

EXTRAVAGANCE — DEFICIT — TAXES

Reckless Methods in Post Office Department Turn Surplus into Loss.

IN a series of articles under the above heading in recent months it has been shown how the indefensible extravagance of the Borden Nationalist-Conservative Government since it came into power in 1911 has increased annual expenditures in all departments of the government to such an extent that whereas prior to 1911 a Liberal Minister of Finance was able to show a handsome surplus of revenue over expenditure in many succeeding years, since then the annual budget has shown a deficit which increased taxes have failed to wipe out. For this month the record of the Post Office Department is examined and it will be readily seen from official figures of revenue and expenditure that this department, possibly the best known to the people in its workings because practically everybody uses the Post Office, presents the most startling evidence of the lack of business method and carelessness of public trust which has characterized the Borden Government.

The history of Liberal management of the Post Office department is that a heavy annual deficit obtaining in 1896 when the Laurier Government assumed power, was in a short time turned into handsome annual net surplus of earnings over expenditure while Postal service was tremendously increased in efficiency. The history of Nationalist-Conservative management of the department since 1911 shows a record absolutely the reverse.

Deficit to Surplus—and Back Again.

In 1896 there was a deficit between expenditure and revenue in the post office department of \$781,152. In 1902 there was a surplus of \$1,509, and this surplus increased yearly until in 1911 it amounted to the very considerable addition to the revenue of the country of \$1,192,729. In 1914, however, it had again been reduced to \$134,157, and at the end of the fiscal year, 1914-15, the old and almost forgotten deficit, unknown since 1902, was once more in evidence.

The amount of money voted for the administration of the department for the fiscal year ending March 31st, 1915, was \$14,956,030, and the revenue collected was \$13,046,664.

This means a deficit—the largest on record—of \$1,909,866 in the post office department for 1914-15. To that extent the post office service, instead of being a contributor toward the treasury of the country, has become a burden upon it.

The following table tells the story better than words can do, the figures being secured from the annual report of the department:

Year	Expenditure	Revenue	Difference
1911	\$ 7,954,222	\$ 9,146,952	\$ 1,192,729
1912	9,172,035	10,482,255	1,310,219
1913	10,882,804	12,060,476	1,177,071
1914	12,822,058	12,956,216	134,157
1915	*14,956,030	13,046,664	†1,909,366

*Voted †Deficit

A study of these figures will show that the gradual transformation of a handsome surplus

into a very heavy deficit is not due to a falling off in the revenue, which has increased every year, but to heavy additions annually to the cost of administering the department. It will be noticed that the expenditure in this department just about doubled during the past four years.

Heavy Increase in Expenditure.

In 1896 the expenditure in the post office department was \$3,752,805. In 1911, when a handsome surplus was shown, it had increased to \$7,954,222, or a little over four millions in 15 years. In the years following it has increased from \$7,954,222 in 1911 to \$12,822,058 in 1914, and to \$14,956,030 (voted) in 1915, an increase of nearly five millions in the three years and of nearly seven millions in the four. In other words the increase in the annual administration of the department for the 15 years prior to 1911 was something like four millions, while the increase for the four years following was something like seven millions under Borden Nationalist-Conservative management.

In this connection the claim that added expenditure was partly due to the inauguration of the parcels post system in the Dominion can have little weight, as the P. P. system was not put into effect until February of 1914, or about the end of that fiscal year.

Dismissals and Appointments.

During the past few years the post office department has had an unenviable record for dismissals. From returns brought down in the House last session it is shown that in a little over two years the minister in charge dismissed 1,507 employees, while the resignations of 3,860 were called for. In the place of this total of 5,367 who thus left the service no less a number than 9,903 were appointed.

War Stamps.

Included in the "War Taxes" of last session was an increase of one cent in the postage of all letters sent through the mail. By means of this tax an increase of about two millions has been recorded in the revenue from the post office for the first six months of the fiscal year. But this amount is required to make up the increase in the expenditure of the department voted for the year over that for the preceding year with which comparison is made in connection with the increased revenue. In other words six months' extra taxing of the people has only served to pay for the extra extravagance of the government during the year.

In fact every stamp licked by the people of Canada for the whole of the fiscal year must go toward defraying the increased cost of administration of the post office department since 1913. If the expenditures in the post office had not been doubled in the last four years there would be no need of the letter stamp tax, or at least the proceeds of it could be used for purposes more directly concerned with the War.