

“ Every effort ought to be made to encourage the colonies to “develope their magnificent territories.”

Remarks  
of Mr.  
Jeans.

208. In the course of the paper Mr. Jeans said, that, for the purpose of extending railway facilities, a colony might venture to incur a debt that would not be justified for any other purpose, and that it was a matter of vital concern to the colonies that they should be furnished as speedily as possible, and on the greatest attainable scale, with the means of transporting their produce to the markets of Europe, and especially to those of the United Kingdom; and that the colony that succeeded, by taxing itself, by mortgaging the future, or by any other process, in constructing the greatest railway mileage relatively to its area and population, was likely to have the best start in the race that all the colonies must hereafter engage in for supremacy at home and commercial intercourse abroad.

Charges of  
manage-  
ment.

209. The charges for interest and management of debt, including premium, discount and exchange and sinking fund were \$2.34 per head in 1868, in 1886 they had only increased to \$2.52 per head, or less than one-third of the total expenditure. In the same year, in the United Kingdom they were \$3.11 per head or not quite one-fourth of the expenditure; in Victoria, Australia, in 1884, they were \$5.91 per head or nearly one-fifth of the expenditure. Though the amount per head was considerably less in Canada, the proportion to total expenditure was higher than in either of the countries named.

Fixed  
charges  
and notes  
in circula-  
tion.

210. The fixed charges, *i. e.* the charges for debt, sinking fund and subsidies to Provinces, amounted in 1868 to 58 per cent. of the revenue, in 1886 they had been reduced to 49 per cent., which was a slightly larger proportion than in the previous year, when it was 46 per cent. A large item among the liabilities that does not bear interest is the amount of Dominion notes in circulation. In 1867 the