

CAPITAL EXPENDITURE, INCLUDING SUBSIDIES TO RAILWAYS.

	Expended		Estimate for re- mainer of year.	Total.
	Estimated last year.	to 20th March.		
Rys and Canals	\$3,836,521	\$2,299,443	} \$1,000,000	\$3,715,917
Pub. Works.....	407,000	336,447		
Dom. Lands.....	100,000	80,027		
Redemption of				
Debt.....	2,417,267	1,806,502	610,765	2,417,267
Ry. Subsidies....	1,095,202	1,510,228	400,000	1,910,228
	<u>\$7,855,990</u>	<u>\$6,032,647</u>	<u>\$2,010,765</u>	<u>\$8,043,412</u>

The total is somewhat in excess of the amount which was estimated last year, but the excess is largely due to the greater expenditure on subsidised railways. Taking off the redemption of debt from the capital expenditure for the current year there will remain \$5,626,145, and deducting from that the surplus of \$2,700,000 and the sinking fund which is offset against the debt of \$1,790,000, a total of \$4,490,000 to be taken from the sum before mentioned, we shall have at the end of the year an addition to our debt of \$1,136,145, which is about one-third of the addition made to the net debt in the preceding year. Taken in all, the operations of the year 1889-90 as compared with those of 1888-89 show as follow :—

	1889-90.	1888-89	Difference.
Revenue.....	\$39,200,000 =	\$38,782,870 +	\$417,130
Con. Fund Exp.	36,500,000 =	36,917,834 —	417,834
Surplus.....	2,700,000 =	1,865,035 +	834,965
Capital Exp....	5,626,145 =	5,267,035 +	359,110
Increase of debt	1,136,145 =	2,998,683 —	1,862,538
Net Debt.....	238,666,186	237,530,041	

When we come to the year 1890-91, of course all certainty fails, and I can simply make, as I had to make last year, a probable estimate of what we may receive. Looking over the state of the revenue for the past year, the condition of the trade of the country, its resources, and the condition of the country itself, I think I may be warranted in saying that for the year 1890-91 we shall receive :

Customs Revenue.....	\$23,500,000
Excise.....	7,000,000
Miscellaneous Works—Revenue...	8,700,000
<u>Total.....</u>	<u>\$39,200,000</u>

or about the same as for the current year. The Estimates already brought down to the House amount to \$36,035,445, and if we consider the probable increase at \$664,555, we shall have a probable expenditure of \$36,700,000; deducting this from the estimated revenue, we shall have for 1890-91, if this forecast is realised, a surplus of about \$2,500,000 as far as consolidated revenue is concerned. So far, Mr. Speaker, the review and retrospect of these years have been, I

think, gratifying and satisfactory to the House. After twenty-one years of our existence as a Dominion, to find the three years, 1889, 1890 and 1891, showing the financial results which they have shown, and which I have had the honor of detailing to the House, is, I think, a cause for congratulation. After this period of struggle to come into existence as a Dominion, after all the difficulties and all the disadvantages incident to the early period of growth, I say it is a matter for congratulation that the three years supervening upon these show such excellent and gratifying results, so far as the finances of the country are concerned. This leads us irresistibly to look back in swift review over the history of the Dominion from its inception. Evoked as it was by the summons of the master statesmen of that period, from what I might call almost a chaos of scattered Provinces, and from large, unexplored, and unorganised territories, the Dominion has swiftly advanced upon the view of the world. It has steadily assumed the proportions of continually enlarging and substantial greatness, and to-day it stands self-contained and confident, wielding a practically absolute sway over the northern and greater half of the English-speaking portion of this continent. It has overcome the difficulties which were incident to its first organisation, and we all know how great those difficulties were. It has surmounted the disadvantages of wide separation, and we know that these were formidable. It has conquered the almost illimitable distances which the people who lived a score of years ago, and scanned the future of this country, thought almost insurmountable. It has conquered these difficulties; it has solved this problem of immeasurable distance, and has succeeded in moulding the ambitions of its widely different creeds, and races, and interests, into a growing and dominant sentiment of national unity, and a confidence in national progress and national development. It has built magnificent channels of inter-communication; it has dotted its broad waters with busy ships, and its broader lands with wide and varying industries, and has laid broad and deep the foundations of a development, the wonderful progress of whose past is only to be excelled by the still more wonderful promise of its future. It has done this by pouring out its treasure—treasure which was hard earned by land and by sea—and pouring it out like water. It has done this by an expenditure out of Consolidated Revenue, beginning with \$13,500,000 in 1867, and reaching in this year nearly \$37,000,000, and, in the total of these years, the munificent sum of \$558,000,000, or an average of twenty-five and one-third millions a year; and it has besides pledged