

number of countries, and therefore Great Britain was not in a position to enjoy the 12½ per cent reduction as fully as we had expected and desired.

Mr. FOSTER. The difficulty arose before that, did it not?

The MINISTER OF FINANCE. No, only in the minds of my hon. friends opposite. There are no difficulties in this question on this side of the House; there were difficulties which my hon. friends opposite for years sought to remove without success, and which have been removed by this Government. I expect, therefore, that when the full reduction of 25 per cent takes place, when the preference is continued, as it will be, to imports from the mother country and from certain British colonies to which I shall refer, I expect there will be a considerable increase in imports from Great Britain, and on these imports we shall receive a smaller amount of revenue than we have hitherto received. With a view to maintaining our position as a sound one financially, to upholding our credit and guarding against deficits, it will be the part of wisdom to anticipate loss of revenue in that respect by making some increase to the revenue in other quarters, and of that I will speak later on. Excise should provide at least eight and one-half millions, and from miscellaneous sources, making due allowances for increase in railway receipts, from post office and interest on investments, we should receive eleven million dollars. These I estimate will give us a total revenue of \$40,500,000. I am speaking now of the year beginning on the 1st of July next, concerning which, of course, our estimates will have to be of a very general character, with very little opportunities of coming to close quarters, not such opportunities as we have with regard to the current year. We have laid on the Table of the House the Estimates for 1898-99, to the extent of \$39,124,000. These Estimates include two new items, one of \$396,000 for the expense of the Yukon district, and another of \$760,000 for the running expenses of the Intercolonial Railway extension to Montreal. Under our method of keeping accounts, the increased

cost of operating the Intercolonial Railway has to be added to our general expenditure, even though it might be a source of profit to us, represented by an increase on the other side of the account. These two new items for the Yukon and for the Intercolonial Railway, items which were not necessary in our past Estimates, but that we all recognize are necessary now, amount to \$1,156,000. If we take this from the total amount of the Estimates, it will be found that the remainder, \$38,168,000 is about the same as asked for in the main Estimates for the current year.

#### EVIDENCES OF PROSPERITY—THE BANK RETURNS.

In April last, in the course of my remarks on the financial outlook, I expressed my belief that when the details of the tariff were once settled and announced, trade would not only continue to flow in its usual channels, but that we might expect a large increase. When those words were uttered, the circumstances that I then enumerated pointed unmistakably in this direction. The good harvest, however, and increased prices have since that time lent their force to the tide of events, and the period of resulting prosperity that Canada is and has been for some time past enjoying must be indeed gratifying to every hon. member of this House, and to every citizen of Canada, and must confirm the conviction that we all have as to the great possibilities of the future development of our country.

I am sure, Mr. Speaker, you will bear with me when I turn aside for a moment to enumerate a few of the directions in which this development and prosperity have made themselves felt. I propose to speak first as an illustration of the increased prosperity of the country, of the increased business of the country—I propose to speak of the deposits in the banks. In the bank circulation the effect has been most pronounced. I need not weary the House by giving the details of the bank statements, but I may present a table showing the deposits in the chartered banks for the past six years, together with the totals:

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30th June, 1898  
30th June, 1899  
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June last to  
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To carry on  
the country th

31st October, 1897  
31st October, 1898  
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31st October, 1901  
31st October, 1902  
31st October, 1903

Mr. FOSTER.  
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The MINISTER  
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