In 1900, and I am giving here the estimate of the financial department, it had increased—how much does Mr. Foster think? Sir, at the commencement of the year it was $266,273,000; it is now $265,400,000. (Loud cheers.)

We have paid every liability, and more, during the last year, and we have reduced the debt by very nearly one million dollars. (Renewed applause) Even if we had nothing else to show, I don't think that it lies in the mouth of Mr. Foster and his associates to say that we are grossly extravagant because we have increased the debt seven millions. That is not all. When they went out of office, as Mr. Foster well knows, they left our canals uncompleted, a number of railway subsidies to pay, and a very large number of liabilities, amounting in all to fifteen or sixteen million dollars. Those liabilities are almost entirely wiped out and discharged, and notwithstanding the total increase of the debt, is barely seven million dollars.

What Increased the Debt?

Now let me ask of what that seven million dollars is composed? Sir, very nearly two millions of it are composed of the free gift of the people of Canada to the British Empire in equipping and sending out the South African contingent. (Loud cheers.) Had we not made that gift we would not have been seven million dollars in debt. Had we not made that gift our addition to the debt would scarcely have been five millions to-day. More than that. One million of that is composed of a discount on a 2½ per cent. loan floated by Mr. Fielding and which has become charged upon this country.

Large sums of money were coming due on the English markets, and it was most judicious and important before we were called on to pay these off to establish a standard rate of 2½ per cent. Our friends on the other side thought the South African contingent was but a small contribution. They desired that we should give more. They were with difficulty appeased by the knowledge of the fact that the British government refused to receive more at our hands. If you deduct the amount of the contingent, and the discount on our loan—I say nothing of the enormous arrears they left behind them which we paid—the total amount of increase in the debt which would be chargeable to us would be $4,000,000, and not $7,000,000. But for argument's sake, I give them the benefit of the seven millions, and I ask them to explain why it is a very extravagant thing for the Liberal government in four years under the conditions I have mentioned to you, in a country more prosperous than it has ever been since confederation, to say the least of it, to add seven millions to the debt, whereas it is prudence, economy and foresight on their part to add seventeen millions in a similar period. (Cheers and laughter.) Now, sir, let us see how the burden stands. In 1897, I think it was, Mr. Foster estimated that he expected to make a charge of $10,758,000 of interest. In 1901 Mr. Fielding expects to make a charge of $10,889,000, being roughly about $130,000 more.

It is as well established as anything can be of which you have not