

of great utility and national importance, the principal portion having been spent on railways and canals. And it is most important that these facts should be borne in mind when considering either the amount of the public debt, or its apparent burden on the people, as they place the debt of Canada in an entirely different position to that occupied by every other country, except the British Colonies, proving as they do, that "the debt is not the melancholy record of blood and treasure squandered in foreign and intestine wars, but the token of peaceful progress of a people conscious of the vast resources of their country and earnestly devoting themselves to its development."

206. Mr. Mulhall says: * "The expenditure in India and our Colonies for railways, canals, harbours, drainage and other productive works has been most beneficial, the colonists borrowing at 4 and 5 per cent., and increasing the public wealth in a far greater degree."

Opinions
of Mr.
Mulhall.

207. At a meeting held in London in July, 1886, to hear a paper on "Railway Extension in the Colonies," read by Mr. J. S. Jeans, Mr. Mundella, M P., the eminent political economist, who was in the chair, said: "A debt incurred for the purpose of constructing reproductive works was altogether a different thing from one incurred for international and aggressive wars. There was no doubt, that it was an immense advantage to a new country to have an abundant means of transport, because it not only assisted the settler in bringing his goods to the market, but it opened up the country, and developed and encouraged colonization. There was a tendency in England to undervalue the importance of colonial railways, and to over-estimate the colonial debts. He believed that the money lent to our colonies was perfectly secure and very well laid out."

Remarks
of Mr.
Mundella.

* History of Prices, page 29.