

The expenditure, as I have shown, was very close to the estimate which I formed; it proved to be somewhat less. But while my estimate of the expenditure was a close one, the revenue as I have already pointed out exceeded my estimate by a considerable sum; the result being that instead of a surplus of \$5,800,000 which I estimated, we closed the year with an actual surplus of

\$7,291,398. If I except the surplus of our own showing of two years earlier, this is the largest surplus that has ever been recorded in the public accounts of Canada. The increases of revenue will be found in nearly all departments. I have here a statement giving a comparison of the receipts in the various branches for the years 1901 and 1902. That statement is as follows:

DETAILS OF REVENUE—COMPARISON WITH 1900-1.

Service.	1901-2.	1900-1.	Increase.	Decrease.
	\$	\$	\$	\$
Customs.....	32,191,978	28,425,284	3,766,694	
Excise.....	11,197,133	10,318,266	878,867	
Post Office.....	3,918,415	3,441,504	476,910	
Railways.....	5,918,997	5,213,381	705,616	
Dominion Lands.....	1,227,976	1,517,319		289,342
Miscellaneous.....	3,596,288	3,598,945		2,656
Net increase.....	58,050,790	52,514,701	5,536,088	291,999

The chief increases of revenue over the previous year arose in customs, but there were also large increases in excise, post office, and railways. In this statement which I have read, the item of Dominion lands includes royalties from the Yukon gold fields, and the falling-off is due to the reduction that took place in the rate of royalty. The increase in customs can be ascribed to the

general activity of trade in all departments. Increase of revenue is shown under nearly all heads of the customs business, and only in the case of a few articles was there a falling-off. In excise, too, the increase was general, as appears by the following statement, which gives the quantity of goods and the duties accruing thereon.

EXCISE.

Article.	QUANTITY.		DUTY.		Increase.
	1900-1.	1901-2.	1900-1.	1901-2.	
			\$	\$	\$
Spirits..... Galls.	2,863,950	3,123,430	5,178,275	5,618,113	439,838
Malt..... Lbs.	64,723,616	71,440,519	970,855	1,071,608	100,753
Cigars..... No.	141,096,889	151,780,516	822,738	881,597	58,859
Cigarettes..... "	121,383,584	134,236,034	362,626	400,035	37,409
Tobacco and snuff..... Lbs.	11,330,345	11,569,632	2,308,460	2,433,355	124,895
Raw leaf, foreign..... "	9,848,803	10,704,961	1,026,265	1,137,279	111,014

The increasing revenues and improved condition generally of the finances of the post office is worthy of special note. The following statement covering the expendi-

ture usually given under the head of post office, and including all except civil government, is interesting: