

which the hon. the Minister of Finance made on his behalf that he will effect the saving of which he speaks. But I reserve my opinion on that subject until we obtain that fuller information which will enable us properly to discuss the saving proposed to be made in that direction. These other figures at all events appear to me to indicate a revival of that spirit of reckless folly which led these hon. gentlemen to double the expenditure of Canada in seven years, between 1867 and 1873, and which, at a former time, as I showed, led them to expend in one single year something like 60 per cent. more than the total Revenue of the country. And I ask hon. gentlemen on both sides of this House—for the question will be put to them in such a way that they cannot possibly avoid answering it before many weeks are gone—to reflect whether they think the statement the hon. gentleman has submitted, whether they think the prospect of five or six successive deficits, (including those that have already occurred) are a justification for the proposal of these hon. gentlemen to add to the burdens of the Dominion of Canada by an expenditure which they know will exceed thirteen or fourteen millions of dollars—and which will probably exceed fifteen or sixteen millions—among the mountains of British Columbia. Now, Mr. Speaker, I desire to say a few words on a question on which I entertain but small hopes of being able to agree with the hon. the Minister of Finance, and that is as to the relative merits of the several loans which he and myself negotiated in London. I have admitted always—I admit frankly now—that the loan the hon. gentleman made in 1879 was a good transaction *per se*. I thought the time was well chosen, and the terms obtained were in my judgment decidedly good. But I also say—and this is the point on which I do not expect his acquiescence—that the terms he got, having reference to the other circumstances of the case, were not one hair's breadth better than those I formerly obtained. I say, Sir, as to the price, if that be a criterion—although the price obtained in London for a loan, as everybody knows, depends in a great degree on causes entirely beyond the control of the Canadian negotiator for the time being—if you go through the whole history of loans since Confederation

I think you will find that the hon. gentleman, with respect to his loan as compared with mine, has no particular cause for exultation. The first loan made on Canadian securities since Confederation was in 1868, when Sir John Rose sold a portion of our five per cent. securities for 90 per cent.; and in the condition of the market at that date, a very good transaction it was. Six years after I sold 4 per cent. securities in London to the extent of four millions sterling at 90 also. Now it does not require much calculation to see that at a distance of six years I obtained better terms than Sir John Rose, by 25 per cent, and if we apply the same rule as the hon. gentleman wants to apply to my loan it would appear I did five times better as compared with Sir John Rose, than the Minister of Finance has done as compared with me. It is quite true that the hon. gentleman succeeded in obtaining a nominal sum of 95 per cent. or so for the loan he made, but the hon. gentleman forgot to tell the House that in making that loan he gave extraordinarily favourable allowances; that going to London at the end of July to negotiate his loan, the hon. gentleman had allowed interest to run on the bonds he placed on the market from the 1st of May preceding—in other words, the loan place on the market carried 1 per cent. interest accrued, while subsequent allowances made it amount to 2 per cent. instead of 1, which was the amount allowed on the loans of 1874 and 1876. I do not complain of that. I simply point out that when the hon. gentleman talks of having effected a loan at 95 he ought to tell the House that, with the allowances granted on that loan, it actually netted little more than 93. Now, at the time the hon. gentleman negotiated this loan he would do well to remember that money was cheaper than it had ever been in England before. There is no period in English financial history at which money could be obtained for a considerable length of time for seven-eighths of one per cent., which was the actual rate of discount on the London money market for commercial bills when the hon. gentleman negotiated his last loan. He knows also that there was an unusual accumulation of bullion, and if he wants a further comparison of the merits of the respective transactions, he has only to