

#### THE FINANCIAL SITUATION.

Canada has had very great prosperity for some ten years or so. But during that time we have had to spend something. With an abounding surplus from our ordinary expenditure of government every year, the administration of Sir Wilfrid Laurier has appreciated the fact that in a young and progressive country like this great expenditures are necessary in order to facilitate development.

Railroad construction; opening up new lands; improvements in our channels of communication so as to carry our produce to the markets as cheaply and as well, and in as good condition as possible, increased and improved canals; properly equipped harbors to handle the enormous traffic growing up in the country—these are some of the objects requiring heavy expenditure. So, having an abundant and abounding surplus from year to year, the Government has been using this surplus for the improvement of these things, making investments of money to a very large extent.

The Government has spent in ten years \$127,000,000 on capital account. That is to say on the improvements just mentioned, over and above ordinary current annual expenditure. About ninety millions have been spent on the problems of transportation. The Government has got every bit of this \$127,000,000 out of surplus, except five millions. So that in eleven years it has only added five millions, to the national debt of the country, while it has invested \$127,000,000 in the improvement of the condition of affairs of the country.

#### SOME COMPARISONS.

Let us consider now the state of affairs in the ten years preceding the change from a Conservative to a Liberal administration. The Conservatives during that time spent a large amount of money in the same kind of improvements. In the eleven years before the change of government, they spent eighty millions on capital account but of this eighty millions they had to borrow no less than \$62,000,000,

and thus added that amount to the public debt of this country. That is to say, during eleven years they added over five and a half millions every year to the national debt, while this Government in eleven years, added less during the whole period than their predecessors did in every one of their eleven years of administration. The result was that at the end of their administration Canada was sixty-two million dollars more in debt than she was before, whereas at the end of the eleven years of Liberal administration Canada was only five millions more in debt than at the beginning of it. And the Liberals have spent on capital account \$127,000,000 against only \$80,000,000 by the Conservatives in the same length of time. That is a good showing surely. Thus with a greater administration and while pursuing that policy which brings about large revenue and improved conditions to a country the Government has been able to keep pace with these great improvements and the rapid strides of the country and at the same time has not been adding appreciably to the burden of the people.

#### FAR BETTER TIMES.

Conservative critics make it a charge against the Government that for the carrying on of the public business it has taken enormous sums from the pockets of the people in the way of revenue, very much larger sums than were taken in their day. Mr. Foster seems to sigh for the good old days of 1896, when, as he says, only thirty-six or thirty-seven million dollars were taken into the Dominion Treasury, as against the very much larger sums that are now taken. Well, we do not think the people generally will sigh with him for those good old days. We do not think they will look back with particular pleasure upon the condition of Canada in the year to which Mr. Foster refers. We suspect that the great mass of the people irrespective of party leanings, would prefer the conditions of Canada in this year of our Lord when Canada may approach a hundred million dollars of re-