

Mr. LAUDER—Is the hon. gentleman arguing that the increase in the expenditure is proportioned to the amount of receipts?

Mr. CROOKS—The true principle on which to judge of economy is to test the cost of management by the volume of the transactions to be carried on during the period, because whether that be larger or smaller will depend the difference in the staff which entails the expenditure; so that if the transactions from 1868 to 1871 were less in amount than those since, a less cost would be involved.

Mr. MERRICK—Do you say the percentage would be increased?

Mr. CROOKS—No. We have been endeavouring to carry on the business of the country with a staff which is hardly sufficient for the requirements of the country; but in consequence of the cry raised by the Opposition it has become necessary to conduct some of the public departments with a smaller staff and on less salaries than perhaps the interests of the country require. A larger business can only be managed at an increased cost, while a smaller business can be done for less.

I had occasion to bring up to the end of last year the different causes which affect our Provincial prosperity, and in my statement of 1874 there is a table which shows that, up to the end of 1874, 1,110 miles of railway had been constructed and completed since the 1st July, 1867, and the estimate of the cost made by Mr. Moleworth is \$26,282,709. I follow this up by statements showing the miles of railway completed during this year. Notwithstanding the great depression which has prevailed, and which has made it difficult to raise money for railway works, and the many drawbacks which existed against the promotion of railway enterprises, 186 miles have been completed and opened during this year, at an estimated cost of \$3,806,163. These tables show that since Confederation we have increased our railway system in Ontario by 1,300 miles, involving an expenditure of thirty millions of dollars. A large share of the prosperity the Province has enjoyed since Confederation may properly be attributed to the capital introduced for railway works, and this has assisted to tide us over the recent financial stagnation. The influence of that expenditure has been felt everywhere—in the increased capital of the banks, and in every industry in the country. The agricultural interest I can allude to with some interest, representing now the constituency of South Oxford. Notwithstanding the depression in the lumber trade during this and last year, a good deal of financial difficulty