

**“Wise Expenditure is True Economy”**

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# **THE NEW CANADA**

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**Speech of Hon. W. S. Fielding**

**Minister of Finance,**

House of Commons, August 3, 1904.

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“The lesser sum our predecessors expended was extravagance, because they did not have it to expend; the larger sum we have expended is economy, because we have lived within our means.”

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## THE NEW CANADA.

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Hon. W. S. Fielding (Minister of Finance). Mr. Speaker, I believe it was Abraham Lincoln who was credited with the well known observation that you may fool all the people some of the time, that you may fool some of the people all the time, but that you cannot fool all the people all the time. It occurs to me that that which Mr. Lincoln regarded as impossible is what my hon. friends opposite undertake in these annual motions with respect to the public expenditures. Year after year we go through this proceeding, which, so far as hon. gentlemen are concerned, I might almost describe, without using the word in an offensive sense, as farcical. Each succeeding year, at the same period near the end of the session, some hon. gentleman on the other side of the House undertakes to present a dreadful picture of the financial condition of this country. He rolls up all the possible votes he can find, he searches the estimates, the statutes, the railway subsidies and everything of this kind, he rolls them up into one tremendous whole, he puts them up before the public eye, and he says: "See these vast expenditures that the country is being committed to, see how extravagant and reckless the government of this country is, see how the finances of the country are going to the dogs!"

### Prediction vs. Reality.

The hon. gentleman who formerly led the opposition, and who is now no longer a member of this House, Sir Charles Tupper, began this policy in the year 1896, before this government were well settled in their seats, by presenting a picture of the dreadful prospect in store for this country at the hands of a Liberal administration, a picture of reckless financing, of ruin to the public credit and of destruction to the financial reputation of the country. Each year, towards the close of the session some hon. gentleman on the other side of the House repeats something like the same story, adding these extraordinary statements as to the expenditures that are about to be made, and calling upon the country to witness that this Dominion of Canada is in a dreadful position in regard to its finances, or will be at the time at which the current year shall end. But as each year rolls around, as the end of the year is reached, as stock is taken and as the accounts are closed, these hon. gentlemen are brought face to face with the very gratifying fact that the finances of Canada have been flourishing to a greater degree than at any previous period in our history. And then, as the session rolls on, and we reach the last week, again we have the same old story repeated, the same magnified account of the position which the government are in, and the same dire predictions of all that is going to happen

to the Dominion finances under the administration of a Liberal Government. I would remind my hon. friends opposite of the old fable of the boy who cried "wolf," "wolf." He cried "wolf," "wolf" when there was no wolf, but when the wolf did come we know what happened. If, perchance, as years roll on, this government should become reckless and extravagant, and if hon. gentlemen opposite should wish to give the alarm to the country, they will be reminded that they cried "wolf," "wolf," in times of prosperity, and they will be told that they are not to be trusted when it comes to the criticism of the public finances. I said that there was something farcical—I use the word in no discourteous sense—in the course of my hon. friends opposite, and when I said that I had in my mind the contrast between the policy of hon. gentlemen opposite as manifested in solemn resolution and speech, and the policy which they have manifested by their course throughout the session.

### Where is the Opposition Economy?

Have these hon. gentlemen opposite, who are now the advocates of economy, made one proposition for the reduction of taxation? Have they made one proposition for the reduction of expenditure? If you searched with a microscope the records of this session you might find some place where they asked to strike out a dollar and a half, but I do not think you could find any considerable amount which they have asked to be struck out. I cannot at the moment recall any motion in which they have proposed to strike out of the estimates during the present session any sum of money. If they have made some motion of that kind, I venture to say the amount involved was very small.

Mr. Taylor.—Was the hon. gentleman here the other night when a motion was made to strike out \$60,000?

Mr. Fielding.—Did the hon. gentleman divide the committee on the question of striking that out of the estimates?

Mr. Taylor.—Yes.

Mr. Fielding.—Well, then, I am willing to be corrected to the extent of \$60,000. Then let it be known throughout the length and breadth of the land that out of this enormously large appropriation, which hon. gentlemen place anywhere at from \$200,000,000 to \$250,000,000 per annum, they did, on one occasion, move to strike out \$60,000. I want them to receive credit for that, and I trust that none of our friends will hereafter make that statement, but will recognize the fact that to the extent of more than ninety-nine per cent. of these estimates they are allowed to go without challenge, and that only a fraction of one per cent., a very fragmentary amount as compared with the whole, is challenged. For every case in which my hon. friends opposite can show that they proposed to reduce a single dollar of the expenditure, we will show proposals to increase the expenditure of the country by \$10 coming from the other side of the House. We have found again and again, on the part of the hon. gentlemen opposite, demands for increased expenditures.

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## Opposition Propose to Spend Millions More.

I need not go into the minor branches, but we are constantly reminded in the criticism of the estimates that in some part of the public service there is need of a larger expenditure. My hon. friend from Pictou (Mr. Bell) did me the courtesy of handing me yesterday afternoon a copy of his motion. He handed it to me during a friendly conversation we had in the corridor. I came into the House five minutes after I had obtained this motion of my hon. friend, and I heard one of the chief lieutenants of the opposition standing in his place opposite me denouncing the government for not spending more money on the militia of the country. I heard him with scorn and indignation say that we were only spending thirty-seven cents per head of the population on the militia of the country, and that there were only two other countries that were spending so little—Corea and Costa Rica. My hon. friend from Pictou, when dealing with this resolution, had conveniently forgotten that the echoes of the voice of my hon. friend from North Victoria (Mr. Sam. Hughes) had hardly left the room, wherein he demanded that we should expend larger sums on the militia. These hon. gentlemen, on a general vote, condemn our expenditures, but again and again their voices are loudest in demanding that we shall increase our expenditure. I see my genial friend from South Lanark (Mr. Haggart) sitting opposite me. He is going to vote for this resolution declaring that we are spending too much money, but my hon. friend accompanied a deputation the other day to this government to demand a new expenditure upon a great public work which is estimated to cost \$100,000,000.

An hon. Member.—He will not vote for this motion.

Mr. Fielding.—My hon. friend may vote for it, because he is a good party man, but I know what his opinion would be. Hon. gentlemen opposite, though it may be to a lesser degree and in respect to smaller sums, are constantly demanding that this government shall make further appropriations. Again and again these demands have been made. I remember a year ago, when making a similar speech, I had occasion to remind one of my hon. friends opposite that his chief grievance was that we would not spend a great deal of money in sending out an expedition to search for the North Pole, and we were condemned for not doing it. All along the line there have been demands for increased expenditure, and hon. gentlemen opposite are not able, except in the one case to which the hon. member for Leeds has referred, to challenge the propriety of any of these expenditures.

## The Grand Trunk Pacific.

Mr. Taylor.—What about the Grand Trunk Pacific?

Mr. Fielding.—The Grand Trunk Pacific? Why the hon. gentlemen have out-heroded Herod there. After denouncing the Grand Trunk Pacific, they proposed another scheme for a few days which would have enormously added

to the debt of this country. I do them justice to say that after a very short time they became ashamed of it and it is never mentioned now.

Oh no, they never mention it,  
Its name is never heard.

As a substitute for it we had our hon. friends recently declaring that they would build the whole of this Grand Trunk Pacific as a government work. As a government work it would probably cost a great deal of money and my hon. friends can hardly make a reputation for economy by declaring that they want to build the Grand Trunk Pacific as a government work.

### Expenditure Reduced in 1903.

My hon. friend (Mr. Bell) who has moved this motion has constantly spoken about the enormous increase of the expenditure. He says that from year to year the expenditure is increasing. Well it would not be a remarkable condition in a country like Canada if the expenditure did always increase. But as a matter of fact my hon. friend is not correct. In the last blue-books which have been placed on the table of this House with regard to the public expenditure we find that in 1902, our gross expenditure of all classes aggregated \$63,970,799, and in 1903 our gross expenditure of all classes aggregated \$61,746,591. Thus, according to the public accounts of the last year that have been laid before the House, there was in that year not an increase of expenditure but a decrease in expenditure to the extent of \$2,224,228.

### Prediction vs. Reality.

My hon. friend referred last year to these enormous estimates and he proposed to treat them all as something coming on us immediately and he made them out—I was going to say about two hundred millions, but he has gone a little better to-day in his figures and says \$250,000,000. That was the tremendous bill of fare he offered, the dreadful alarm he sounded a year ago, before the intelligent people of this country. What must be their astonishment when they find that the year has ended and although the accounts are not finally made up to the last cent, I have been able to announce that instead of spending the enormous sum of \$250,000,000 or anything like it, the actual expenditure for the year was \$66,000,000. My hon. friend tried to scare the life out of the people last year with his dreadful story of a probable expenditure of \$250,000,000. My hon. friend may say that he never said it was all going to be spent in one year, but he was not very particular to explain that, and I think that many who heard him or read that speech would conclude it was proposed to spend \$200,000,000 or \$250,000,000 in one year. These expenditures to which my hon. friend refers covered a number of years. Take for example the expenditure for railway subsidies. Some of these appropriations are not expended at all. In many cases the companies are not able to do the work promptly and there is delay. Occasionally they have not been able to do the work at all, and the

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appropriations have lapsed. But in the meantime they are placed on the statute-books. My hon. friends make the most of them as a large and alarming expenditure.

### **Revenue and Taxation.**

Now it is worth while bearing in mind that the large revenue which we are constantly enjoying is not received entirely from taxes. My hon. friend, of course, is aware that we receive besides what are called taxes, that is the customs and excise duties, very considerable sums from other sources, and it is an interesting fact that the proportion of our revenue which we are taking from the people to-day by way of taxes is smaller than it was a few years ago. In 1890 the taxes collected were 79.21 per cent. of the revenue. In 1896 the taxes were 75.81 of the revenue. In 1903, the last year for which we have exact figures, the taxes were 74.22 per cent. of the revenue, which goes to show that our large expenditures are leading to large returns in other branches which are not to be regarded as taxation. That which we receive from the post office and railways and public works is not, in the ordinary sense of the word, taxation, but payments for services rendered, and the figures show that we are getting a larger percentage of our revenues from these other sources than our predecessors obtained.

### **No Increase of Burden of Taxation.**

Then it is not for a moment to be presumed that increased amount of taxation means an increased burden on the people, or an evidence that the country is suffering any serious disadvantage. An increase in the rate of taxation would be a burden to the people, but the fatal error of the figures of my hon. friend is that he deals only with the amount of the taxation of the country. If the people were poor, as in 1895-6, if they were not able to buy the goods which they desire, the amount of taxation that would be paid would be much lower than it is now. But the enlarged taxation to which he refers, that is the enlargement of the volume of taxation or the amount of revenue collected, is one of the evidences of the growth and progress and prosperity of this country. Up to a certain point a man is obliged to pay taxes. A man must up to the point of a reasonable living expense, pay the taxes on the things he consumes, but when you pass that point, which I suppose is not the same with different people, one man's needs not being the same as another's, the man becomes his own assessor; he taxes himself pretty much as he wishes. He then elects out of his greater prosperity to buy many things which he otherwise would not buy. He indulges in greater comforts, in luxuries, and he does this with the knowledge that he must contribute to the revenue of the country. Now since he is his own assessor, the increased taxes he pays, instead of being evidence of his enduring a burden, is one of the evidences of his greater prosperity and his better position as a citizen of this Dominion.

## Which Was the Better Year?

My hon. friend said that under the late government the tendency was towards a reduction of taxation, by which, as he explained, he meant that the rate of taxation per head was falling under the late government, and as he described it that was a very happy position. The country according to his view would be most happy when the rate of taxation collected per head was lowest. In 1889, the rate of taxation as he computes it, per head of population, that is the revenue collected from customs, was \$5.01. In 1895, it had fallen to \$3.50 per head. According to the argument of my hon. friend that should have been a happy and prosperous year for Canada in 1895, because the taxation of the people for customs fell from \$5.01 in 1889 to \$3.50 in 1895. That was the happy year for Canada if my hon. friend's theory is correct. In 1896 the figures were a shade higher, \$3.90. In 1904, the revenue collected from customs, as far as we can compute at present, is about \$7.40 per head. My hon. friend treats that increase of taxation of \$3.50 per head in 1895 to \$7.40 per head in 1904 as a great evil of the country. Which year would Canada most gladly have, the year 1895 with a taxation collected of \$3.50 per head, or the year 1904 with a taxation of \$7.40 per head?

### A Fallacy Exposed.

My hon. friend must see that his whole argument is fallacious to the last degree.

The condition of prosperity which he describes would be a condition of adversity, a condition of distress. Will any reasonable man say that the condition of Canada in 1895, when the people paid only \$3.50 per head, was as good for all purposes—as good for the present, as good for the people, as good for the future making of this country—as the year 1904, when we confess that we collected \$7.40 per head? That is the argument that runs all through my hon. friend's speech. He claims that the increased amount paid by the people is an evidence of burden. I deny that, and I say that the increased taxation which the people have paid is one of the evidences of their prosperity; and, far from regretting it, we should rejoice that the people have not fallen back into the dark days of 1895, when they were only able to pay \$3.50 per head.

### Taxation and Debt.

There is another view of the matter which I would like to present. My hon. friend points out that the taxation per head collected by the late government was less than that which we have collected. We frankly admit that that is so, and we have given some reasons for it. But there is another reason that might be given. If we had pursued the same policy as the late government in a very important matter, we might have got along with less money. The late government collected less money per head, but plunged the country into a heavy debt. They added enormously to the public debt of the country, and left that

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as a burden on posterity. We have not done that. To the best of our knowledge and belief, we have not added one dollar to the public debt of Canada. The figures given in the Budget speech are not final; but, so far as we can judge at present, we believe it will be found at the close of the year, when the accounts are made up, and the record of our eight years is completed, that substantially there has been no addition to the public debt—that if there is any, it will be a mere trifle. Is it fair to compare the record of a government which out of its revenues carries on enormous public works and pays its way, with the record of a government which took less taxes from the people, but put a burden of debt upon them which will last as long as grass grows and water runs? If the Conservative government had paid their way, they would have increased the taxation enormously. I do not say they should have imposed enough taxes to pay their way; perhaps they were wise in not doing it. But they must not make it a virtue that they did not increase the taxation when what they did was to add largely to the public debt of the country.

This government, they say, have spent money lavishly. We admit that we have spent liberally. On railway subsidies, on public works, on civil government, in every department of a great and growing country, there has been and necessarily must be some increase. It would be a rare thing if you could carry on the government of a country in these days of progress without some increase of expenditure in the various departments. We have spent money on railways, on canals, on great public works; we have paid the cost of sending the boys to South Africa; we have paid every ordinary expenditure, every special expenditure, every capital expenditure, bounties, railway subsidies,—everything that could be gathered into the net—and paid it all out of those taxes which my hon. friend talks about; and we come out at the end of the eight years with the record that whereas in 1896 the net public debt of the country stood at \$50.61 per head, if our anticipations of last year's operations prove to be correct, as we know they substantially will, we shall stand with a debt of \$46.31 per head. So I have shown that the increased taxation to which my hon. friend refers is simply the increased volume of money which, as my hon. friend the Minister of Customs said on one occasion, is generously offered by a grateful public, which steps up to the custom house and asks the Minister of Customs to be good enough to receive this money and apply it to the public affairs of this Dominion.

### Tariff Reductions.

But, Sir, the total volume of the taxation is of no value for the purpose of comparison in the manner in which it has been used by my hon. friend, because, as I have endeavored to show, far from being an evil, it is one of the evidences of our prosperity. But we may, with great propriety, consider what the rate of taxation has been; and there we are able to meet my hon. friend. With the exception of one or two items, which are chiefly, if not wholly, articles of luxury, we have reduced the taxation all along the line. The hon. gentle-

man may search all the items of our tariff with his microscope, and he will find that the items in which there has been any increase of duty are very few, and chiefly articles of luxury, while there has been a large reduction in the rates of duty on articles generally. Sometimes hon. gentlemen have charged us with not reducing the rates of duty, and we had to go over the tariff item by item and show the large reductions we had made. But let us take the total. In 1896, when this government came into office, the customs duties collected on dutiable goods amounted to an average of 29.942 per cent., whereas in 1903, the last year for which the figures are complete, the customs duties on dutiable goods amounted to an average of 27.064 per cent., a reduction of nearly 3 per cent.

Mr. Clancy.—That includes the preference?

Mr. Fielding.—The rates of duty actually paid by the people, no matter where the goods came from. Taking the total imports the average rate of duty paid in the year 1896 was 19.109 per cent. and the average rate in 1903 was 16.468 per cent., or a reduction of over 2½ per cent.; and yet my hon. friend would convey the impression that this government has increased the taxation of the country. The rates of taxation have not been increased; they have been reduced; but the people, owing to their greater prosperity, have been able to buy much more largely than before, and as a consequence they have cheerfully paid more money into the general treasury, even at the lower rates.

### The Sugar Duties.

My hon. friend said that the late government, feeling that they had more money than they needed, had reduced the duty on sugar. The late government never had more money than they needed. If they had they would have applied it to paying the current expenditure instead of adding \$6,500,000 per annum to the debt of the country. My hon. friend said the late government had made sugar free. There never was free sugar under the late government.

Mr. Bell.—I never said they made sugar free. In fact, I gave the figures of the duties they collected on sugar in those years. I said they had reduced the duty on sugar.

Mr. Fielding.—I think my hon. friend said that they had taken the duties off sugar. My hon. friend probably said a little more than he meant, because as a matter of fact they did not take the duty off sugar. They took the duty off raw sugar, and left the duty on refined sugar, which is the sugar the people use. That duty was reduced, but it is a mistake to say that the late government took the duty off sugar, or that the duty is higher to-day than it was under the late government. This government has made a change in the sugar duties, and it has made that change for two purposes. One purpose was to change the scale so that instead of a flat rate on all classes of refined, irrespective of quality, the duty should vary and operate the same as an ad volorem duty. Therefore we adopted what is called the polariscopic test, whereby the rate of duty varies

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according to the strength of the sugar, and that is regarded as the most scientific method of levying the tax. Then we made a change for the purpose of granting a preference to the British West Indies, and for a time there was an increase in the duties levied on sugar. But I am advised by the customs officials—although the figures are not in a condition to use in any volume—that while in 1896 the duty on refined sugar was \$1.14 per hundred pounds, the returns of last year will show that the people are only paying \$1.11½ per hundred pounds. So that we have actually reduced the duty on sugar and not increased it. To prevent any misunderstanding, let me say that I am now speaking of the duty on refined sugar. But raw sugar is not used by our people. There was a time, even in my memory, when the brown sugar of the West Indies was largely used by the people, but that time passed away to a large extent even before the present government came into power; and with a better condition of the people, with the people getting higher wages than before, they do not use the West India sugar in its raw condition, and even the poorer classes consume very largely the products of our Canadian refineries. Therefore, so far as the consumer is concerned, we need not bother about the duty on raw sugar. The refiner has to look after that. And on the refined sugar the duty now is \$1.11½ per hundred pounds as compared with \$1.14 per hundred pounds in 1896.

### The Duties on Tobacco.

My hon. friend had something to say about tobacco. He wanted to know what my constituents were going to say about the increased duty on that article. Well, my constituents have spoken on that subject. There was no question more discussed in the last election campaign than the duty on tobacco. We had to acknowledge there was an increase, but we went to the people and explained that there are things more important than the duty on tobacco, and that although there was an increase in that duty, the increase was imposed in part for the purpose of guarding against any loss in revenue arising from the changes we were making in the tariff, and also for the purpose of encouraging an important industry in Canada. And I am glad to say that Canadian tobacco is being more largely used by our people and they are beginning to appreciate it more than they did before. I was able to show to the people of that section, as I would to any other section of intelligent people, that the duty on tobacco was only one item, and that if they would look over the whole list they would see that the policy of the government actually decreased the taxation of the people. And should I have the occasion to go down and discuss the question with the people of my constituency, and should I happen to be asked why we put an increased duty on tobacco, I could very well reply: You can well afford to pay an increased duty on tobacco because of the many things this government have done for the people, and no better evidence can be found of what this government have done than in Nova Scotia and in my own constituency. I might say to them that whereas from year to year in the time of the late government, they sought in vain the conveniences of railway communication which were to be found in most parts of the Dominion, whereas in those days these two counties by the sea shore had no railways, all that is changed. We can go now to a part of that constituency by railway and the day is close at hand when the two counties will have a railway running through them. And if there is no more serious charge against the government than the increased duty on tobacco, I will be able to show in that as well as other parts of the Dominion, by the general record of our administration, that the condition of the

people has been improved, that higher wages are paid the labouring classes, that progress is made on every side, and all this will more than counterbalance that increase of duty.

### Opposition Advocate Increased Taxes on Tobacco.

But my hon. friends opposite have saved us the trouble of meeting that charge. Only a few days ago they brought forward and voted for a resolution asking that the duty on tobacco be increased. After these hon. gentlemen had gone down into the fishing sections and denounced the government for its policy on the tobacco question, after they had denounced it for increasing the duty, we had the hon. member for Jacques Cartier (Mr. Monk) coming forward with a motion declaring that the protection we are giving Canadian tobacco is not large enough, and that the duty on foreign tobacco should be increased.

Mr. F. D. Monk.—This is the second time my hon. friend has misrepresented me. I advocated last year an expenditure for the sending of an expedition to the North Pole, and at the same time I advocated reducing the grant of \$1,000,000 for importing useless immigrants into this country, spreading disease and making competition to our working men. In the second place, I advocated a change of the duties upon tobacco. I advocated an increase of the custom duties and a reduction of the excise duties, which would simply change the nature of the burden and develop a patriotic industry. But developing a patriotic industry is something my hon. friend does not understand.

Mr. Fielding.—I do not know that my hon. friend is the embodiment of patriotism, or that he is so regarded by the hon. gentlemen with whom he associates. We need not, however, get into a discussion on that point. I am content to take his statement, that he was advocating an increase of the customs duties on tobacco.

Mr. Monk.—And a reduction of excise.

Mr. Fielding.—It is not the excise on Canadian tobacco that my hon. friends opposite have been denouncing in the maritime province, but the increased duty on foreign tobacco. And my hon. friend advocated an increase in that customs duty.

Mr. Monk.—And a reduction of the excise.

Mr. Fielding.—Exactly. But we are not discussing the excise. The excise duty is not discussed among our fishermen. When the hon. gentleman's friends go down by the sea and denounce the government on this tobacco question, what they complain of is the increase in the customs duty. It does not always help us to be able to show that we are building up a Canadian industry and that there is a better quality of Canadian tobacco now being produced. These hon. gentlemen opposite will not give us credit for that, but complain of our increase of the customs duties. We advise our people to use the Canadian tobacco, and I am glad to say they are using it largely, but many of them do not like it. The complaint of our opponents has been that we have increased the duty on the foreign article.

Mr. Monk.—I want the excise to be diminished, so that the Canadian article will be cheaper.

Mr. Fielding.—I am not objecting to any encouragement given the Canadian tobacco industry. That industry has received more encouragement under this

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government than it ever did from hon. gentlemen opposite, and the Canadian tobacco industry is developing in a way it never did before. While it was depending on hon. gentlemen opposite it made but small progress.

### Opposition Taxation Policy.

These hon. gentlemen complain of taxation, but is not their whole policy to increase the burdens of the country? Is not that their policy when they advocate increased protection? Is there anybody so foolish as to deny that increased protection means increased taxation? It may mean increased taxation and increased revenue, or it may mean increased taxation, not for the benefit of the revenue, but for the benefit of the manufacturers. But in either case it means increased taxation. How these hon. gentlemen can call us to account for increased taxation under the circumstances, is something I cannot understand.

In dealing with the expenditure my hon. friend spoke of the increased cost of the census. Well, that has been fully discussed already, and I do not think it would be wise to occupy much time with it. The hon. Minister of Agriculture (Mr. Fisher) who has charge of that department, has entered very fully into that question, and has shown how the census which has recently been taken differs in character from the census of the previous period. He has shown that the volume of information is much larger and that there was necessarily an increase of expenditure. That has been fully explained, and I will not dwell upon it. My hon. friend referred to expenditures on public works. But I would remind him that while he denounced these expenditures generally, it is seldom indeed that he or his friends can be found to challenge any particular item of expenditure and move to strike it out.

### Causes of Increased Expenditure.

Now, what are the other branches in which there has been an increase? For, of course, we admit that there has been a great increase. But many of these increases are only in appearance. Some of them are only cross-entries and so mere matters of book-keeping, while some bring back revenues vastly in excess of the increase of expenditure. For instance, we increased the payment for sinking fund by \$565,000 in 1903 as compared with 1896. But that is money which simply passes from one pocket to the other. It comes from the ordinary revenue and goes into investment. On Railways and Canals chargeable to collection, the increase in 1903, as compared with 1896, was \$3,395,000. That swells the total expenditure on which hon. gentlemen dwell so strongly. But they forget to say there has been an increase of revenue on this account of \$3,334,000, so that the actual increase on that account is not very great. We have expended on quarantines, as my hon. friend said, more than our predecessors. But I am satisfied that the government would not be condemned for that by members of the House who understand the matter. Why, we have heard some hon. members in this House complain because we have not shown greater diligence, because we have not made a larger organization to prevent the bringing in of diseased immigrants and other persons. The hon. member for Jacques Cartier (Mr. Monk) has this moment said that he advocated a reduction on the expenditure of immigration. I shall have a word to say about that in a moment. But, if immigrants and other persons are to come into our country, there must be proper arrangements for the protection of the public health by means of quarantine. I do not think that any one who understands the question will complain of the government on that score.

### Opening of the Yukon.

We have expended a large sum on the Yukon; no such sum was expended by the late government. This expenditure of ours in the Yukon is added to the other expenditures to swell the total. But these hon. gentlemen who dwell upon that increased expenditure always forget to tell us that for every dollar we have spent on the Yukon practically we have got a dollar back. In fact to a recent date we have made money upon the Yukon. I do not recollect what is shown by the more recent statements, but, I believe that, except for some expenditures on capital account, the Yukon has returned every dollar that has been spent upon it. So, while hon. gentlemen try to make this expenditure a means of alarming the country, we have made it the means of opening up and developing a territory that was unknown to them when they were in power.

### Encouragement of the Fisheries.

We have expended more on fisheries. As between 1896 and 1903, there has been an increase of about \$100,000. Are we to be condemned for that? Have we not heard hon. gentlemen on both sides of this House, during this very session, express the opinion that larger expenditures should be made upon fisheries, that experiments and investigations should be carried on in order to enable us to develop and utilize the fisheries of British Columbia and the maritime provinces? Where is the member of this House who will vote to reduce the expenditure devoted to the development of the fishing industry of this country.

### Profitable Expenditure.

We have increased the expenditure on customs by \$332,696 in 1903 as compared with 1896. But that increased expenditure represents the cost of collecting an increased revenue amounting to no less than \$17,168,447. Does anybody expect that we are to collect a revenue of \$37,000,000 in customs in 1903 for the same amount that was expended in collecting a revenue of \$19,000,000 in 1896? We have increased to a small extent the expenditure on excise. The expenditure in 1903 was \$8,114 more than that of 1896. But the receipts during that time have increased to the extent of \$4,087,773. Does anybody mean to say that you are going to collect \$12,000,000 in 1903, as against \$7,900,000 in 1896, and yet add nothing to the expenses of collection? We have increased the expenditure on post offices between 1896 and 1903 by \$440,167. But the receipts of that department, in the meantime, have increased to the extent of \$1,430,000. We have increased the expenditure on militia, as between 1896 and 1903, to the extent of \$826,295. These sums are all given in the grand total which my hon. friend rolls up with a view to alarming the country. Yet, only yesterday, as I have said, we had the hon. member for North Victoria (Mr. Sam Hughes) complaining, not that we expend too much on the militia, but that we expend only 37 cents per head when we ought to be spending at least eight or ten times that amount.

### Successful Immigration Policy.

The hon. member for Jacques Cartier (Mr. Monk) has referred to the expenditure on immigration. If there is anything that this government should be proud of it is the policy of the Minister of the Interior with regard to immigration and the results of that policy in bringing immigrants into this country. I am glad that my hon. friend made allusion to that. It is true that in 1896 they expended on immigration \$120,000, and that in 1903 we spent

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\$642,913, an increase under this administration of more than half a million dollars. But, for the little that hon. gentlemen opposite spent in 1896 they had nothing to show, except that certain immigrants came into the country and travelled through our country to the United States. To-day we can point with pride to a record of 100,000 people coming into the Northwest every year, adding vastly to the wealth of the territories and to the wealth of the whole Dominion. When my hon. friend speaks of the expenditure on immigration as something to be condemned, I tell him it is something that every member of this government and every supporter of this government means to speak of from this day on with the utmost pride.

### Increased Grants to the Northwest.

We have increased the allowance for the government of the Northwest Territories. In 1896, the sums which the late government provided for the carrying on of the government of the Northwest Territories amounted to \$330,702. We plead guilty to having appropriated for that service last year \$802,466, an increase of \$471,000. We are arraigned by this resolution for having expended that money. We are told that these expenditures are lavish and extravagant. But it is useless to talk about these expenditures in bulk; it is only by going over them item by item as I have done that you can discuss them intelligently. And, when we go to the people of the Northwest Territories, and tell them that, having due regard to the increasing population of that country, recognizing the great needs of that country for development, and voicing the determination of the people and parliament of Canada to deal liberally and generously with the new territory, we do not intend to apologize in the face of the hon. gentleman's motion, for an increase of nearly half a million in the grants to the Northwest Territories. Instead of that, we are providing for a further large increase this year.

### All Sections Fairly Treated.

My hon. friend from Pictou (Mr. Bell) did me the honor to allude to some discussion which took place in the Nova Scotia legislature some years ago. He represented that I had alleged that Nova Scotia was not then getting her fair share of Dominion taxation. Well, without entering into the question as at that time, I think it can be fairly said that Nova Scotia to-day is receiving a fair share of the taxation that is collected.

Mr. Haggart.—Hear, hear.

Mr. Fielding.—My hon. friend from South Lannark (Mr. Haggart) endorses that. I am glad I have his endorsation, and I want to have his words taken down in "Hansard." I am going to find them valuable.

Mr. Haggart.—So am I.

Mr. Fielding.—The hon. gentleman says, "so am I." The object is plain. While my hon. friend from Pictou (Mr. Bell) will seek to convey the impression to the people of Nova Scotia that they are being burdened with taxation with-receiving a fair share of the revenue, my hon. friend from South Lanark and others will go into Ontario to try and show that Nova Scotia is getting too much. All these things are foolish. I did not say that one province is getting too much or that it is getting too little. This government is willing to consider the needs and claims of all the provinces. In one department one province gets more, and in another department another province gets more. But if you

examine the matter fairly you will find it is about even, and that each and every part of the Dominion is receiving recognition in accordance with its needs.

My hon. friend and I threshed out these questions in Nova Scotia many years ago. I do not know whether he or I have the more painful recollection of it. He thinks I have a painful recollection. I do not know that either of us should be pained; but I am satisfied that if pain there is on the part of either one of us, my hon. friend will share as much of it as I do. At all events, we threshed these questions out year after year, we took the verdict of the people of Nova Scotia upon them, and that verdict never failed to be in accordance with the policy which I endeavored to pursue. My hon. friend has referred to the finances of the province. I tell him that at that time the government of which he was for a short time a member, left the financial affairs of that province in a condition which was viewed with considerable anxiety and distrust. But under the administration of the Liberal government the condition of the province was improved, order was brought out of chaos, the finances were improved, new projects were started, projects which the hon. gentleman's friends fought to the utmost, but projects which have been the means of restoring that province as to its financial affairs, until to-day it is one of the most prosperous provinces of the Dominion of Canada. Let me say that the Nova Scotia Liberals, having brought their own province into a better financial position, have been glad to have an opportunity, as my friends from that province will say, to come to Ottawa and assist their friends in the other provinces in bringing the Dominion out of the slough of despond in which it had been placed by the government of hon. gentlemen opposite.

### The New Canada.

Last year I reminded my hon. friend, as I must do again, that he fails to realize the great change that has been brought about in this country. The Canada of to-day is not the Canada of 1896. The Canada of 1896 would hardly be recognized by people who look upon the new Canada that has grown up under a Liberal administration. Why, in 1896, in every part of this Dominion, there was a condition—shall I say of depression? That is too strong a word. There was a condition of discouragement, the people were not satisfied with their condition under the advantages which hon. gentlemen alleged they gave them as a consequence of their policy. It must be said that the condition of Canada in 1896, under the Conservative party, was not a satisfactory one. Some progress, indeed, had been made; you cannot prevent a country like this from making some progress; but it was very small. Take a few items, they are not new, they have been given before, but they are never old. The Canada that he speaks of, the Canada of 1896, which he used for a comparison, had a total trade of \$239,000,000; the new Canada which has grown up under the Liberal administration has a total trade of \$470,000,000. The Canada of that date had deposits in the savings banks and chartered banks of \$183,000,000; the new Canada of to-day has deposits of \$423,000,000. We might go through all the items of trade and commerce. I have dealt with them before, but I ask my hon. friend, in making these comparisons, to remember that the Canada of 1896 was a vastly different country from the country of to-day. This government have recognized the changing conditions; and I have no doubt the legislation which we have introduced has in some degree—in how large a degree may be a matter of debate—but it has in some considerable degree been one of the instrumentalities by which this greater progress has been made. My hon. friend must remember that in making these comparisons he shuts his eyes to the old condition as compared with the new. He must remember that under a Liberal administration Canada has made enormous progress, and if we have expended these moneys we have expended them to the advantage and development of the country, we have expended them also for reasons that will commend themselves to sound financiers. If hon. gentlemen opposite spent little money, they spent more than they had and ran into debt; the lesser sum that they spent was extravagance; the more that we spend is economy, because we have lived within our means.