arbitration that may involve many millions, between the Canadian Pacific Railway and the Government of this country, and in connection with which, if I am informed aright, judging from the proportions the lawyers' bills have assumed, a very heavy bill may have to be paid sooner or later. Nor did the hon. gentleman allude to the fact, which cannot be lost sight of in a financial statement, that we have given a guarantee to the Canadian Pacific Railway Company, and that we may have to pay the interest on some \$15,000,000 for fifty years. Nor did he allude to the fact that almost every Province of this Dominion has claims on the general treasury as yet unsettled. Sir, I shall have something to say on that subject before I close; but meanwhile, let me point out that for all these things, be they right or wrong, wise or foolish, the policy of these hon. gentlemen is responsible. If their be a difficulty or a danger or a heavy contingent liability, it is to their policy and that alone, that the people of Canada owe it that besides our heavy ascertained liabilities there are immense contingent liabilities which no man can wisely overlook in estimating the future.

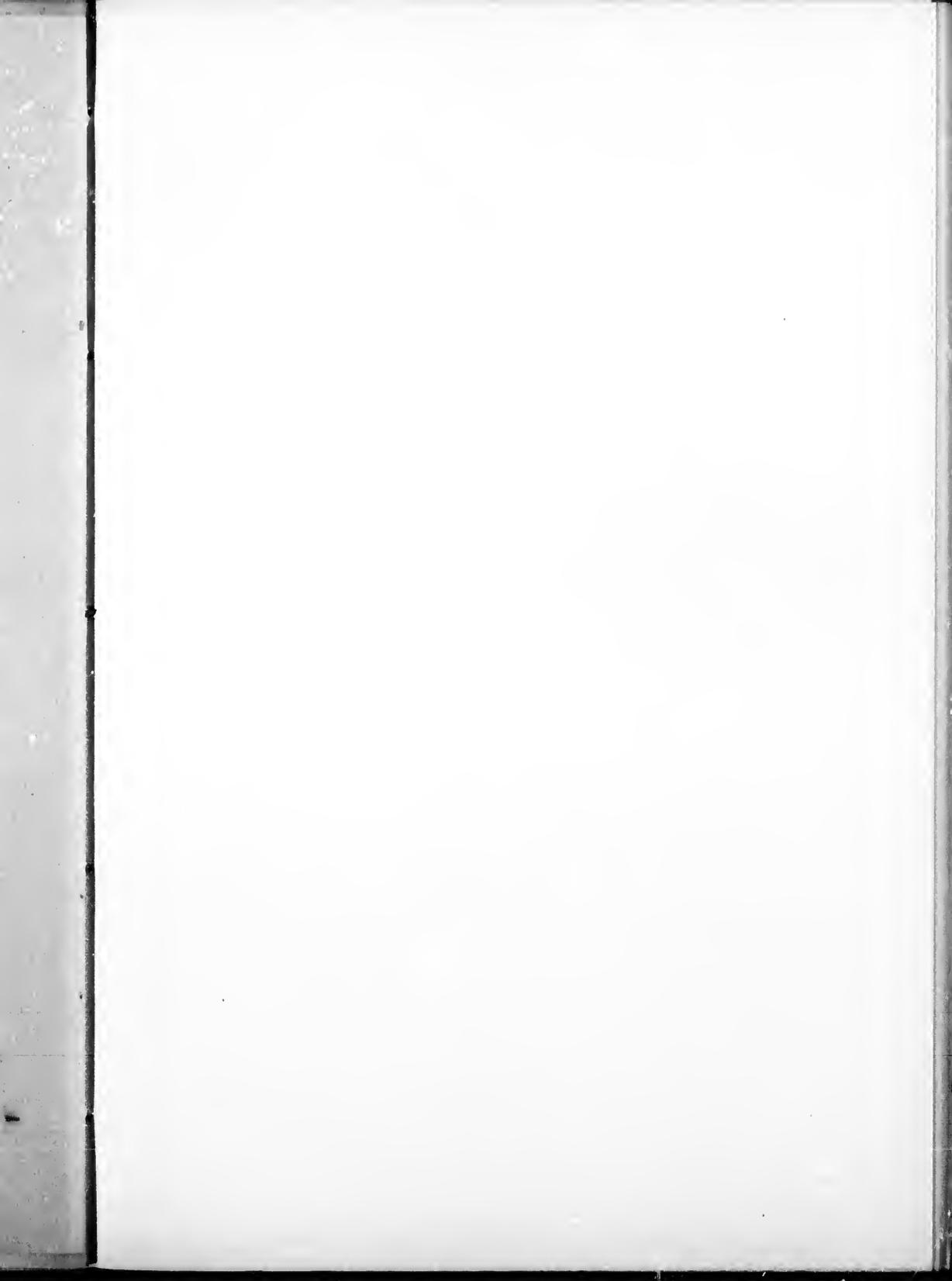
HOW THE COMBINES ARE WORKED.

And now, Sir, I have a word or two further to say. I am for a moment going to pass from the financial side of the question, to consider the mode in which the money we have to spend is got from the people, and I have to say this—and now is the time to say it, because now, if ever, should the grievances of the people be stated in no unhesitating sound: I say there is one feature of this protective tariff which is daily and hourly growing into

more odious prominence, and that is the complete subjection of this Government to certain combines in this country, to certain manufacturing establishments in this country, and certain friends of theirs who, on emergency, can come down with their cheques for \$5,000 or \$10,000 or it may be whenever the money can do most good to their friends the Government. Now, Sir, is it not enough that these same combines should be able to exact 35 per cent., as most of them can, from the people of this country? Is it not enough that they have this legal means of exaction, but are we to permit that the Minister of Customs, or, for aught I know, a mere understrapper of the Minister of Customs, shall arbitrarily and tyrannically add half as much more to the taxes the people have to pay? Sir, this is a growing abuse. I have cases now in my mind, in which distinguished manufacturers in this country have gone to the agents of a combine, and have said to them: We will give you the price of this article in cash in the United States, and add to it the cost of the freight, and add the whole Canadian duty, if you give us goods at these rates; and they have been refused; and they have then brought the goods in from the United States, paid the cash price in the United States, paid the freight and have been prepared to pay the honest duty or the duty the Government ought to have levied; and yet, at the instance of these identical combines the Government of Canada, or the Customs Department of the Government, arbitrarily and tyrannically added 50 per cent. to the true valuation of those articles, and compelled those men to pay 50 per cent. more than the law intended they should. (*Shame!*) Sir, we shall have something to say on this matter, please heaven, before the House rises, and therefore, I shall confine my present remarks regarding it to a very few words. But I say that the thing to which I allude is one of the most

MONSTROUS FEATURES OF THE CUSTOMS ACT

as it now exists. We gave the Minister of Customs this power to be used in extreme emergencies to prevent fraud, and that power was being used to commit fraud. If there were nothing more to condemn this system, the judgment recently pronounced against in a certain well-known case by the highest tribunal in the land, the tendency it exhibits to encourage blackmail and partiality to political supporters, and to foster the greatest politica'





corruption besides, ought to be enough to condemn this feature of the protective tariff in the eyes of an honest man. It is the natural and inevitable fruit of a high protective system, and it does this threefold wrong. First of all it wrongs the revenue, because its effect is to force people into subjection to the combines, and the Government gets no duty; secondly, it is an injury to the manufacturers of the best class; and thirdly, as the manufacturers pass the charge on to the consumers, the whole body of consumers suffer from this infamous wrong. For that wrong there is no genuine redress save taking away the power these men have abused. Sir, there is one good point in the hon. gentleman's statement. For the first time in many years, the Minister of Finance declares that he is not going to add a fresh batch of oppressive taxes to the burthens of the people of this country. Well, Sir, we will wait until this House rises before we rejoice too much in that announcement; but in the meantime, as the hon. gentleman was good enough to give us a list of the taxes which wealthy men pay in this country, I will give him a list of the taxes which poor men pay on articles of daily and hourly use which are necessary to all of them.

HOW THE TAXES FALL.

In the first place, Sir, I find that we imported into Canada last year \$449,446 worth of coal oil, on which \$351,886 of duty was collected, being a rate of 80 per cent. on the necessary article of light most largely used by the poor of this country. We imported \$5,154,000 worth of sugar, on which a duty was paid of \$3,433,324, being at the rate of 67 per cent. on an article which goes very largely into the consumption of the poorer classes; and that is very far indeed from representing the real tax, because probably an equal sum, under our present scheme of taxation, finds its way into the pockets of the rich refiners. On the articles of coarse woollens and the like, while we can obtain the goods we wear at an average rate of 20 per cent. our poorer brethren are obliged to pay 40, 50, 60 and 70 per cent. on the materials they think it convenient to use as clothing. Now this tariff, amongst its other injustices, continues to perpetrate a very gross injustice, to which I believe the attention of the Government was called lately, in the case of the millers of Canada. Where else would there be found a system, called a protective system, in which the Canadian miller

is absolutely discriminated against in favor of the American miller. That is protection reversed. You injure your own manufacturer for the benefit of the foreign manufacturer, and when the former points out that such is the case, on the clearest evidence, you cannot venture to redress the wrong you have done. The hon. gentleman, particularly in the closing part of his speech, indulged in a very great deal of assumption which I cannot characterize as at all well founded. He and his friends behind him would, forsooth, cram down the minds of the people of this country and the throats of gentlemen of this House that all the progress that has been made in Canada for the last twenty-one years is due, forsooth, to those hon. gentlemen on the Treasury benches. I have not time, it would probably require several hours, to review in minute detail all the statements the hon. gentleman submitted. They will be reviewed, Sir, before the vote is taken on the question submitted to you. Do not be afraid; there are plenty of able, zealous, intelligent gentlemen beside and around me who will not leave one sophistry, one false statement unanswered, but human strength has its limits and I cannot undertake to go over the whole work to-night. I will, in my reply, confine myself simply to chalking out the lines, and no doubt the picture will be amply filled in by my hon. friends. What do the statements of the hon. gentleman prove? They prove, it is true, that in spite of bad policy, in spite of misgovernment, an advance, aye, a considerable advance has been made in some directions. That nobody here has ever denied. I have never, and I have never heard any of my hon. friends deny it. But what we do say is, that in other directions we have not advanced. We say that a good deal of what is claimed as advancement is not, in the proper sense of the term, really an advancement, but that it is rather a case in which what one man gains another man is pretty sure to lose. When hon. gentlemen talk of the leaps and bounds and the progress which Canada has recently made, they appear to forget one important consideration. Within the last seven or eight years what between the sums borrowed and spent by the Government, what between the sums borrowed and spent by great corporations like the Canadian Pacific Railway and others, probably not far short of \$200,000,000 of borrowed capital has been spent in Canada. That is coming to an end.

The hon. gentleman has told us so, and we all know it is so, and in making his calculations for the future, I recommend the hon Minister of Finance to bear in mind that this huge capital expenditure is now coming to an end to all intents and purposes, at any rate the greater part of it, but that both in our case and the case of the corporations to which I allude, one thing remains,—the interest remains as a charge on the earnings of the people of Canada

TO BE PAID FOR ALL TIME TO COME.

It appears to me the hon. Minister of Finance has omitted in his *résumé* certain vital points. I think if he will take the trouble to examine the works of those writers who most deserve respect, and to confer with those men whose opinions on this subject best deserves respect, he will find that they will be disposed to agree with me, at any rate thus far, in saying that in a country like Canada, that in a country of the age of Canada, that in a country in the state of settlement of Canada, the real, true indices of prosperity are these: First of all, and to this I specially call the attention of the House, the rapidity of the increase of population in Canada; next (and we will have more to say on this presently), the rapidity of the increase of the total volume of trade; and next, and here I fear I take issue with the hon. gentleman, the importance of the debt decreasing, both absolutely and relatively, and the importance of our taxation decreasing, both absolutely and relatively; again, the rapid progress of settlement in such new countries as we may be fortunate enough to acquire, the growth of new cities and towns, the capacity to attract and retain such emigrants as come to this country; and, last but not least, the wise, just and equitable distribution of property among the masses of the people. Those I say are the true signs of prosperity in a country like Canada. On the other hand, I say that the true signs of

AN ARRESTED DEVELOPMENT

in a country like Canada are these: When you find population, particularly in the rural districts, either stationary or retrograde; when you find the volume of trade either stationary or retrograde; when you fail, and fail egregiously in settling and filling up our new territory; when you are not able to point to new towns or villages in any

number; when you find a decrease in the selling value of agricultural lands in the country; when you find a rapid increase of the debt and of the taxes and a rapid efflux of people from the country, whether they be emigrants coming to this country or whether they be your own people who seek to improve their position in another land. Now, I ask this House which set of conditions, on the whole, exists in Canada to-day? Let us review these in detail. Hon. gentlemen will remember that a very few days ago I put a question to the Minister of Agriculture as to the population which he estimated to exist in this country, and I asked him on what his estimate was founded, and to divide it among the several Provinces.

THE POPULATION OF CANADA.

The hon. gentleman was kind enough to send over to me his memo., and I found, as indeed I had expected, that his elaborate statement of 4,946,497 souls was simply the purest guesswork, that there was not one particle of foundation for the statement so formally submitted, other than this, that is—if, Mr. Speaker—the population during these seven or eight years had increased in the same ratio as it did in Canada between 1871 and 1881, then these results would follow. I have also the hon. gentleman's own statement, as recorded in the books of his department, of the immigrants who settled in Canada during 1881, 1882, 1883, 1884, 1885, 1886 and 1887; I call the attention of the House to certain other remarkable results, which follow these two separate statements of Government beyond possible contradiction. I find that in the years I have named we received in Canada 630,744 immigrants, who, according to the statement of the Department of Agriculture, are expressly declared to have settled in Canada, besides the large number who passed through and went away. I find that our population in 1881 was 4,432,481. Adding to these the 620,744, it is clear that we would have, without any natural increase at all, 4,955,554, and therefore that, on the showing of the Minister of Agriculture himself, on the evidence formally laid on the Table of this House in the books of his department, during the last seven years there has been a dead loss of 9,000, besides the whole natural increase of the people of Canada, which, in seven years, at $2\frac{1}{2}$ per cent., on their own showing, would be 700,000 souls. So, if the Department of Agriculture be correct, 630,744 immigrants came here, and

in that case 700,000 Canadians have been extruded from this country to make room for them. I will give five or ten minutes of my time to the Minister of Agriculture—oh, I see he is not present—or to any of his colleagues to point out any inaccuracies in my statement. If the statements of the Department of Agriculture are correct, it inevitably follows that we have lost more than 700,000 people from 1880 up to the month of April, 1888. That is the result which must inevitably be deduced from their own declaration. I am going to come to the rescue. I do not think the case is half as bad as these hon. gentlemen have depicted it. In the first place I do not believe that the statements of the Department of Agriculture are worth the paper they are written on. I do not believe they are worth one cent of the \$3,500,000 which we have spent during these seven years in order to bring immigrants here; nor do I believe that their elaborate logarithmical calculations are worth anything. I doubt extremely whether there is in Canada at present a population of 4,946,000. We know that the Ontario statistics are the only reliable ones we have.

Some hon. members. (*Hear, hear.*)

Sir RICHARD CARTWRIGHT. Hon. gentlemen say "hear, hear." Probably those hon. gentlemen have not paid much attention to these matters, but, if they wait until I get through, they can contradict me if they are able. I say that these Ontario statistics are the only reliable ones we have. I do not say that they are absolutely reliable, but that they are the only ones which approach to reliability. During the decade from 1871 to 1881, they showed very accurately the increase of population which took place then, and I think it is more than probable that they will show accurately what increase has taken place since. They show an increase of 180,000 to date for that Province. I believe it will be found that the actual increase in the Dominion is a little more than double that—perhaps about 400,000—but I do not believe that, of the 630,000 immigrants, there are more than one-sixth and perhaps not one-tenth part remaining in Canada. We have been bringing these men here and paying their passages to enable them to drift to the southward, and indeed to act as anti-immigration agents to the detriment of the people of Canada. Let me remind the House of two things. We had numerous disputes three or four years ago as to the population of the North-West Territories

and Manitoba. In 1885 and 1886 censuses were taken of those territories, and the result was to show, without any possibility of contradiction, that

THE OPPOSITION WERE RIGHT

in all points but one. They had estimated the population of Manitoba and the North-West too highly. They had gone beyond their mark in their fear to err, while the reports of the Department of Agriculture gave this most remarkable result: They showed by most positive statement for the years 1881, 1882, 1883, 1884, 1885 and 1886, that 166,803 settlers had gone to Manitoba and the North-West, though when the census was taken, there were only 118,000 whites found in all that country. According to the census of 1881, and allowing for natural increase, we should have had 74,400 in 1886 without one single immigrant. Deduct that from 118,000, and you have this remarkable result: The Department asserted that 166,803 had settled in that country, and they gave the figures: 1881, 22,001; 1882, 58,751; 1883, 42,772; 1884, 24,240; 1885, 7,240; 1886, 11,599; total, 166,803. Well, of these 166,803 who, they said, had gone there, who, they stated in public documents, were there, we find only 44,095, and the remaining 122,708 had vanished in thinnest air, and in this way was confirmed the remarkable accuracy of the statements of hon. gentlemen opposite. Then again when hon. gentlemen opposite took upon them to contradict men who had carefully studied the questions relating to the population of this country, I challenged them, as I challenge them now, to go to the Catholic clergy in the Province of Quebec, who possess good statistics in regard to the movement of the Catholic population there, and to ask them as to the exodus of their people, and to judge by that how far the statements which I and others have made are correct. That challenge was thrown out three years ago. I repeat it now, and I ask the hon. gentlemen, if they venture to dispute my statements, to take the means which present themselves readily and naturally to find out the truth, so that we may discover who is right and who is wrong in regard to this most important question as to the rate at which the population of Canada is increasing. In the meantime, however, I call attention to this fact, that, on the authority of the statement made by hon. gentlemen on the floor of Parliament, and of these made in the returns of the

Department of Agriculture, there has been an exodus of 700,000 of the people of Canada in the last seven years. Now, a word or two as to the question of the volume of trade. The hon. gentleman was not able to deny the fact that, whereas, with a population of three millions and three-quarters in 1874, we had a volume of trade of \$217,000,000, we have now, with a population which he calls five millions, a volume of trade of \$193,000,000, taking goods entered for consumption; and that amounted, in round numbers, to \$58 per head in 1864 and \$40 a head in 1888. It is true that it is right, as he said, to estimate value as well as quantity. He was right in saying that no one knew better than I did that there was often great fluctuations in value. I pointed that out time and again in this House ten and eleven years ago, but it is not fair to say that in a country which should be growing and advancing as Canada should be, we should be content, forsooth, with such a showing, even if the hon. gentleman could establish what he did not establish at all, that there has been a considerable droop in the value of our exports and imports. He referred to the droop which had taken place in the value of the exports and imports into England, but it does not follow that our imports and exports should droop in the same ratio. I believe myself that there has been a droop. I believe that prices are considerably lower to-day than they were in the time when we were in office, and I call the attention of the House, and of the hon. gentleman, and of my friends here, to the fact that, when the Mackenzie Government was in power, the prices of farmers' produce were far better than they are under the National Policy, and further, though we did not promise to make the prices good, or to keep the prices up to abnormal rates, the hon. gentleman and his friends got into office by the most audacious and impudent declarations that they, under the National Policy, had power to make markets for the farmers, had power to raise the prices of all the things the farmers had to sell. The hon. gentleman likes to compare Canada and Australia.

CANADA AND AUSTRALIA COMPARED.

Well, Sir, I will give him a comparison which will do him, perhaps, some good. I find that in 1874 New South Wales, which has, by-the-by, something very like a revenue tariff and a free trade system, had a total volume

of exports and imports of 90 millions. Now the prices of their productions were much higher in 1874, as I suppose he knows, than in 1887, but in 1887 New South Wales had a volume of exports and imports of 175 millions, that is, it has grown from 90 to 175 millions, nearly doubled; while Canada has crept down from 217 to 200 millions. I suppose that he will admit that the same causes were at work in New South Wales, raising or altering the prices of exports or imports, as in Canada, and if he does not know it, proof can easily be advanced. But my contention is that we ought to go on, we are a young country, we are a growing country, we are increasing in population, even under all disadvantages, faster than old countries like England, or many countries in Europe, and be the alteration in values what he pleases, it is a proof, I repeat, of arrested development, that the volume of trade to-day in Canada nearly \$20,000,000 a year less than it was fifteen years ago. Now there was another note I gave, that was the failure to settle the new territory we had acquired. Sir, this also is actually a matter of notoriety. Here we have their own census return, showing the most lamentable failure, showing, if they are to be believed at all, that such was the result of policy of the Government that of 166,000 settlers who went to the North-West and settled there with the intention of remaining, only 44,000 were found by actual count five or six years thereafter. Sir, very recently, for four or five hours together, this House rang with declaration from hon. gentlemen representing that country, setting forth the unexampled fertility, setting forth the unexampled excellence, setting forth the beauties of that country in terms so glowing that I came to the conclusion that really and truly the earthly paradise was situated north of latitude 49, and that Regina was really only another name for Eden—if only Mr. commissioner Herchner were removed. Sir, cannot these gentlemen see that every word that was said then, every word that is said now (and much of it may be said truly) in praise of the fertility, in praise of the excellence, in praise of the resources, in praise of the chances of the development of that country, are the severest possible condemnation of the Government opposite in pretending to promote colonization, who have squandered 100 millions of the people's money, and have only this beggarly and miserable account of settlement of account to exhibit for it to-day?

Sir, I come to another point which may fairly be said to be in dispute, where I again give a challenge to these hon. gentlemen. When talking about the proofs of the decrease in the value of property in Canada, I say that to my certain knowledge, to the certain knowledge of scores of friends whom I see here, in the great Province of Ontario more particularly, there has been, in the last 8 or 10 years, a great and notable depreciation in the value of farm lands. I believe that if proper investigation were had, if these hon. gentlemen would do as I asked them, if they would appoint a proper committee of members of this House, with power to investigate this matter thoroughly, if they had done it, at any rate, then we would have had, and I am very sorry for it, the most unanswerable proof that over the greater portion of the Province of Ontario, over the greater portion of the 20 millions acres of farm land which it contains, there has been a very great reduction in the actual selling value, amounting, in all probability, to something like 8 or 10 dollars per acre for every one of these 20 million acres. That is the statement which I make, that is a statement which I know, from friends who are largely interested in forming correct conclusions on this subject, representing probably less than the entire reduction in the selling value; and if you want to have a true national balance sheet, you have got to set such a reduction as that in the selling value of the farm lands in Ontario—of the other Provinces I do not venture to speak—as an offset against your little petty addition to the savings bank deposits, and the deposits in the other banks, and a score of these other indices of prosperity on which the hon. gentleman so much relied. Now as to the increase of the debt, the hon. gentleman knows as well as I do that all this sophistry, all this petty quibbling evasion, will not avail to alter the fact that Canada entered Confederation with a debt of 75 millions, whereas to-day, on the first of March, the net debt is 236 millions, with very doubtful assets for part of the remainder—will not avail to alter the fact that 21 years ago the total taxation of Canada was about 11 millions, and to-day, on his own showing, the total

TAXATION OF CANADA IS 31 MILLIONS,

or he expects it to be—it won't avail to alter these things, nor is it the slightest use for him to waste the time of the House, or to waste his own time, in innumerable calcula-

tions as to the development of certain minor industries here and there, or the question whether our taxation per head is a few cents more or a few cents less than that of the United States. Now as to immigration, here again I present to the hon. gentleman his own statements. If these statements have one scintilla of truth, if the estimated population be correct, if the statements in the hon. gentleman's other returns and statistics are correct, it is only too clear that there has been a monstrous loss of the people of Canada. If indeed those immigrants whom the hon. gentleman says came here, have come and settled here, then three-quarters of a million of the best of our people have gone from us. That is the inevitable result, and to that I again call the attention of the hon. gentleman. Sir, it is known to everybody that all through the rural districts of Ontario there is scarcely a single county the rural population is gaining to-day; there may be gains in a few towns, there may be gains in a few cities, but the rural population is stationary, is in a position of arrested development, and one of the main causes of that is the unjust and oppressive incidence of taxation, particularly on the agricultural portion of this community.

A MEMBER. The farmers in Ontario have been enlarging their farms, where they had fifty acres they now have 100, where they had 100 they now have 200.

SIR RICHARD CARTWRIGHT. Then the others have gone, and they who owned the fifty acres and 100 acres have departed. Gentlemen like my hon. friend have been laying field to field and buying up farms, and the bold yeomanry who used to send him here, have departed to the other side of the line. (That's so.) Why, Sir, within a few miles of my hon. friend's residence, there stands the little town of Brussels, which I formerly had the honor of representing. I was sent the other day—not for the purpose of using it here, it was a mere matter of investigation on the part of an enterprising newspaper proprietor—I was sent an account of the number of men—not women and children—who had gone from the little town of Brussels, with a total population of 1,200 souls, within the last ten years. How many would the hon. gentleman suppose there were? Twelve hundred souls would represent about 250 adult males, I suppose, and seventy of them were found to be residents in the United States. Their names were given, their residences were

given. From the little town of Brussels alone seventy men, representing probably seventy families, had

GONE TO THE UNITED STATES.

I hope and trust that is an extreme instance, but I am afraid it is only a fair illustration of what is taking place, not in Ontario alone, but in Nova Scotia, in Prince Edward Island, in New Brunswick, aye everywhere throughout this Dominion, and I am afraid that until it got its present Government in Manitoba as well.

A MEMBER. Brussels is improving every year.

SIR L. TILLEY'S PROPHECY.

Sir RICHARD CARTWRIGHT. I have great regard for Brussels, but that does not alter the fact that 70 men formerly resident in Brussels are now residents in the United States. As the Minister of Finance was seized with the spirit of prophecy and as I hold it is rather dangerous to prophecy until you know. I may be permitted to call his attention to what befell a certain predecessor who likewise prophesied a few years ago. In 1882 I had a little controversy with Sir Leonard Tilley on subjects very closely akin to those I am discussing tonight. The hon. gentleman undertook to tell the House where we would find ourselves in 1890. We have nine or ten months to go upon, but here is Sir Leonard's statement, to which I call the attention of the House, delivered in the full spirit of prophecy as to where we would be in 1890. Sir Leonard declared:

"But between this and 1890 the amount that is to be paid into the sinking fund, and which forms part of our annual charges upon the consolidated revenue, will average \$1,500,000 a year for the next nine years. That will give for the deduction of the debt \$13,500,000. Then the surplus for the nine years—

"An hon. MEMBER (Sir Richard Cartwright). Oh!

"Sir LEONARD TILLEY. An hon. member says "oh," but when we have \$1,500,000 assured for this year, when there is no doubt, after the reduction which we propose to make, that there will be a surplus of \$3,000,000 for the next year, it is not, I think, asking too much for the hon. gentleman to accept as reasonable a surplus of \$1,000,000 a year for the remaining seven years of the nine commencing on the 1st of July last, that would make \$14,500,000, and would, with the sinking fund, reduce the net debt to \$175,897,680. But if we estimate the increase of population at but 18 per cent. only during the ten years—the increase of the last decade—the result will be then, taking the population at that period, and the debt as stated, the net debt will be \$34.27 per head. Then if we have any extraordinary increase of our population (which I think it is but right to expect we will, but which I have not estimated for here) it will be ample to meet, at any rate, any extraordinary expenditure that may be chargeable to the debt which we are not anticipating at the present moment. But more than that, if the 150,000,000 acres of arable

land that will be the property of the Government after handing over to the syndicate 35,000,000 acres, and which is now established as fit for the settlement, yields but one dollar an acre for half of it (the other half being offered as a free gift to settlers) it will meet the whole expenditure of the Government on the Pacific Railway and in the North-West down to 1890. If that be the case, then our debt, which certainly is not alarming, provided we realise from these lands the sum that I have stated, would only be about \$100,000,000 instead of \$175,000,000, or less than \$20 per head."

I say nothing about the \$75,000,000, for it is a sore subject I know. But here was a calculation made by a gentleman of great experience, an eminent predecessor of the hon. gentleman, by whom we were assured as a basis for our future action that the debt would be only \$175,000,000, in 1890, when Monday's *Gazette* shows that the net debt is \$236,000,000; and, therefore, I respectfully suggest to the hon. gentleman that it would be well for him bearing that in mind to be cautious a little as to any prophecies in which he may indulge. I may remind him that a greater man even than the apostle of temperance, even the Premier himself announced to us, first, that we would have in 1890 \$71,000,000 cash in hand from land sales, but, on having the statement revised deductions were made for the expenses of management, and it was then calculated that \$58,300,000 would positively be paid to us by the year 1890.

SIR CHARLES TUPPER'S PROPHECY.

And not to be behind hand Sir Charles Tupper asserted (not that there would be 20,000,000 bushels sent from Manitoba by 1890,) but that 640,000,000 bushels of wheat were to be shipped from the North-West, and the hon. gentleman was seriously exercised as to how we would get enough railways in to carry the grain away. It is not without a feeling of pleasure I recall that whereas the two first named authorities only promised us tens of millions, Sir Charles Tupper was much more generous and went into hundreds of millions, and all three of them were positive, I remember, that if Parliament would only allow them to have reciprocity of tariffs we would have reciprocity of trade with the United States rapidly, one named within two years, I think, to the people of the Maritime Provinces. Likewise they declared that every cent of the whole of the Canadian Pacific Railway would be repaid in full within the shortest possible space of time to the people of this country, and the North-West would fill up and blossom as the rose in such a

manner as we have never dreamed of seeing. It may interest the House to know what that destroyer of such promises, the Public Accounts, shows on this question. Whereas we ought to have \$58,000,000 at our credit at the latest on 1st January, 1891, I regret to say that up to the present time our total receipts amount to \$4,250,000 and the expenditure to \$5,500,000, so that we are \$1,250,000 on the wrong side of the account. In all this there are to my mind just two redeeming points, always accepting the promise that we are not going to be taxed much more heavily. I think, and I give the hon. gentleman the benefit of my opinion, that, so far as I am able to judge, the drain of population from Canada is at last showing signs of diminishing. I think that is the case, I hope it is the case, I trust further investigation will confirm it, and I believe also that having at last got rid of the railway monopoly there is a fair chance of Manitoba filling up under the present Provincial Government and of redeeming to some extent the extravagant promises heretofore made on her account. But what are the replies to these facts which I have stated? In part a judicious silence has been observed. Hon. gentlemen opposite have shown discretion in not contradicting certain of the statements made, but in part I must say hon. gentlemen has taken refuge in pure evasion and in part in very audacious denial of well known facts. As to a great deal of what I have said, denial is perfectly hopeless. Hon. gentlemen opposite cannot deny the increase of debt, although they may adduce excuses for it; they cannot deny the increase of taxation, and they cannot deny the enormous proportions of the fixed charges under which we labor, and which is a very serious point indeed. They cannot deny that up to the present time the settlement of the North-West has resulted in egregious failure, largely due to the trade policy, to the land policy and to the railway monopoly policy of the present Government. They cannot deny that the accounts of the Intercolonial Railway shows that for every dollar received Canada is charged two dollars per annum. As to other statements hon. gentlemen opposite find it easy when assertions are made to make counter-assertions and then refuse investigation, acting to some extent after the model set by the Minister of Finance on a recent occasion when that hon. gentleman voted that he was in favour of granting prohibition, when it was clear the people of

Canada were ready for it, and then refused point blank at the suggestion of my hon. friend the member for Bothwell to take measures to ascertain what the wishes of the people of Canada were on the subject of prohibition in the only way in which it could possibly be done. Hon. gentlemen opposite are in the habit of drawing a red herring across the scent; and they do that notably in the case of the National Policy. Now, Sir, what did it amount to, all that the hon. gentleman said at the close of his speech and through his speech?

THE AUDACITY OF PROTECTIONISTS.

It amounted to this: Those hon. gentlemen are prepared to claim that every single solitary result of every new invention that has been made for the last ten years, that every reduction in the price of raw material, that even a fall in the rate of interest all the world over is a new triumph for the National Policy. Should wool become cheaper—I do not know what my hon. friends from the rural districts would say to that—but if wool should become cheaper, iron becomes cheaper, if beet root is grown more largely in any countries whatever and the product from it is greater, these hon. gentlemen claim it as a fresh triumph of the National Policy, that articles made from these materials are cheaper than before. Was there anything more clear after the speech of the Minister of Finance than that the real, and only, and true, and legitimate way to make goods cheaper is to tax them. That is the latest, greatest, grandest triumph of economic science as expounded by the hon. gentleman. Why should he stop there, why did he not go further? If the Government by putting taxes on goods can make them cheaper, why not extend their beneficent providence a little further. They might as well, and they could just as easily enact that water should run up hill, and that would be found very convenient for a variety of mechanical purposes. But are the prices of farm produce lower than they used to be? Are the prices of land throughout Ontario, Quebec and the other Provinces lower than used to be? Have wages become less than they used to be? Does the population of our rural districts become fewer? Do our people leave us? To this the answer is, these things are the result of causes over which no government have any control. This kind of argument scarcely deserves an answer, and for such an argument as this, I have simply to say

that when I hear them gravely stated I hardly know for whom to feel the most contempt—for the individuals who lie and profit from their lies or for the dupes who believe and bleed. In all this one thing only does not vary, and that is the steady growth of taxation. The value of farms may fluctuate; prices may go up or prices may go down, but the number and the weight of our

TAXES GOES ON, AND ON, AND ON FOR EVER.

It was the fashion many years ago to speak of "the ignorant impatience of taxation," I think that Lord Castleragh was the author of that phrase. Well, *nous avons changé rout cela*, and in these days the true statesman in considering the position of things here would deplore ten times more the "ignorant patience" with taxation which our people manifest. It is easier to cajole than it is to oppress people, and I say that one of the worst consequences of the false theory which hon. gentlemen have developed, that it is impossible to enrich a people by increasing its taxes is this, that they have thereby done away with almost the only efficient check and curb to extravagance. I have noticed that for the last eight or ten years, in fact ever since this doctrine took root in the public mind in Canada, and if I had not noticed it the growth of public expenditure would proclaim it to men who chose to open their eyes and see. But now, Sir, I am happy to hear that a reign of economy is to set in, a reign of economy! At the hands of these gentlemen! Mr. Speaker, this is serious,

DARK SUSPICIONS WILL INTRUDE.

What new villany is afloat? What mystery of iniquity is hatching now? Can the leopard change his spots; can the Ethiopian change his skin; can we expect grapes from thorns and figs from thistles? Is it not bad enough to cook our accounts; is it not bad enough to pay \$82,922 for law costs and keep a Minister of Justice, and a Deputy Minister of Justice, and a staff and contingencies besides? Is it not bad enough to pay \$327,000 for bribing newspapers as we see by these Public Accounts, without counting the cost of printing for the Immigration Department and of expenses connected with this legislation? Is it not bad enough to pay five or six hundred thousand dollars for putting in types and plant and new printing machinery. Is it not bad enough to see \$409,000 voted for a Franchise Bill for the express purpose of disrating

many of the electors of this country? Is it not bad enough to see \$175,000 spent in 18 months for the purchase and work on one experimental farm at Ottawa, which, though it be a desirable thing, could bring us all the good that is ever likely to come from it for an expenditure of one quarter the amount? Is it not bad enough to see \$700 a year paid for each convict in the prison at Manitoba? Is it not bad enough to see \$287,000 spent for the lighting, and heating, and furniture, and taking care of the grounds here and at Rideau Hall? Why, Sir, this is more than some important Provinces get as their *per capita* subsidy. We absolutely spend on these trifles, on our gas bill, our water bill and for keeping the grounds in order here and at Major's Hill Park and at Rideau Hall \$287,000 a year, and yet the Government talks to us about economy. All over this country we find in little villages of seven or eight hundred, aye, even of three or four hundred souls, public works erected at a cost of fifteen or twenty thousand dollars as bribes to these constituencies, and buildings erected which incur an expenditure of over \$1,200 a year, including interest and maintenance, for the purpose of providing a lodging for a post office which may not give us a revenue of more than \$400 a year. Could this condition of things exist in England or the United States? Were I able to stand on the floor of the House of Commons or on the floor of Congress and to point to items in the Public Accounts showing that in England five or six hundred thousand pounds sterling went to subsidise the *Times* or any other paper which stood ready to stab some public man under the fifth rib, if in the United States I could point to a subsidy of four millions a year paid for the purpose of retaining United States papers in the service of the Government, would that Government in the United States, or would that Government in England last for one single day? No, Sir, they would be hurled from their places that they had misused; yet in our Auditor General's Report year after year we find that there are two or three hundred thousand dollars deliberately expended for no other purpose than to bribe, from one end of the Dominion to the other, some particular newspapers which it may be convenient for the Ministers to subsidise out of the public pockets. These men talk of economy! Why, look at their expenditure on public lands. The total income of 1887 was \$191,781. What was the total expenditure? To collect





\$191,000 we expended \$461,474. In 1888 we did better ; we collected \$217,000, and it only cost us \$426,820 to do it ; and I dare say that next year we will collect \$220,000 and only spend \$420,000. Now, in that sum for the collection of revenue I include the sum charged to capital account, the sum spent in the department, the Minister's salary and contingencies, and I get this grand result which I present to these advocates of economy ; for two years we have succeeded in spending \$888,296 in the purpose of collecting \$408,864, towards the bill of \$48,000,000 due on the 1st January, 1891. Sir, I won't repeat what I have said of the management of the Intercolonial Railway further than this, that when you spend \$5,750,000, counting interest, to collect \$2,980,000, it is time indeed for economy in the management of our public affairs. I will take the whole record of hon. gentlemen during the last twenty-one years. They began in 1867, with an expenditure of \$13,500,000, when I came into office in 1874, I found bills awaiting me of \$24,240,000, though I only spent \$23,500,000 ; and when I left office in 1878, my expenditure was \$23,500,000. You heard to-day that our expenditure, not including capital expenditure, was now \$36,713,000. There, Sir, is a record of these hon. gentlemen's past economy in two lines. I will not say anything, because really I have not time to discuss it, of that notable stroke of business of borrowing money at $3\frac{1}{2}$ per cent. and lending it at $1\frac{1}{2}$ per cent. ; but when I look at the records of the savings banks, and when I see that the Government of Canada deem it prudent and economical to borrow thirty or forty millions at 30 per cent. above the current market rates, I must observe that it is a kind of economy which does not particularly recommend itself to my judgment, at any rate. Our position is remarkable in another respect, that, unfortunately for us, we have a very large nominal income ; I say unfortunately because when you have an apparent income of \$36,000,000 or \$37,000,000, a great many expenses which are really very large for our means appear to worthy people to be very small. It hardly strikes them as of the real importance it is when we talk of an expenditure of \$200,000 or \$300,000 as important against a total income of \$36,750,000. But when we come to analyse the facts, what do we find ? We find a nominal income of \$36,000,000, but after deducting the expenses of the collection, the revenue and fixed charges, we find a real income of \$9,750,000, which, if you deduct

the sums improperly charged to capital account, would be reduced to \$9,250,000. That is the true position of the affairs of Canada to-day; that is to say, that 75 per cent. of our whole income, in one form or other, is mortgaged. I will give the hon. gentleman the total from his own estimates:—

| | |
|--|--------------|
| Interest on sinking fund..... | \$12,107,725 |
| Subsidies..... | 4,100,000 |
| Charges for collection of revenue..... | 8,774,000 |
| Charges for Indians..... | 1,078,000 |
| Total..... | \$26,060,000 |

Which represent to all intents and purposes fixed charges against a nominal income of 36,000,000. Now, Sir, out of that comparatively small income of about \$10,000,000 what do we find? We find charges like these: Civil government, \$1,316,000; charges for keeping these buildings and Rideau Hall in order, lighting and warming and repairing same, \$306,000; law costs and newspapers, \$400,000; pensions and superannuation, \$326,000.

THAT IS THE WAY THAT OUR MONEY GOES

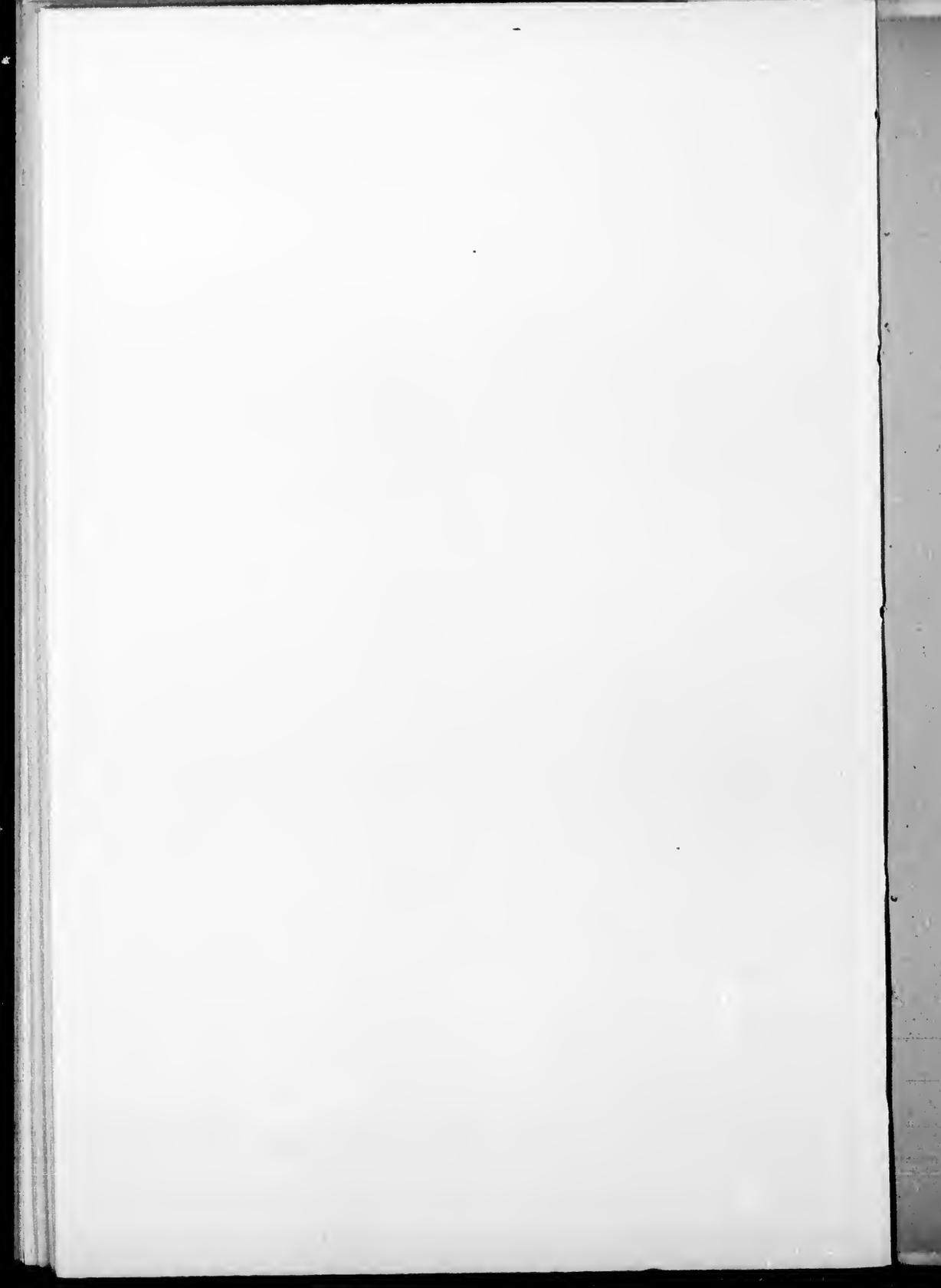
on an effective true income of about \$10,000,000 a year all told. Now, I desire to say this; In my mind, looking at the real condition of our affairs, it would not be true, I have never pretended that it was true, to say that Canada had made no progress at all, or even that Canada had not made considerable progress in certain directions. In twenty-one years, or even in ten years or seven years, Canada, being such as she is, and inhabited by a people such as ours, could not fail to make some progress in some directions, no matter how bad the system of government almost, or how bad the fiscal system under which it was administered. But what I do say is, that the progress made has been partial and one sided. It has been far below par, far less than our natural resources warranted us in expecting; and I say that whether you take as the standard of comparison, our own progress in former years, or the progress of sister colonies, such as New South Wales or any of the other Australian colonies, or if you prefer it, the progress of the United States when their population was the same as ours, or its progress at the present moment. A great deal of the progress which hon. gentlemen opposite claim is purely and simple displacement; what one man has gained has been in too many cases another man's loss. Why, Sir, but the other day

the Legislature of Ontario was compelled to pass a law to prevent one town taking manufactories from another, that is, to prevent it bonusing a manufacturer engaged in business in another town, to induce him to remove his factory to them, and so injuring its neighbors for its own special profit. Now, it is perfectly true, that certain towns and cities have grown, some of them considerably; and I for one do not grudge them any growth that is fairly made or due to the natural advantages of their position. I am willing to join hon. gentlemen opposite in congratulating the country on the remarkable progress made by such cities as Toronto, in Ontario, or Montreal in Quebec. But is the growth of those cities to be taken as a fair indication of the growth of the population generally? What has been the growth in the good city of Quebec or the good cities of Halifax, St. John or Charlottetown? True, some places have benefited, though quite as much, I believe, from the natural advantages of their position as from anything in the policy of hon. gentlemen opposite. But I say that while it is very doubtful if the progress that has been made would not have been quiet as great if these artificial stimuli had been withdrawn, what there can be no possibility of doubt is that under the false pretext of advancing a few interests we have enormously increased our debts and our taxes, we have suffered a frightful loss of people, and we have failed to settle the new territory on which so much depends. Briefly I say, that the policy of the Government has resulted in this, it has made a few score, peradventure a few hundreds, of men much richer than they ought honestly have been, and has made several millions of people, from one end of the country to the other, very much poorer than they ought to be to-day. (*Hear Hear.*) Now I am not so young a politician as not to know that for purposes of political support, and notably in Canada to-day, the rich few are able, to a very great extent, to outweigh the many. I know perfectly well that they are exceedingly useful for the purpose of supplying those necessary funds which are required to manipulate refractory constituencies. I know that they understand, and understand well, how to control the public press, aye, and to hoodwink a very considerable number of people at whose expense they are growing rich. The hon. gentleman was wise enough not to say much about another point of some interest, I have noticed in these discussions that his friends in the House and his friends

outside want to talk a great deal of notable victory which the protective policy lately obtained in the United States, when Free Trade and Cleveland received a popular majority of 100,000 in the whole of the United States. They are very fond of pointing to the number of the seats they hold in this House as conclusive and absolute proof of their superior sagacity and wisdom. Well, I can tell the hon. gentlemen that I know myself of twelve seats in the Province of Ontario, enough to have completely reversed their position in the House, if they had been transferred to where they belonged—I know or twelve seats in Ontario which were carried by a collective majority, for the whole twelve of 383 votes. Why, I myself, my hon. friend from Brant (Mr. Sommerville), my hon. friend from North Oxford (Mr. Sutherland)—we could have polled, if we had chosen to exert ourselves, an additional Liberal majority in those three constituencies, ten times greater than the whole collective majority of 383 in the twelve counties I have referred to.

HOW THE MAJORITY WAS OBTAINED.

And that majority of 383 was obtained by bribery, by virtue of the Gerrymander Act, by virtue of Franchise Bills, by virtue of Indian votes, by virtue of public buildings, erected in places 500 or 600 strong, and by every other known means of corruption of which I have heard or read. I now come to a still more important question, and that is: What possible remedies for these evils, which have grown to such a height, can we suggest? In my opinion the remedies are two. First of all—and as to this I do not blame the hon. the Minister of Finance so much, because he is but a young member of the Cabinet, and though he is constitutionally responsible for the sins of the Government, still he is not responsible, morally, for all of them, fortunately for himself. He would have a heavy burden to carry out into the wilderness if he were to be made the scapegoat. Now, these hon. gentlemen, for their own reasons, for their own objects, have chosen deliberately to destroy the whole financial basis on which our Confederation rested, and I say there is but one remedy for that. We have now come to a point when, if we wish to establish sound relations among the Provinces of the Dominion, we must put a check on the one hand to this unfair and vexatious interference on the part of the Dominion Government with provincial rights; and, on



the other hand, to the constant demand made by the Provinces on the Treasury of the Dominion. I say that our present system is as bad as bad can be; I say that it is faulty in every possible respect; I say that it is unsound, both in principle and practice, and is contrary to every constitutional doctrine by which representative countries have ever been governed. What does it mean? It means that one body of men are to spend the money and another to find it. Could you devise a system which does more mischief, which gives of necessity more encouragement to bribery, which offers a more direct premium to extravagance than the policy the hon. gentlemen opposite have initiated. (*Hear, hear.*) They were not to blame perhaps for the introduction of the system of subsidies in the first instance, because it is probable Confederation could not have been brought about otherwise; but they are to blame, and they have been to blame, after Confederation was once brought about, for destroying the financial basis on which Confederation rested.

THE TRUE REMEDY.

The remedy I offer is revision of the constitution. We may have to pay handsomely for past folly, but almost at any cost it is better that we should establish matters on a firm and stable basis, that the Provinces should go their way and manage their own affairs, and the Dominion Parliament for the future go its way and manage its own affairs. The second remedy is the one indicated by me and my friends here in our places last year. That remedy is to seek for trade relations where alone really valuable enlarged trade relations can be found. It is to seek for them within our reach and at our door, not 10,000 miles away—not in the Antipodes, not to go to South America for what we can get ten times better in North America and at one-twentieth of the cost and trouble (*loud cheers*); but let me say that if ever official returns spoke in trumpet tones in confirmation of the policy advocated on this side and the line we took last year, they are the identical trade returns I have in my hand. What are the facts? I have mentioned them before, but they will bear reciting again. What do these returns tell us? They tell us that last year, out of a total trade of \$193,050,000, we had a trade with the United States of \$91,053,913; they tell us that out of a total volume of exports of our own produce

of \$81,382,000, not mentioning goods we do not produce, the United States has bought from us \$40,407,483 worth, Great Britain \$33,648,000, and the whole of the rest of the world, excepting the United States, \$40,974,000—just \$500,000 worth more than the United States did; and yet we are to turn our back on the United States and are to go 10,000 miles away to see if somebody will buy a few dollars worth of goods from us. Now, is it not a thing which he that runs may read, a thing which ought to open, if anything can

OPEN THE EYES OF GENTLEMEN OPPOSITE

that at the very moment when they were occupied in this House belittling our trade with the United States last year—they are learning more wisdom now, I am happy to say—talking grandiloquently of how well Canada could do without the trade of the United States, the United States trade with us was growing by leaps and bounds. Could there be a better proof of the immense possibilities that that trade would afford to us, if under proper development, than the fact that, fettered and handcuffed as it is, with all the impediments that two hostile tariffs can throw in its way, nevertheless last year, while we were deliberately refusing to consider the question, that trade increased by well nigh \$10,000,000; and those returns hardly indicate the true trade. In the first place, it is well known that our exports to the United States are

SYSTEMATICALLY, UNDER-VALUED.

It is well known that what are called short returns are probably a good deal too small. I have here the United States returns for 1887, and likewise our own returns for 1887, and I call the attention of the House to a few notable facts. According to the United States returns, in 1887 we sent to the United States, paying duty, 58,071 cattle. Our own returns only showed 45,984. We sent to the United States, by their returns, 20,695 horses; our returns only showed 18,527. We sent to the United States 477,752 sheep, according to their returns, while our returns only showed 363,000, besides a large number of all these kinds of animals entered as not paying duty. I cannot say how far or how much may be involved in that item, but it does appear to me that a very considerable amount ought to be added on both sides, exports and imports, to

the volume of our trade with the United States, and the more so, as it is known to me, and I dare say to the Minister of Customs, that in spite of all the restrictions which he has placed on that trade, and in spite of all the vigilance of his officers, a great many of the goods do find their way into Canada without the formality of going through the custom house.

Hon. members—"Do you call that a formality?"

Sir R. CARTWRIGHT—I will not say that going through the custom house is a mere formality, but I will say without paying

TRIBUTE TO OUR CANADIAN CÆSAR.

I am not going at this hour to repeat many of the arguments which I used last year. Those arguments have not yet been met or answered, and therefore I will refer hon. gentlemen opposite to the speech which I then delivered for the further arguments I could very easily advance in regard to this matter. I have no doubt that, if any hon. gentlemen on that side desire to take up our challenge, they will find many of my hon. friends here ready to make our views plain to their understanding, if they are not now. What is wanted just now is rather to understand exactly the obstacles which are in our way, and I contend that the chief obstacle to the carrying out of the well understood and well ascertained wishes of the people of Canada is the conduct and past attitude of the Government of Canada. Their fault in that respect is very much the same as their fault in the matter of the fisheries. They have managed, in some way or other, to convince the people of the United States, and to convince the Government of the United States, that the Government of Canada, whatever the people of Canada may be, are not at all desirous of cultivating friendly relations with the United States. I cannot stop now to discuss how much of that feeling may be due to the downright stupidity of the Government, as shown in the case of the export duty on sawlogs, how much of it may be due to mere selfishness, how much may be due to a desire on their part to promote their own interests and the interests of the combines and manufacturers which they represent, but there is too much reason to fear that these men are to-day the secret opponents of the wishes of the people of Canada. They hardly dare openly to avow the hostility to the United States which they manifested last year,

because they had several lessons which must have opened their eyes to the fact that a very large number of the people of Canada desire full and

FREE AND UNRESTRICTED TRADE WITH THE UNITED STATES.

(*Loud cheers.*) But there is danger that privately they will do everything they can to make a fair treaty impossible. It cannot well be otherwise. Reciprocity between the United States and Canada means wealth and freedom to a very large proportion of our people—freedom particularly from unjust taxation, and from the power which this tariff put in the hands of the monopolists who are grinding the people of Canada to-day. Therefore, the Government to-day cannot earnestly seek to promote reciprocity, though it may be in their interests to so pretend. Unless the people of Canada convince them that it is at their peril that they push their negligence any further they will conduct these negotiations in such a way as to lead to foreseen and predestined failure. I do not think they will dare to provoke the United States, but I believe they will interpose obstacles between what we desire and its accomplishment. This is a case in which you must judge these men not by their words but by their acts, and it is by their acts in the past that we have to judge them; it is from noting such paltry quibbles as that in regard to packages on fruit, it is from noting such mistakes as that in regard to the export duty on logs, it is by such acts as these that I judge that, if they dared, they would be hostile to the people of the United States. I have shown what I believed, and I have given reasons for my belief, to be the true interest of this country at present. I am very far from saying that the position in which we find ourselves is the inevitable result of Confederation. I believe, on the contrary, that with reasonable prudence, our position might be very much better than it is. But it is idle to discuss that now. We are not concerned with what might have been, but with what is at this day and in this hour. I contend that our position is one of arrested development, and I say that, all things considered, this is the best way out of it. I say that not only is the project we advocate

EMINENTLY CALCULATED TO BENEFIT US MATERIALLY,
but I claim for it this benefit, this indirect result, that, if it were carried out, it would necessarily curb the ex-

travagance we deplore, and would, to a great extent, though perhaps not altogether, because that mainly depends on the people themselves, ensure honest government in this country. The moment is opportune. Almost the last act of the House of Representatives in the United States was to pass unanimously a resolution which may not perhaps indicate the precise mode or the precise way in which commercial relations between the countries can best be settled, but which I take and which the Government should take, as holding out the olive branch to us, which is more than we deserve or than the Government deserves on the part of the United States. It is a declaration that they are prepared to treat with us for freer trade relations, and it is an answer to the absurd statement which has been made that the United States had not any desire for free and fair trade on free and fair terms with the people of Canada. More than that, it is

A TRUMPHANT VINDICATION

of the position which we have always taken on this subject. Let us do our duty. Let us show to the United States that we are truly desirous of freedom of trade and friendly relations with them, and I am perfectly certain that, when the time comes and the United States are fairly approached, they will be willing to meet us in the same spirit. In order that there may be no mistake, and that the Government may understand that we are determined to fight this question out on the same lines that we have always fought it, I beg to move in amendment that you do not now leave the Chair, but that all the words after "that" be struck out, and that it be resolved:

In the present condition of affairs, and in view of the recent action of the House of Representatives of the United States, it is expedient that steps should be taken to ascertain on what terms and conditions arrangements can be effected with the United States for the purpose of securing full and unrestricted reciprocity of trade therewith.

SIR RICHARD CARTWRIGHT resumed his seat amidst prolonged applause.

