

INTRODUCTION

FOR some years past the public has given very little attention to the finances of the Province. This has been largely due to the general prosperity prevalent throughout the Dominion, the natural tendency of which is to render people indifferent about the public accounts, so long as their personal finances are flourishing. But no matter how prosperous the people of a community may be, there inevitably comes a time sooner or later when they feel the effect of unwisely administration of the public moneys; and when that time comes, it is the people who must pay the penalty for having neglected to supervise the Government in its dealings with the Provincial revenues.

The Conservative party came into power in January, 1905, pledged to prudence and economy. For many years previously they had professed to be horrified at what they called the "extravagance" of the Liberal Government in Ontario. In April, 1904, for example, we find that the *Mail and Empire* under the heading of "HAVE RECKLESSLY EXPENDED MONEY," reports the speech of Col. Matheson, the financial expert of the Conservative party, who denounces the "vast expenditure" of the Liberal Government in voting supplies to the extent of \$5,305,000 in a single session. "The burden of municipal taxation," cries Col. Matheson, "is becoming more than people can bear, and the increased taxation imposed by the Government is such as will be disastrous to the prosperity of the Province."