

military status, there was paid by the United States \$286,389,127, out of a total expenditure altogether of \$342,738,364. Now, Sir, when you look at Great Britain, you will find my statement equally true with reference to the application of taxation. Great Britain last year paid the following sums in expenditure:—

Interest on debt.....	£28,213,911
Naval and military.....	30,758,687
Civil list and administration.....	19,691,950

Or a total of £76,674,548 sterling for these services, while only £10,749,097 was paid for the collection of revenue, Post Office service, telegraph service and packet service. I say that, having regard to the application of taxation, there is no comparison, as far as the benefit to the people is concerned, between the taxes which are raised in Great Britain and the United States and those which are raised in Canada. With the exception of the money expended as a result of the unhappy outbreak in the North-West, every cent of taxation, speaking in the gross, which is raised in Canada, and which has been raised here since Confederation, has gone, not for war, not for waste, not to make up the ravages of war or to pay for the consequences of war, but it has gone to construct productive public works which have repaid the country for the outlay and have made this a country where business is speeded, where commerce finds splendid facilities, and where the people have every resource at their command to make them a business people, with profit to themselves and prosperity to the country. It is sometimes said, and it is a potent word to conjure with, that "taxation" is a bugbear to the people. It is a bugbear to unintelligent people, but it is not a bugbear to intelligent people, and if conjurers conjure with it to-day they conjure with a word and an instrument which is not less reprehensible than the old instruments of the conjurers of other days. I believe it is a fact which stands upon a basis sound and certain, that taxation is the only gateway to progress and development in a country, and that if a people sit down and determine that from this day forth no taxation is to be raised, they sit down to a condition stationary and without progress and which will soon leave them very far behind in the race of nations, with the keen competition of to-day. Take a town of 10,000 people which to-day is without a sewage system, without a proper street system, without a police system, without lighting system, without a fire protection service; bring those 10,000 people together and let them look into the matter and come to the conclusion that it is necessary for promoting the health of the city and for their status, as compared with other and competing cities, that they shall have all these great public services. How are they to secure them? There is only one gateway through which they can march to the enjoyment of those enlightened and efficient services for their town, and that is through the gateway of taxation. The people of the city and the property of the city must be taxed, or they cannot secure, and cannot maintain the efficient services which every progressive city of to-day holds it must have. What is true of the city is true of the country as well. The point to be looked at is, as to how the taxation is applied, as to whether more is raised than is necessary for its proper application, and in considering whether or not the country is overtaxed, or unduly taxed. What have we in Canada as a result of what the people of the country have paid into the public treasury? We have, in the first place, an enlarged domain, and an enlarged population; we have added to the original four Provinces of Canada three other Provinces, and an extensive, almost illimitable country, illimitable in its acreage, and still more illimitable in its wealth of minerals and of timber, and of resources to be

reaped from the cultivation of large and fertile tracts of land. That cost us money, and money had to be paid into the treasury, and out of the treasury again, in order to get this enlarged domain, and to make a place for this enlarged population. That is something to be considered as an offset against the amounts that have been paid in taxation. We have added to and developed our productive capacity as well. Lands that were useless because there was no access to them, and where, even if persons got to them, there was no way of getting the produce back from them, have been opened up by railways and by facilities for transporting these products. There was no other way of getting these facilities but by levying taxation upon the people and obtaining the money with which to build and with which to make those improvements. Why, Sir, not later than 1877, in Manitoba and the North-West Territories we were confronted by the fact that only 500 bushels of wheat were exported. In 1887 from Manitoba alone were exported 10,400,000 bushels of wheat, and in 1889 the estimate for Manitoba and the North-West is that their wheat yield will supply all the needs of the country and leave for export 20,000,000 bushels of wheat, with an acreage of 700,000 acres under crop. That is possible to-day because the people of this country chose to tax themselves in order, in the first place, to obtain possession of that part of Canada, and in the second place, to open up the country with railways and public works so as to make it possible for the people to till the land and to get the product of the land to the market. Then, Sir, we find that the transport charges have been very much cheapened. We have paid heavy sums of money for our canals, but we have got increased facilities and cheapness of transport for the outlay, and if these public works do not add directly in revenue to the treasury, they are of great advantage to the progress of the country and of almost untold benefit in promoting our commerce. In 1872 the tolls per ton through the Welland Canal were 16.26 cents, and in 1888 the tolls were only 12.52 per cent.; thus between 1872 and 1888 there has been a reduction in tolls on the Welland Canal of 23 per cent., and a reduction of the St. Lawrence rates of 48½ per cent. That is so much actually saved in the transport of those staple cereals and articles of commerce which floated out from the interior of the country towards the seaboard and to the great markets of the world, as well as the staples which come from foreign countries, and which make their way into the interior of this country by the same route; and although it is true to say that no increased revenue comes from these works, there is a broader way of looking at the matter. Although the public treasury is not enriched, yet the public business and the general prosperity of the country are made greater by the reduction of the tolls, and by another great fact, that the enlargement of these canals renders possible the use of a larger class of vessels, which carry a larger quantity of grain, and consequently at cheaper rates than could prevail with the old depth of water in the canals, when very much smaller and inferior vessels had to be used. And so we may set down as compensations for this expenditure, these facilities for business and an added attractive power which distinguishes the country in competition with other countries which do not possess these improvements; and if we are to go forward in the race of competition with other new countries to-day, it is a necessity, as well as a wise and prudent policy, to open up our country; but to open it up we require money to establish and maintain all these lines of communication, and we can only get the money by asking it from the people. But, I may be asked, is this thing to go on forever? Are we to be continually increasing our debt? Are we to be continually increasing the amount that we raise from the