

with the finances of the country, nor with the requirements of the road. The public debt stands to-day in round figures at \$150,000,000, and will be doubled ere the completion of the road. The tariff has been raised 40 per cent., and, nevertheless, the result of last year's operations shows a deficit of over \$2,000,000. The negotiations with the Home authorities for aid have failed so far, as likewise the syndicate which was to have taken up the lands reserved for the railway. The works of construction must therefore be carried on with loans. And anxiety and discontent are rapidly spreading through the country in consequence of the enormous expenditures impending in the West. On the other hand, British Columbia—under the menace of secession from the Union—demands the letter of the contract, the immediate commencement of an impossible task—construction through this Province at an outlay of over fifty millions.

The prosecution of the works on this railway, under existing circumstances, will necessitate within the next four years, say \$10,000,000 to complete the Thunder Bay section, \$10,000,000 in the Prairie Region, and over \$15,000,000 in the Yale Kamloops sections, or, with expenditures in other parts of the Dominion, a total outlay of over \$50,000,000. Our debt would then stand at \$200,000,000, a heavy load for a people of little over 4,000,000.

It would be imprudent to venture the assertion that, under any and the most favorable circumstances, the revenue will expand sufficiently to meet this increase in our indebtedness; and it is clear that we cannot rely upon meeting this outlay to any extent by sales of our public lands. Will not any further increase in the rate of taxation defeat the object in view and rather decrease the revenue? If the cost of living, already very high, be augmented, will it not result not only in shutting out immigration, but

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