

Recapitulation—South Africa Contingents and Halifax Garrison.

The expenditure on the South African war and Halifax garrison may be summarized thus:

Expended in 1899-1900 for South Africa contingents and the Halifax garrison	\$1,547,623 74
Expended from June 30, 1900, to Feb. 28, for South Africa contingents and Halifax garrison	724,068 50
Estimated further expenditure to June 30, 1900	120,000 00
Total	\$2,391,692 24

So that at the close of the fiscal year the account will probably stand, \$2,000,000 expended for the contingent in South Africa and \$387,000 expended on account of the garrison at Halifax.

CANADIAN SECURITIES AND THE TRUSTEE LIST.

I am glad to be able to make a very satisfactory statement with regard to the credit and standing of Canada abroad. Happily, under all governments Canada's credit for a long time has been strong, and we have reason to congratulate ourselves that during the past two or three years circumstances have helped us to add to that strength. The House will remember that in the last parliament we passed an Act whereby, in conjunction with an Imperial Act, arrangements were made for placing Canadian securities upon what is called the Trustee List of England. It has happened that during the past year or two the condition of the money market in England has been one of considerable severity. If we were merely to look at the quotations for our loans, without reference to the conditions surrounding them, we might easily reach the conclusion that Canada had merely held the credit she had several years ago. I think, however, we can comfort ourselves in the belief that we have strengthened our position somewhat. Our $2\frac{1}{2}$ per cent loan, which I had the pleasure of placing in London in 1897, was issued at a little more than $91\frac{1}{2}$, £90 10s. and a fraction. These stocks went as high in 1898 as $91\frac{1}{2}$, and they have been as low at times as 89. In the latest quotations our Canadian $2\frac{1}{2}$ per cents are quoted at 92, which is only a fraction better than they were when they were placed on the market in 1897. But if we would correctly understand our position

in this respect, we will look at the price of standard British securities, the consols, as they stood in 1897, and as they stand now. We find that in 1897, when our loan was issued at $91\frac{1}{2}$ and a fraction more, British consols were quoted as high as $113\frac{1}{2}$. To-day Canada's securities stand a fraction better than they did when they were placed on the market in 1897, but British consols, which were quoted as high in that year as $113\frac{1}{2}$, have in consequence of the stringency of the money market and the difficulties arising from the war, fallen as low as $97\frac{1}{2}$. So when you come to compare the conditions as they were in 1897 and the conditions to-day, you will discover that while in the actual condition of the money market all securities have fallen to a considerable extent, while the standard security of all British consols has fallen in a very marked degree, the securities of Canada have held their own and stand to-day a fraction better than when the loan was placed in the year 1896.

BOUNTIES ON IRON AND STEEL.

I have referred, Mr. Speaker, to the question of the bounties on steel and iron. There is a matter in connection with that subject which I should now mention to the House. The policy of paying bounties on steel and iron was adopted a good many years ago, and by some strange process, the exact reason for which one cannot easily find, they were not met by direct payment from the treasury. A curious process was adopted whereby these payments were treated as refunds or drawbacks in the Customs Department. Now, if a man pays duties under an error and has to have a refund, that is right; the amount should be deducted from the customs revenue, because it affects the customs revenue. But the payment of a bounty on steel and iron was certainly not a refund, because the money never went into the treasury, and why it should come out of the treasury in the form of a refund or payment in that way, I have not been able to ascertain. However, that was the method established and we have followed it up to the present time. The consequence has been that our actual revenue for customs has been stated somewhat less than it really was, because