

POST OFFICE.

Year.	Revenue.	Expenditure.	Deficit.
	\$	\$	\$
1896.....	2,964,014	3,665,011	700,997
1897.....	3,202,938	3,789,478	586,539
1898.....	3,527,809	3,575,411	47,602
1899.....	3,193,777	3,603,739	410,021
1900.....	3,205,535	3,758,014	552,479
1901.....	3,441,594	3,931,446	489,941
1902.....	3,918,415	4,023,636	105,221

The actual amount of surplus or deficit in the post office has been the subject of much discussion. There is, however, no room for any misunderstanding on the subject. The Postmaster General has made a statement, in which, for the purpose of comparison with the figures of former years, the service in the Yukon and Atlin districts is omitted, and leaving this out there was a small surplus on last year's operations. Considering that in previous years of comparison there was no charge at all for a service in the Yukon and Atlin, it is perfectly fair to make a comparative statement in this way. But if we put this aside and compare the expenditure of the Post Office Department of to-day with that of former years, we have before us the gratifying fact that while there was in 1896 a deficit of over \$700,000, in the last fiscal year, 1901-1902, this deficit was reduced to \$105,000.

The POSTMASTER GENERAL. The deficit in 1896 was \$781,000.

The MINISTER OF FINANCE. The figures I have here are \$700,997, but I will look that up. However, the result is the same. In 1896, the last year under the former administration, the deficit in the post office account was upwards of \$700,000. My hon. friend the Postmaster General has not only been able to carry on the service generally in a very efficient manner, but he has extended it, especially in the Yukon and the Atlin districts at a considerable cost, and he closes the year with a deficit of only \$105,221. Even if this were the whole story of the post office, this statement would be a most gratifying one, of which the Postmaster General might well be proud. But the statement becomes immensely better when we consider the great reduction of taxation

which has at the same time taken place in the Post Office Department. When we remember that under previous administrations the domestic rate of postage was three cents, and that under the present administration this has been reduced by one-third, and when we remember the great reductions that have taken place in the postage rates to Great Britain and the colonies, we must all feel that the financial results of the present post office administration have been remarkably satisfactory. It is a record of administration which the government and the Postmaster General (Hon. Sir William Mulock) particularly, may point to with satisfaction.

Some hon. MEMBERS. Hear, hear.

Mr. SPROULE. Is that deficit reduced out of the revenue of the post office?

The MINISTER OF FINANCE. So far as I am aware, it was. I do not quite see the point of my hon. friend's question.

Mr. SPROULE. Simply this, if I may be allowed to explain. I understand that the old deficit of \$700,000 was wiped out by an item put in the estimates for that purpose, but it was not revenue from the post office.

The MINISTER OF FINANCE. I do not quite see the difference; the fact remains that at the close of the year 1896 there was a deficiency of some \$700,000. Just how it was paid is of little consequence; and if under the circumstances which I have described, my hon. friend has reduced that to \$105,000, I think that is a record which even my hon. friend from East Grey (Mr. Sproule) should receive with satisfaction.

In the Department of Railways, also, there is a large increase of receipts. We have been spending a great deal of money on the Intercolonial Railway, the returns for which we expect in some degree through increased receipts, but also to some extent, as in the case of the canals, not through direct dividends, but through service rendered in the general development of the business of the country. Nevertheless, it is gratifying to know that the volume of business on the railways has been greatly increased, as appears by the following statement of the revenue, expenditure, and surplus or deficit for a series of years: