

## PROSPEROUS FINANCE.

I have made the statement that we have given you eight years of strong public credit. Then, sir, beyond that we have given you eight years of prosperous finance. If you did not have that prosperous finance it goes without saying you could not have a strong credit. For three years prior to the change of Administration we had deficit after deficit. The tariff was high, the rate of taxation was high, but somehow or other the result was that we had deficits year after year, and we were told that these deficits must continue. I remember in the first session, 1896, my esteemed friend, Sir Charles Tupper, declared that we were entering, as I said a moment ago, upon a reckless policy, that we were going to ruin the public credit, and would run into high deficits. In that very first year, a year during which we had not full control, but only a partial control of the finances of the country, because we entered the year after the estimates had been prepared by our predecessors, there was a deficit of half a million dollars. We will have to divide that half million with our Conservative friends; it was using their estimates that brought it about.

## DAYS OF DEFICITS OVER.

Well, sir, from that day to this you have had no more deficits. The end of deficits was reached, and the beginning of surpluses came about. (Hear, hear.) Let us have no misunderstanding as to the value of surpluses. I am not here to claim that a surplus is, under all conditions, a good thing. You might have a surplus under conditions that would render a Government justly liable to severe criticism--if brought about by increased taxation upon the necessities and common things of life. You can easily make a surplus by those means. Any such method as that would be open to criticism, but you know that that was not the case. With the exception of two or three articles of luxury, the rate of taxation upon the whole round of articles which make up our tariff has been reduced. Indeed, the great complaint is, on the part of hon. gentlemen of the Opposition, that we reduced it too much. We are actually accused of reducing duties to too low a figure. I have, then, this happy picture to present to you, that, while we have reduced the rate of taxation as respects nineteen-twentieths of the articles on our list, we are able, with a lower tariff, to have surplus after surplus, instead of deficit after deficit. (Applause.)

## STILL IS CLIMBING.

We began with a surplus the first year, if I remember, of a million seven hundred thousand dollars. Then it went on to two, three, four, five, six, seven, eight millions, nine millions, ten millions, eleven, twelve, thirteen, fourteen millions, and more last