

country very soon reacted upon us. Badly as we were handicapped by Sir John's financial extravagances, we could have surmounted them without very serious difficulty but for the protracted depression in the United States, followed as it was by three successive bad harvests in Canada itself.

REPORTER. I have heard that a good deal of capital was made against your Government on the score of deficits.

SIR RICHARD. Every one of which was clearly and directly traceable to the wanton waste of 1873 and to the necessity of providing for obligations which we had protested against assuming. Take one instance alone. It was an act of consummate folly, from a financial point of view, to assume the large amount of debt due by the several provinces in face of the fact that we had to provide large sums for the completing of our canals and the Inter-colonial Railway and had also incurred immense obligations on account of the Canadian Pacific Railway. All said and done, the total amount of the deficits under the Mackenzie administration put together were scarcely more than the amount added to our annual expenditure in one single year by Sir John Macdonald.

REPORTER. Could not this have been explained?

SIR RICHARD. It was fully explained, but we might as well have held our peace. A small section of the more intelligent of the electors did understand, but the ignorance of the average business man, as well as of the great mass of the voters, on financial subjects, is and was phenomenal. The stock cry was raised that whereas they had good times under Sir John, they had bad times under Mr. Mackenzie, and beyond or behind that fact they would not look. In after years a good many of the very knaves who did know better and who had been prominent in raising this cry against us, were caught in their own trap, but that did not help us in 1878. Similarly, though the facts were exactly as I have stated them, Sir John and his partisans were not ashamed to allege that Mr. Mackenzie had spent each year more money than he had done and had