

credit on Canadian institutions that that should have been the case. Another point, also of considerable moment and interest, is this: I have here, and I shall presently lay it on the table for the information of my hon. friends, the unrevised statement for the fiscal years 1907 and 1908. These give our total exports for the period of twelve months expiring on the 1st of January, and it is noteworthy that the total exports of Canadian home produce in the year 1908 not only maintained themselves perfectly well, but were a good many millions in excess of our total exports of the same quality for 1907. The figures for 1907 showed that we exported of home produce a matter of \$237,000,000. The figures for 1908 show that we exported of home produce \$247,000,000. Now, I do not attach as much importance as some of my hon. friends appear to do to the question of the balance of trade; still there is a limit, and I would not like to see any very heavy balances of trade against us under present circumstances; but I may fairly point this out that when in the year 1908 we succeeded in exporting eight or nine millions worth more of home produce than we had done in 1907, I am perfectly justified in believing that that is a pretty conclusive proof that the great sources of industry in Canada were in no respect injured or imperilled by the commercial calamity that had befallen our neighbours, and to some extent ourselves.

However, the point to which I suspect my hon. friend would more particularly desire to direct our attention, is the very large increase which, beyond all doubt, has taken place within the last twelve or thirteen years in the expenditure of this country. It is quite true, as my hon. friend said, that in old times when Canada was in a state of stagnation, when the population of Canada were fleeing from the country at the rate of one or two hundred thousand a year, it is perfectly true, and I am not the man to deny it in the slightest degree, that I condemned any addition to expenditure under such circumstances. But it does not follow that I would therefore condemn a reasonably liberal expenditure when Canadian commerce and trade are increasing by leaps and bounds in spite of disaster in other countries, and when in

place of losing our population at the rate of hundreds of thousands we are adding to our population, and that of a very good quality, at the rate of two or three hundred thousand a year. Still, although that is very good ground for considering that we are justified in having a large and liberal addition to our expenditure, I agree with my hon. friend that it would be no justification for extravagance on our part, and still less justification for graft. I propose to analyse briefly the expenditure which has taken place, and I think I will be able to show to the House that, on the whole, and making reasonable allowance for human infirmity—and the government do not pretend to be anything but human—we are fairly justified, up to date at any rate, in what we have done in the way of increasing the expenditure. In the first place I may observe that I am a little at a loss in conducting this discussion, for two reasons; to a considerable degree this discussion on our part, seeing that we have no control of the public purse, except in some very desperate emergency, is rather of an academic character, and in the next place I am free to say that, on the whole, and to some extent I agree with my hon. friend in thinking that it is high time that our expenditures should not continue to increase, and that it may be found necessary to put a check on some of them. But the point to which I am more particularly going to address myself is the very large additional expenditure, which, as he truly says, has taken place between 1896 and 1908. For this purpose I think that my hon. friend would have done well to do as I am going to do; that is, to confine myself in the discussion not to the sums which have been expended for ordinary revenue and for capital put together, because everybody knows that we cannot engage in great works of the nature and character that we are now prosecuting without having a large legitimate expenditure on capital account, and he knows that nothing of that kind was going on in 1896. But what I think is a fair thing to do, and that which I shall address myself, is this: I shall take the expenditure actually ascertained from the public records, which I hold in my hand, for 1896 and for the year 1908. There is a very large difference between them; there