

and north of Lake Superior,—a wintry, mountainous, inhospitable region,—must subtract heavily from the future enormous profits of the company on the prairie sections and the lands utilized in speculation.

The contract with British Columbia was a blunder on the part of the Government. Appeals to national good faith, threats of imperial displeasure, and all kinds of party devices were employed by the cunning, interested party leaders to reconcile a startled, apprehensive people to the myriad oppressive consequences involved in this agreement. The country showed its disapproval in the political revolution which transferred power from the Tories, in 1873, to the Liberals, though the former had for years enjoyed an overwhelming majority.

It must be confessed that the construction of the Canada Pacific Railway and the other costly efforts made to open up and make known the advantages of the North-west, attracted a larger immigration the last couple of years than was ever witnessed before. Probably 80,000 settled in that country, the forerunners of a much larger influx. The Dominion will thus receive some compensation for her immense outlay; but, *per contra*, the bulk of the new-comers are from the older provinces, mainly Ontario, which need all their own, and more, to develop their abundant resources.

Beyond doubt, the main element of popular uneasiness and uncertainty—I might say alarm, on serious reflection—consists in the rapid increase of Government expenditure and the public debt. The disbursements for all purposes rose from \$13,687,928, in 1868, to \$24,205,092, in 1874, and thence to \$31,810,000, by Sir Leonard Tilley's estimate, in 1882. There was no proportionate increase of the population, which was about 3,363,201 in 1868, and is now probably 4,418,714. The taxation was \$4.07 per head in 1868, against some \$7.02 now. The net debt at Confederation, in 1867, was but \$75,728,641, and in 1881, \$155,395,780; gross debt, 1867, \$93,046,051; 1881, \$191,861,537, the latter showing an increase of 115 per cent. This picture is still further darkened by the certainty of material additions to the load of debt and taxation within the next decade, while a considerable period must elapse before any substantial return can be expected from the gigantic outlays on public works and the North-west. Indeed, some of the former may be styled non-productive, as regards the public purse, notably the canals,