

to the capital represented by the increased annual controllable expenditure of \$46,000,000, you will find that the increased burden imposed upon the people by the present Government amounts to the stupendous sum of \$90,932,402. The facts are plain and susceptible of proof. Every individual should realize in his own affairs, and should keep in view that each time he increases his annual expenditure by \$5, or whatever the annual rate of interest may be, he places under pledge \$100 of his capital. The gross amount of debt which the country is carrying now is \$174,675,834. Of that amount the sum of \$3,867,068 has not been received at all. The public debt is larger by this sum than the proceeds of the loans netted to the country. And what has the country got in return for the enormously increased burden which the present Government has placed upon the people? A large proportion of it is sunk in unconnected and widely-separated sections of the Pacific Railway, which will be useless and unused for years to come; in piles of corroding steel rails; in the useless Fort Francis Lock, and in unnecessary and injudicious expenditure in buildings in the North-West. These are some of the costly evidences which exist in Ministerial mismanagement and incapacity. The annual burdens of the country have of course also increased. The interest on the public debt is \$1,583,000 more than it was in 1873, and the annual controllable expenditure has increased in the same period \$2,300,000, making together \$3,883,000. In round figures, I may call it four millions. Hon. gentlemen will see from this that the annual burden of the country is increasing at the rate of about \$1,000,000 a year. The amount which had to be sent abroad to pay the interest on the public debt, for the financial year which ended on 30th June last, was \$7,132,408, and this charge will continue to increase year by year. I ask if the condition of the Dominion is such as to enable it to bear the strain that has been placed upon it? Can the affairs of the country have been prudently managed when the result is what I have described? The increase has been at the rate of a million a year—four millions in four years! Then there are our deficits. We have had, during the last two years, if our accounts had been fairly made up, an annual deficit of \$2,000,000

Hon. Mr. Macpherson.

in round figures. I have shown in this House that the accounts last year were not fairly made up. An item of \$343,591 I pointed out, had not been charged to the expenditure of the year, although the money had been expended, and therefore that amount did not appear in the deficit as it ought to have done. I ask if, in the face of the extreme depression which the experienced gentlemen around me are well aware exists in the country, the facts I have mentioned are not appalling? I used the word in speaking of the finances of the country two years ago, and it was considered too strong then: I ask if it is not too weak to-day to apply to the condition of the country? How have the deficits been met? Has any provision been made? Have the appalling facts been admitted and presented to the country as they should have been? On the contrary, they have been practically concealed. The people have been told the times are improving, that trade is increasing, and it is believed that in another year the revenue will overtake the expenditure. There is not a gentleman in this House who does not know that this is not likely to be the case—not one who does not know that the people are being deceived when they are told this flattering tale—not one who does not know that new sources of revenue must be found, that some new system of taxation must be devised, unless a scheme of great retrenchment is inaugurated and rigidly practiced. The Government and their supporters know that the liabilities of the country cannot be met unless they resort to a policy of economy such as was promised by them when they were seeking office, but which they have utterly failed to carry out during the five years they have been in power. If they should get a new lease of office, which I think, in the interests of the country, it is to be sincerely desired they should not get; they will have to resort to a system of taxation which will burden this country beyond anything which can be imagined now. They will be stigmatized as taxationists of the Dominion.

Hon. Mr. PENNY—Hear, hear.

Hon. Mr. MACPHERSON—My hon. friend who says "hear, hear" knows