

greater? The explanation is made by the mention of two facts. Our population is increasing, and we can support a heavier debt without feeling a heavier burden. If 4 men carry a log weighing 200 lbs, each one supports a weight of 50 lbs. If you take 8 men and put on them a log of 400 lbs, though the log is heavier, each man supports still only his 50 lbs. So with our debt and its interest.

Again, our credit is better and so we can borrow at less rate of interest. In 1874, Sir Richard Cartwright went into the London market and asked a loan of £4,000,000 at 4 p. c. For every \$100 of this loan which we are to pay at the end of the loan period Sir Richard brought back only \$88.66 to Canada; the other \$11.34 he left in London as discounts and charges. The total loss on the \$19,500,000 was \$2,208,329.

In 1876, he went to London and asked a loan of \$12,166,666 at 4 p. c. For every \$100 we have to pay of this loan Sir Richard brought back to Canada, only \$88.82, the remaining \$11.18 was left in London as discount and charges. The total loss on this loan was \$1,360,203. In 1885, Sir Leonard put a loan for £4,000,000 on the London market and for every £100 Canada has to pay when the loan limit expires, Sir Leonard had paid into his hands £101. 1. 8½d. and the total of charges left in England was only \$140,444 as against \$2,208,329 left by Sir Richard in 1874. Both loans were unguaranteed, but no sinking fund was attached to Sir Leonard's loan, while there was one attached to Sir Richard's, and while Sir Richard could with difficulty get his loan taken at all, Sir Leonard had £12,000,000 offered him instead of the £4,000,000 he asked for.

And in addition it is to be remembered that the bank rates in 1874 were within a shade equal to the bank rates in 1885.

Can there be a more triumphant vindication of the financial management of the present Government and of the sterling credit of Canada today notwithstanding the cry of ruin which interested partisans are continually raising? But it will be said that 1885 is not now, and that since that the Debt has increased. That is true, but until the public accounts are laid before Parliament I am precluded from fully discussing them, nor can the public possess the data necessary for a full understanding of them.

The net debt has increased somewhat since 1885, and chiefly owing to the fact that the Canadian Pacific Railway has been completed six years before the contract time, thus making it necessary for the subsidy granted in 1881 to be all paid by 1887, whereas, otherwise it would not have been all paid until 1891. But if the money has been paid earlier, the country has the great benefit of having the Railway opening up and developing our resources and enlarging our trade. If the debt increased, so also have the assets in that we have added to them nearly seven millions of choice lands lying along the railway belt, and made all the more valuable by the opening up of the railway, which lands, at the minimum calculation of Mr. Blake himself, are worth nearly \$20,000,000. It is to be borne in mind that the increase of debt in Canada arose from building the Intercolonial Railway, the Canals and the Canadian Pacific Railway. These are now finished so far as the railways go, and nearly finished as regards the Canal system. So that the great public works which Canada needed are now practically accomplished, and there is no longer need for large capital expenditure. I may say therefore that any further large increase of debt is not to be contemplated, that revenue will be sufficient for the general needs of the country, and that although the per capita rate of interest may, during the current year, be a little in advance of that of 1885, yet we may be certain that with the increasing population, the increase of the sinking fund, and the replacing of some loans soon falling due by loans bearing a less rate of interest the amount paid per head as interest on debt will not in two years from this time be as much as it was in 1885.

So far, then, as the question of this debt is concerned, do not think the country has any cause to fear. We have the great works, we are prosperous, and our credit is good. Mr. Blake said in the City of Guelph, if you let the present Government manage the affairs of the country for five years more, as they have in the past, there will then be no country to save worth saving. Mr. Charlton says it will only take 18 years more to throw us over the brink of financial perdition. Mr. Cameron says if this thing goes on for a few years more you won't find even the ruins of a country to pick up. If these charges are all true, then, in the name of all that is financial, how is it that a country so governed, a country so wrongfully and so grievously mismanaged, can go into the money markets of the world and borrow on so much better terms than could be obtained under the Government of the party who find these faults, in 1874 and 1876? (Applause). How is it that these shrewd money lenders, without any Imperial guarantee, can give a premium upon our loans? Before this ridiculous administration came into power, our friends in the opposition could only get \$88 for every \$100 borrowed, and which \$100 you had to pay when the time came for its redemption. (Applause).

COMPARATIVE INDEBTEDNESS.

Our critics are fond of comparing our debt with that of the United States and other countries, and they would leave the impression upon people's minds that we were in a most ruinous condition and that Canada was in a very bad way. Do not other countries have debts, and debts far in excess per capita of ours? In 1885 our per capita debt was \$41.83; Cape of Good Hope colony, \$90.00; Great Britain \$99.00; France, \$181.00; the Australian colonies, \$190.00. And yet these