

time, the supplies and labor will follow construction. It would be quite impossible for our business men to do business with a railway outfit which had not yet reached the coast. Ergo, until the line of railway actually reaches salt water, everything must come from the East and the money expended along the line must flow back to Winnipeg and Eastern points. This Province is the

only one in the Dominion which does not get direct and local benefit from construction. Millions of money will be spent in New Brunswick, Quebec, Ontario and the Northwest, from which the business men of those Provinces will have direct and substantial benefits in business arising out of it in a variety of ways.

How It Works Out

For many years British Columbia has been paying in inordinate proportion to the Federal Treasury and receiving inadequately in return therefrom as compared with other provinces. This is not a matter of mere assertion. It has been worked out in detail since Confederation. Up until 1900 the Province had contributed over \$13,500,000 in excess of what it received, notwithstanding the fact that during that time the debt of the whole of Canada had increased from \$122,000,000 to \$350,000,000, showing that the whole of Canada had not contributed in anything like the same proportion, or otherwise the debt would have been completely wiped out and there would have been a very large fund in reserve. Since 1900 the case has been no better, but rather worse than formerly, as this statement will show:

	Expenditure by Dominion in B. C.	Contributions by Prov. to Dom.
1900-1	\$1,811,394	\$3,353,667
1901-2	2,281,774	3,466,303
1902-3	1,982,883	3,831,880

Now, these are the statements taken from the Auditor-General's report under all heads, and really include many things with which the Province has no right to be charged, nor has there been any effort to distinguish expenditures charged to "capital" and "income" respectively, which in some instances would materially reduce the amount chargeable in one year. The statement is MORE than fair to the Dominion, inasmuch as it includes such large items as quarantine, fishery protective service, maintenance and construction of light-houses, defenses of Esquimaux and militia, etc., which, strictly speaking, are matters of national benefit and are in no sense local or provincial. They are not, for instance, such matters as on the other side of the continent would be charged to Nova Scotia, New Brunswick or Prince Edward Island in a similar statement. The statement also includes the cost of the Indians for the use of whom the Province handed over 525,000 acres of its very best land.

What Would Have Resulted

(Extracts from report of delegation to Ottawa, 1901.)

Since 1872, the revenue contributed by British Columbia to the Dominion, up to July 1st, 1901, will have amounted to, roundly, \$42,000,000. Taking the average of the population for the three census periods, 1871 to 1881; 1881 to 1891; and 1891 to 1901, at 81,000, and that of all Canada at 4,500,000 for the same periods—had the whole of the people of the latter contributed in the same ratio per capita, the revenue would have amounted to \$2,333,250,000 instead of \$886,360,000.

In other words, 1-55 of the population has contributed about 1-20 of the revenue of Canada in 30 years.

Conversely, if the contribution of British Columbia, for that period, had been on the same basis as the rest of Canada, it would have amounted to only \$15,957,000.

Taking the population at 5,250,000

and 125,000, respectively, the per capita contribution of all Canada in 1890 was \$8.93 per head, and that of British Columbia \$25.67 per head.

If the revenue from British Columbia had been on the same ratio as the rest of Canada, it would have amounted to only \$1,116,250, instead of \$3,194,808.

Taking the customs and excise alone, which amounted in 1890 to \$34,958,000 for the Dominion, and \$2,627,500 for the Province, on the same basis of population, the per capita contributions are \$6.65 and \$21.02. Had the whole population of Canada contributed in the same ratio as British Columbia, the taxation derivable from inland revenue and customs would have been \$110,250,000, instead of \$34,958,000.

Conversely, if British Columbia had contributed in the same ratio as the rest of the Dominion, the revenue from British Columbia from these sources would have been only \$831,250.