

recommendation of the Mackenzie Government, but as they have not been pointed out we are bound to assume that no charge of improvident capital expenditure can be sustained. There are charges without end against the present Government for improvident expenditure in relation to the Intercolonial and Pacific Railroads, which, in our opinion, are, to say the least, highly exaggerated. They are, however, open to fair discussion, but a charge against a Government of increasing the public debt amounts simply to a complaint that the Government has provided the means of defraying the cost of executing the works which Parliament has sanctioned, on the express understanding that they are to be provided for by a new loan or loans.

Not only is the Mackenzie Government seriously charged with the crime of providing for the expenditure sanctioned by Parliament, but it is likewise held responsible for the serious depression with which Canada, like other countries, was visited during late years. We do not propose to enter into a discussion of the vexed questions of Protection and Free Trade, more especially as they have a very limited bearing on our present subject; we are, of course, well aware, that the depression to which we have referred, has been attributed by their opponents to the Government then in office, while the existing prosperity is ascribed, with equal correctness, exclusively to the national policy. It is in vain to point out to unscrupulous partisans that Canada had a period of great prosperity with a lower tariff than the one framed by the late Government, and that, notwithstanding that their tariff is much higher than the present Canadian one, the United States suffered quite as severely as Canada during the period of depression, and recovered from it without any change of fiscal policy, precisely as Canada would have recovered without the imposition of a protective tariff.

We own that we deprecate the incessant attempts to deceive the public on this tariff question. That its tendency is to develop native industries of various kinds, is beyond doubt, and it cannot be denied that, situated as Canada is in the immediate vicinity of a great nation, with a population probably twelve times as great as our own, and which has adopted a highly protective policy, it would be difficult for her, even were such a policy acceptable to her inhabitants, to inaugurate free trade in its integrity. The difference between the rival parties is not so much on free trade as on the extent of the protection to be given to

domestic industries, one party avowing that incidental protection is necessary, its limit being the amount required for revenue purposes, while the other makes no secret of its preference for protection as a means to the encouragement of domestic manufactures. There is, it must be admitted, a wide difference between the views of the rival parties, but it only complicates the subject to raise false issues, and to attribute the depression and subsequent revival in business to the change of tariff. With regard to the debt, which we were led to notice, owing to the remarks of a contemporary, attributing its increase during the Mackenzie Government as blameable, a reference to the cost of the public works for the construction of which it was created, would satisfy any reasonable inquirer of the injustice of the charge. The assumption of the Provincial debts was \$20 millions odd, the Intercolonial and Pacific railways over \$46 millions, miscellaneous works nearly \$26 millions. If these works have been wisely undertaken the increase of debt should be a subject of approval instead of reproach.

THE BLUE BOOKS.

The Government statistics laid before Parliament last week contrast favorably with those of former sessions. We shall for the present merely quote the more important features. The

PUBLIC ACCOUNTS,

as prepared by the Finance Department, show expenditures on capital account during the last fiscal year amounting to \$8,176,316 for the following services:

Intercolonial Railway.....	\$608,733
Pacific Railway.....	4,968,504
	\$5,577,237
Public Buildings, Ottawa.....	12,232
Welland Canal.....	\$1,242,943
Lachine Canal.....	292,166
St. Lawrence Canals.....	60,876
Ottawa Canals.....	411,608
St. Peter's Canal.....	69,435
	2,077,028
Dominion Lands.....	334,691
Land and Cable Telegraph Lines.....	175,138
	\$8,176,316

These have been covered by the surplus revenue of \$4,132,743, and the accretion of deposits in the Savings Banks. The note circulation has expanded to the extent of nearly one million, but, on the other hand, the liabilities of the Government bearing six per cent. interest have been reduced by \$1,518,393. The rate of interest on the debt payable in London is now only 4.43 per cent. The amount credited to premium for the difference

between the par of exchange and the amount paid for the £2,205,000 purchased for remittances to England amounted to \$90,537.51, which represents an average purchase during the year at the rate of about 8½ per cent. This has been arrived at by purchasing sixty days' exchange in advance of payments by tender from some sixteen banks, and has, to a great extent, proved satisfactory. The profit on the silver coined for the Dominion during the past year has been \$97,854.32, and in the copper \$12,467.62, both of which amounts have been credited to Casual Revenue.

THE CENSUS.

In August last, we published a synopsis of the new census of the Dominion. The totals for the several Provinces, as laid before Parliament last week, are as follows:

Prince Edward Island.....	108,891
Nova Scotia.....	440,572
New Brunswick.....	321,233
Quebec.....	1,359,027
Ontario.....	1,923,228
Manitoba.....	65,954
British Columbia.....	49,459
The Territories.....	50,446

Total population in 1881..... 4,324,810

The population of Montreal proper is 140,747, but, including the surrounding municipalities, it is over 190,000.

TRADE AND NAVIGATION.

Taking the period since the Confederation, the year 1873 has been the great export year of the Dominion. In that year the total exports were valued at \$89,789,922. The returns for 1881 show exports amounting to \$98,290,823, being an increase over 1873 of \$8,500,901; and over 1880 of \$10,379,365. This increase is wholly in our trade with Great Britain, and is principally composed of Canadian produce and manufactures. Great Britain is our best customer, buying \$53,751,570 out of our total exports of \$98,290,823. In 1881 her purchases exceeded those of 1877 by \$12,183,331. On the other hand, we bought from her about four millions of dollars worth of goods more in 1881 than in 1877. South Africa, in 1881, bought from us \$81,644, as against \$23,170 in 1877. We bought in 1881 goods to the value of \$138,815 from South Africa, as against \$97,394 in 1877. South America took \$732,111 from us in 1881, as against \$651,625 in 1877. We bought, in 1881 from South America goods for home consumption to the value of \$637,620, as against \$4,971 in 1877. Our purchases from China and Japan increased from \$418,606 in 1877 to \$1,410,973 in 1881. The total value of imports, exports and goods entered for consumption in the last three years was as follows: