

it was conscripting men. If we credit this war account with the \$1,593,000 received on reparations account it leaves \$152,400,000 of expenditure arising out of the war to be met out of taxation, absorbing more than 53 per cent of the \$302,507,000 of taxation required to balance the budget in 1926. When you deduct these war charges which had no existence in 1914, and the cash railway and marine advances of \$10,668,000 which also had no existence in 1914, you find that <sup>our taxation.</sup> applicable to ordinary current purposes in 1926 was about \$129,435,000 as compared with \$126,142,000 in 1914. Considering the very considerable increase in population, necessitating additional services, in the meantime, and more especially considering the fact that the dollar in 1926 has only about two-thirds of the purchasing power which it had in 1914, this comparison shows the high degree of economy and efficiency which, I submit, has been attained in carrying on the ordinary functions of the Government.

To some of us, it is difficult to think in terms of the large sums with which I have been dealing. Our case will perhaps be clearer if it is stated in terms of the tax contribution per individual or better, per family, since the family is the real unit in a State, and the increase or decrease in the amount of the individual's or family's share of the national obligations. I assume that the family consists of five persons, and take the populations from the census and the annual official estimates of population.