

"felt of somewhere near \$800,000 between the total receipts and total expenditures of our Postoffice service; and this, I fear, makes the time somewhat distant when what otherwise might be fairly asked for can be granted—that is, a reduction upon the rates of postage in this country. "Considering the large extent of country, the sparseness of the population, and the great expense necessarily imposed for carrying letters and papers in our Northwest and in other parts of the country, there is no doubt that the carriage of letters, newspapers and parcels in this country is cheaper, for the population than you would probably find in any other country in the world."

The Latest Criticism.

When in 1898 I applied to Parliament for authority to reduce the postage, I pointed out that the immediate result would be a loss of revenue, but that the reduction would lead to an increased use of the postoffice, and that in about three years the department would have fully recovered its lost revenue. The soundness of this view was challenged by our opponents on the floor of the House, as it had been previously, but *we had no faith in their views*, and at the commencement of 1899 reduced the English rate from *five to two cents*, and the domestic rate in Canada and the rate from Canada to the United States to two cents. These reductions, unless accompanied by an enlarged business, would doubtless have involved a loss of revenue of about *one million dollars a year*, which, added to the annual shortage of about eight hundred thousand dollars, would have resulted in a shortage of about *eighteen hundred thousand dollars a year*.

A few weeks after these reductions went into operation we had a bye-election in West Huron, and Sir Charles Tupper and one of his speakers addressing the electors assailed me for these reductions, declaring that whilst they would benefit the manufacturers, bankers and rich people generally, they meant an addition of a *million of dollars a year to the deficit* of the department, which would have to be paid by the farmers, the workingmen and the poor people of the country. During the last three years, and up to this moment, that contention has been very continuously advanced by our opponents.

Sir William's Reply.

For three years it was to them a powerful campaign argument against us. I have waited patiently these three years to make my reply, and I now propose to make it, and perhaps when I do so you will think me warranted in also indulging in a little prophesying; at least I will risk it, and say that never again after to-night will our opponents criticize our actions in the reduction of postage to the people, or even allude to it. (Cheers.) *My answer to their years of attack* is that, notwithstanding our having cheapened the rates of postage to the people, that instead of having to apply to Parliament, as was necessary in 1896 for a vote of \$781,000 out of the taxes of the people, wherewith to pay the deficiency of the department of that year, we have for the fiscal year just closed, not a deficit of a dollar, but for the first time in the history of the country a surplus—not a large one, but still