

cent. only, while the increase of the population of this country during the same period was over 8 per cent., or the ratio of the population increase was eleven times greater than the ratio of increase in expenditure. The Administration of my hon. friend was characterized, secondly, by an arrest in the increase of debt, except as due to the obligations incurred by his predecessors. It was characterized, in the third place, by honesty in the mode of letting contracts. A clause was inserted in the Canadian Pacific Railway Bill of 1874 which debarred that Government from letting any contract for more than \$10,000 without having first advertised for tenders, a clause which was entirely disregarded by their successors when the Syndicate contract was entered into, although that Statute was still in force. He made provision in reference to tenders for public contracts requiring a deposit of 5 per cent. of the amount as an evidence of good faith, and to prevent a species of thimble-rigging and log-rolling by which other than the lowest tenders were saddled upon the Government. In all this we had an example of frugality, of economy, and of honesty, and that example stands in striking contrast to the example of extravagance, waste, and reckless increase in expenditure that characterizes the period before and the period subsequent to the period when my hon. friend was in office.

Now I intend to make two or three pertinent comparisons between the debt burden, the interest charge, and the expenditure of this country and of the United States. And, Sir, if these comparisons should be unfavourable to Canada, I trust I may not be accused of lack of patriotism, for certainly I do not believe it is the duty of a patriot to conceal the truth from his fellow citizens. In the intimate relations in which the United States and Canada are placed towards each other, the financial condition of one of the countries, if much worse than that of the other, must necessarily exercise an unfavourable influence upon its progress. Both countries have large areas of unoccupied lands, both countries are desirous of having their latent resources developed, both countries desire to prevent an exodus of their own citizens, both countries desire to secure immigration of the right class; and, in order to retain their own citizens at home, in order to offer inducements to foreigners to emigrate to either of the countries, it is desirable that one country should not have a heavier debt burden, a greater amount of expenditure, a heavier interest charge than the other; and, if Canada is advancing rapidly to a position where its debt charge *per capita* will be very much larger than that of the United States, where its interest charge and its expenditure account will be heavier, where its Customs duty taxation will be heavier, all these things will exercise an unfavourable influence upon the prosperity of the country; and it is the duty of the Government of this country to avoid any such result as that. Unfortunately we have advanced very far towards obtaining a position where a contrast between ourselves in this respect and the United States would be very unfavourable to us, and for this reason I hold, among others, that it is necessary we should call a halt in the progress we are making towards financial embarrassment. I shall make these few comparisons and then conclude. I take the population of the United States in 1883 at 54,000,000, and the population of Canada at 4,400,000. I find that the Customs and Excise of the United States for that year amounted to \$359,426,864, or \$6.65 per head of the population; that the Customs and Excise for Canada amounted to \$29,269,698, or \$6.65 per head—identically the same. I find that the Customs duties, leaving out the Excise, for the United States were \$214,706,496, or \$3.97 per head; and for Canada, \$23,009,582, or \$5.22 per head; excess of Canada over the United States, \$1.25 per head, or 31 per cent. I find that the gross expenditure, including capital account, stood as follows:—United States, \$265,408,131, or per head, \$4.91; Canada, \$42,901,660, or per head, \$9.75; difference per head, \$4.84

against Canada; difference per cent., 98 against Canada. I find, if we compare the United States gross expenditure, capital expenditure and all, with our own expenditure chargeable to income, we get the following result:—Gross expenditure of the United States, as stated before, \$265,408,131, or \$4.91 per head; expenditure of Canada chargeable to Consolidated Fund, \$28,730,151, or \$6.52 per head; difference, \$1.61 per head against Canada's Consolidated Fund expenditure compared with the American gross expenditure, or 32 per cent. The expenditures of the United States are exceptionally large, because that country is placed in exceptional circumstances. It is not many years since the country passed through a great civil struggle, and it has an enormous pension list. That pension list, for the year 1883 amounted to \$66,012,000. In addition to that it has a large army and navy list amounting to \$54,194,000 for that year. The total under these three heads was \$130,206,000. Now, Sir, our expenses for the same items, including mounted police, for that year were \$1,310,625; and if we make these deductions in each case from the expenditure the statement will stand as follows: Gross expenditure in the United States, deducting the three items of pensions, army and navy, \$135,102,000, or \$2.50 per head; Canada, gross expenditure chargeable to income only, after deducting these items, \$27,419,532, or \$6.23 per head. If we take Canada's gross expenditure as compared with that of the United States it would be deducting these items, \$41,590,935, or \$9.38 per head. In the one case, comparing Canada's gross expenditure with that of the United States, the excess in Canada would be 275 per cent. over that of the United States, and in the other case, taking the gross expenditure of the United States and deducting the items of pensions, army and navy in each country, and comparing that with the expenditure of Canada chargeable to the Consolidated Fund, the excess for Canada would be 149 per cent. In addition to this the United States have their consular and diplomatic service to provide for, which is another expense in excess of any we have in this country to speak of. If we go back a few years in the history of the United States, and take that country when its condition nearly resembled our own in regard to development and wealth per head, if we take, for instance, the period from 1850 to 1849 inclusive, a period of ten years, I find that the revenue of that country from Customs and Excise duty amounted to \$217,411,000, or an annual average of \$21,741,000 for that period, on an average population of 20,130,000. Take Canada from 1874 to 1883 inclusive, when our condition more nearly resembled that of the United States in the period mentioned, and we will find in that ten years that the revenue from Excise and Customs amounted to \$210,936,000, or an annual average of \$21,093,000 on an average population of 4,070,000. The average annual taxation from Customs and Excise per head was, in the United States, \$1.08 per head, while in Canada it was \$5.15, or 4.9 times greater in Canada than in the United States. Now, when we contrast our present condition and state of development with that of the United States during the period of ten years I have mentioned, and when we consider that our expenses now are nearly five times greater per head than were those of the United States at that time, I think we may reasonably assert that our expenses are altogether too high. In the matter of the public debt, I find that the public debt of the United States on March 1st, was \$1,483,501,000; that debt was reduced in the month of March by \$15,000,000 in round numbers, making the debt on the 1st of April, \$1,468,501,000, or an amount per head of \$26.68 on an estimated population of 55,000,000. The public debt of Canada according to official returns, on the 1st of January—the net public debt—was \$163,578,402, or an amount per head of \$36.33 on an estimated population of 4,500,000, which