

pened with the \$20,000,000 of gold which has left the States for Europe, and it is surprising that Mr. Smithers should take such opposite views of "the inevitable laws of finance" in the two cases.

Mr. Smithers sees danger from the possibility of railway construction being carried to excess; but he thinks that the money which railway construction puts "into circulation contributes materially to the development of the country." Railway construction instead of adding to the circulating capital, effectually locks up an amount equal to the whole cost of the works. In one sense, the effect is a tendency "to develop the country." It makes cultivation possible where it was impossible before; but at the same time it diminishes the floating capital applicable to reproduction, by causing a portion of it to take a fixed form. Two of the greatest sources of danger to our finances are the locking up of capital in railways, which are not necessary, and in farming lands, in the North-West, which will yield no return for years to come.

#### MANITOBA AND THE DOMINION.

Manitoba has sent no less than six delegations to Ottawa, at different times, to ask for "better terms." During the late Session of the Dominion Legislature, she got an addition of \$127,000 a year to the subsidy she previously received, \$100,000. Considering the rapid increase in the population of the Province, this addition is not unreasonable. But the spirit in which these demands are made, and the claims preferred on account of pretended and wholly imaginary rights may well claim the attention of other provinces. Mr. Norquay, the premier, said in the most jauntily way possible, in his budget speech, that "he thought the Province had a right to go [to Ottawa] and ask for pecuniary assistance, whenever she ran short of funds to administer her affairs." He talks about "our magnificent resources in land," which in point of fact belong to the Dominion, and which he claims for the province on the ground of "right." Ontario and Quebec, the argument proceeds, were allowed to retain their lands. And why not? These lands were their own property. But to found on this fact a claim that the lands within the borders of Manitoba should be handed over to her is a piece of puerility of which no statesman should be guilty. These lands were purchased with the resources of the Dominion, almost absolutely to the exclusion of Manitoba, for her contribution was scarcely anything at all; and yet, as part of the Dominion, she will benefit by them in as great, if not a greater, degree than any province. Claims founded on such

flimsy pretences ought to be resisted from the outset and restricted in a way calculated to prevent their repetition. The mere fact of the lands lying within the limits of Manitoba can give that Province no sort of right to them. They were paid for by the Dominion twice over, and if this does not carry the right of proprietorship, it would be difficult to know by what right any person is entitled to the enjoyment or possession of anything he purchases.

Mr. Norquay desires to extend the limits of Manitoba, north, west, east and south, as a preliminary to getting possession of the lands at the four points of the compass. Westward he wants to go to the 102nd meridian, northward to the 60th degree of north latitude, eastward to Hudson Bay and south-eastward to Lake Superior. He wants for the Province all the public lands within these extended limits. One would suppose, to listen to Mr. Norquay, that Manitoba was an independent Province. She wants independent outlets on Hudson Bay and Lake Superior. In fact, she wants to get for the asking, anything and everything that she may take a notion to. A government almost literally without resources would be quite incapable of administering the affairs of so extensive a Province, provided there were no reasons why the four-fold extension should not take place. Manitoba is, and always must be, a small part of the North-west, and we do not see why she should possess the ports on Hudson Bay, the control of which must remain in the Dominion. Some other reason than her mere desire to possess them ought to be given. Ontario makes no claim to extend farther north than the southern border of James' Bay; but she would be in a much better position, with her wealth and resources, to develop the region north of that point. Manitoba has not, and is not likely to have, for years to come the means to carry out enterprises requiring a large government expenditure. If the country on Lake Superior, where Manitoba would like to have a port, did not happen to belong to Ontario, there would probably be no objection to her wish being gratified. Manitoba has a habit not only of desiring to possess the property of others—the Dominion lands within her border, for instance—but with the most perfect nonchalance she calls it hers, whenever she would like to have it.

Manitoba has a great future before her, if she will only have the courage to face the realities of her situation. She has very little revenue; and with practically only one resource as a means of supplementing her deficiencies in this particular, she shrinks from availing herself of it. She does not venture to whisper the true remedy, the one to which

all governments situated as she is have been obliged to resort—direct taxation. On direct taxation all the States of the American Union are obliged to rely. Manitoba has this resource open to her; it is capable of supplying all her wants. Why does she not avail herself of it? Is begging at Ottawa so respectable an occupation that she should, in the words of her premier, have recourse to it whenever she wants money? We trow not.

Perhaps we do Manitoba injustice, in this particular, if so, we shall be glad to learn it. But we are obliged to interpret her designs by the indications afforded in the utterances of her politicians. Manitoba ought to become a wealthy province. None of the old Provinces will yield so generous a return for the labour expended on their soil as she will; there is no other Province in which agricultural labor is so productive; consequently there is no other Province that could so well afford to bear direct taxes for the support of the local government. Let her get rid of the delusion that she will get from the Dominion a gift of the public lands within her present or future borders. That is a delusion by the hugging of which she can reap nothing but disaster. Her revenue is small, but it is capable of gradual extension with population and cultivation. Let her have a little self-reliance; and she will find it better to look to herself than to be looking to Ottawa whenever she feels a want of means to carry on her public affairs.

#### THE MANITOBA BUDGET.

The speech in which the Premier of Manitoba introduced the Budget on the 29th ult., contains some matter worthy of attention. That province has a total revenue of \$395,833.04, while the total of the estimates is \$383,099.44. While it is considered that something less than the Dominion Subsidy of \$227,000 will suffice for the ordinary expenditure of the current fiscal year, the Public Works Department demands \$100,000 and \$50,000 for drainage, while \$40,000 is sought for educational purposes. The items of revenue are as follow:—

REVENUE.	
Subsidy .....	\$227,158.04
Sale of Court House .....	58,680.00
Advance in School Lands .....	40,000.00
Local Revenue .....	80,000.00
Sale of Reclaimed Lands .....	40,000.00

Total Revenue .....

\$395,833.04

The total estimated expenditure for the various departments is as under, the indemnity of members being increased to \$400 each: