

## INCREASED BY THE ADDITIONS

I had indicated. (Applause.) Nor was I dealing, as Mr. Foster assumes, with a population of 4,700,000, or on the assumption of five to a family. I don't reckon the Western Indians as taxpayers; they only are tax consumers—(laughter)—nor do I reckon the Chinese as appreciable taxpayers. Besides, I think the population overestimated. Again, looking at the fecundity of the French, which alarms the *Mail* so much—(laughter)—I think five to a family rather under the mark. Therefore, in this estimate, I think myself right. But it is, of course, estimate only. Suppose Mr. Foster right. State the debt, as it is to be soon, at only \$220,000,000; assume the heads of families at 940,000; and even so you find a burden of \$234 per head, and for interest, at 4 per cent., \$9.36. This is bad enough in itself; and when compared with our neighbours it is worse. (Cheers.)

Now, I propose to give you a view of our financial course from another than the usual standpoint. We spend yearly large sums. They come from three sources, taxes, loans, and returns from public enterprises, etc., etc. I omit the last; and deal only with the first two; what we spend out of taxes and loans; what we pay out of our pockets as we go, and what we mortgage our estate for, to be repaid out of our pockets later, with interest meanwhile. I have here three tables, taken from the Government statistics, save for 1886, which is estimated. The first covers the five years, 1874 to 1878 inclusive, approximately Mr. Mackenzie's term; the second the next five years, 1879 to 1883, approximately Sir John Macdonald's first term; the third the three years, 1884 to 1886, approximately Sir John Macdonald's second term. Before I give you the results, let me remind you of the obvious fact that

## A FINANCIAL POLICY

requires time to develop fully its effects; and that these will sometimes continue active for a season after the reversal of the policy. Thus established impulses towards, and plans for, economy, or for extravagance, are each felt for some time after the cessation of the active movement which they outlive. Therefore it is useful to look at the tendency of the expenditures in each series of years; to observe the general way in which they compare year after year, as well as the gross totals and the yearly averages. Such an examination will demonstrate very clearly the results of Mr. Mackenzie's efforts to save and of his successor's efforts to squander—(cheers)—each very successful, the last table evidencing the full development of the extravagant and ruinous policy of the Government. My first table is from 1874 to 1878: