

lieved the Government was stronger to-day in progressive policy and in the estimation of the people. Mr. Whitney at Havelock, said the Government should be turned out, and would be — "they could not stem the tide." The Government did not need to stem the tide, they only needed to sail with the tide of public opinion, which was so strongly in their favour. Since Hon. Mr. Ross took office there had been some half-dozen bye-elections, and the Government candidates were either elected by acclamation or by large or increased majorities, something that did not look as if they were struggling against an adverse tide. One of the most important matters to consider was what is the state of the finances of the province, whether the Liberals after thirty years of government, had left us a satisfactory financial standing. Mr. Whitney stated at Havelock, that "once the finances were placed in proper condition, they (the Conservative party) would be able to deal with the development of the material resources and the educational policy as they should be dealt with. Hence the question of the finances was of the most importance." "Now," said Mr. Stratton, "what is

The Financial Condition

of the province?" Mr. Whitney said at Havelock that the Government had "departed from the wholesome rule of the late Sandfield Macdonald to keep the expenditures within the revenue." The surplus that Sandfield Macdonald left on retiring from power had been so often dealt with that it seemed a waste of time to further refer to it. But, Mr. Stratton said, he was never unwilling to discuss this matter, because the more it was done the more it redounded to the credit of the financial man-

agement of the Liberal Government. True, it had been spent, but how? As a matter of fact, Sandfield Macdonald left no surplus, that is, if one deducted from it the obligations which were left his successors to meet. They had practically pledged the whole of the surplus, \$3,800,000, and more, to the work of public improvement in the people's interest. That had been expended, and many millions more, in services of public utility, and neither Mr. Whitney nor any of his followers could point to a single expenditure in connection with this surplus, or other provincial funds, that had not been well made. One of the first acts of Sir Oliver Mowat when he came into power was to devote three and a half millions to the settlement of the Municipal Loan Fund, and of this distribution the County of Peterborough got nearly \$50,000 — \$47,832.12. And we had in this county school houses and township halls that had been erected by the help of these moneys. Mr. Whitney charged the Government with breaking Sandfield Macdonald's rule to keep the expenditure within the revenue. This was a charge that

Could not be Sustained

by any honest argument. When our public buildings were being erected it is true that there were odd years when our revenue did not quite meet the expenditure. That was to be expected. But with few exceptions, the annual receipts have been larger than the expenditure. So much has this been the case, that on the 27th of last August there was to the credit of the province in the banks, in cash, \$1,263,471.00. If the expenditure had exceeded the receipts, this cash would not have been in the bank. Mr. Whitney's broad and general charge is not quite fair, but as fair