

penditure on the Post Office was \$1,168,000. On Legislation, a part of the increased expenditure was caused by the accession of new Provinces, the increased number of members of the House and of the Senate, and a part was the result of an increase in the indemnity to members. That item was \$153,000 more last year than it was in the first year of the Union. An increase of \$31,000 was caused by the salaries paid to the four additional Lieutenant-Governors. On Weights and Measures there has been an increase of \$84,000; and \$100,000 has been added to the cost of management of canals, though they have brought an additional revenue of \$90,000. This makes, altogether, an increase of \$10,104,190, leaving about \$865,000 to be accounted for by the increase in the cost of the Civil Service, Immigration, Pensions, Superannuation, Marine Hospitals, Customs and Excise, Insurance, Geological Survey and Observatories, the result of the admission of new Provinces, or new items of expenditure. These are the items which compose the increase since Confederation; but, if hon. gentlemen will take them up and examine them carefully, they will find that, although, probably, there are some expenditures which could have been avoided, there is a satisfactory reason, in most cases, for the increased expenditure since 1867.

MR. MACKENZIE: You have a revenue equal to the expenditure for Insurance, or a little more.

SIR SAMUEL L. TILLEY: O, yes; and in several of these items our revenue has gone on increasing. From 1867 to 1873, the increase in the revenue was much larger than that in the expenditure, which left us a surplus, and since then there has been an increase in many items, but it all goes to swell the general expenditure, and I think hon. gentlemen do not always take that as much into consideration as they should. Some state to the country that there has been an increase in the expenditure from \$13,000,000 to \$24,000,000, without saying anything about the increased revenue—from Public Works—received in return for those increased expenditures. Now, I come to what, I think, requires to be cleared up a little, and that is the increased debt from 1867-8 to the present time. The gross

debt of the Dominion appears from the Public Returns to have been, in 1867-8, \$93,046,000, or deducting the assets, namely, \$17,317,000, it leaves a net debt of \$75,728,000. The net debt in 1872-3 amounted to \$99,848,000, as against \$75,728,000 in 1867-8, leaving \$24,119,820 as the net increase from 1867-8 to the close of 1873. I have heard hon. gentlemen opposite say that the increase in the debt during our Administration was enormous; and, the other night, one of them said that since 1873-4 the debt had been increased little or nothing, only, in fact, about \$7,000,000.

MR. MACKENZIE: No.

SIR SAMUEL L. TILLEY: I think the hon. member for South Huron (Mr. Cameron) said so.

SIR CHARLES TUPPER: He said there was no increase in the debt.

MR. MACKENZIE: I said there was no increase in the debt except what was caused by the obligations entered into by our predecessors.

MR. CAMERON (South Huron): That is stated in *Hansard*.

SIR SAMUEL L. TILLEY: The hon. member for South Huron said more than that. One of the items of increased debts is \$14,520,000, expended on the Intercolonial Railway. Was not that an increase demanded by the terms of Union? Then there was an amount of \$13,859,000 caused by the readjustment of the debts of the Provinces. That did not increase the taxation of the whole country, although it increased the debt and liabilities of the Dominion of Canada, but it was returned to the people through the Local Governments and Local Legislatures. There was an increase of liability of \$28,379,000 on these two items alone, to say nothing about the expenditure on Canals, the purchase of the North-West, and the Surveys of the Pacific Railway, and other similar matters. These two items alone amount to \$4,200,000 in excess of the total increase of the debt during that period.

SIR CHARLES TUPPER: If my hon. friend will allow me, I will call attention to the statement of the hon. member for South Huron (Mr. Cameron), which will be found on page 705 of the *Debates*, as follows: "Scarcely a dollar was added to the public debt during the existence of the late Government."

SIR SAMUEL L. TILLEY.