

Mr. MILLS. Does the hon. gentleman include in that second statement the loan effected by the hon. Minister of Finance in the autumn of 1873?

Mr. WHITE. Yes, and I include also the loan effected by the present hon. Minister of Finance in the autumn of 1878. Now, Sir, what are the facts with regard to this debt, looking to the increase of our obligations? I find that about \$20,000,000 of that increased debt since Confederation is represented either by the transference of the debts of the Provinces, or simply taking from one pocket and putting into the other, relieving the Provinces and putting it upon the Dominion; or it was incurred in bringing in new Provinces with their debts, and was, therefore, represented by an increased population, an increased area of country, and must not be considered an increase upon the debt of 1867 in which the four Provinces alone were involved. Before 1873, during the time the Conservative party were in power, I find no less than \$15,525,279 was of this character; so that the actual increase of the debt during those six years represented by the increased burden upon the people, was \$8,594,541, or an average annual increase of \$1,432,423. Then, of the increase between 1873 and 1878, I find that \$4,927,060 was of the character I have just described, represented by the introduction of new Provinces and their debts, or by the re-arrangements of debts, and was not an increased burden upon the people in relation to their debt. I find, therefore, that the average increase, deducting that amount of the five years of Liberal rule, was \$7,117,109. Then, Sir, as illustrating the difference between Conservative and Liberal rule, let me point out one fact of very great importance, and that is, the expenditure upon capital account as compared with the increased debt during the periods the two parties respectively were in power. I find that during the six complete years of Conservative rule no less than \$12,072,780 were spent on capital account in excess of the addition of the debt. During the five complete years of Liberal rule \$1,997,613 were added to the debt more than was expended on capital account. Then I find that during the last three years of Conservative rule \$991,683 were expended on capital account in excess of the addition to the public debt; or, if we take the expenditure up to the 1st January last, according to the statement by the Minister of Finance, we find that \$4,522,822 was expended upon capital account in excess of the debt. That statement is more than fair to hon. gentlemen opposite, for it gives them the benefit of 1873-74, and it places on the hon. gentlemen now on the Treasury benches the responsibility of the expenditure of 878-79. But if we take their method of using figures what do we find? We find that during the time the Conservatives were in office, during the seven years which are usually credited to the Conservatives in connection with the public expenditure of this country, there were \$12,833,009 spent on capital account in excess of the addition to the public debt. We find that the late Government added to the debt, in excess of capital expenditure, \$4,257,512; and we find the hon. gentlemen on the Treasury benches, since they have returned to office, have expended upon capital account, in excess of the addition to the public debt, no less than \$7,543,033. Now, I ask you, Mr. Speaker, and I ask this honorable House, whether in relation to the public debt of this country, that is a record of which the Conservative party have any reason to be ashamed? But I know that hon. gentlemen opposite say: "We are not responsible for this enormous increase of debt during the time we were in office." The hon. member for West Middlesex (Mr. Ross) puts their responsibility for their increased debt at somewhere—I forget the exact figures—but certainly under a million dollars.

Sir LEONARD TILLEY. \$200,000, I think.
Mr. WHITE (Cardwell).

Mr. WHITE. Considerably under a million, at all events. It is undoubtedly difficult to apportion between the two parties the responsibility for the increased public debt, or for the expenditures in connection with it. But my hon. friend from Lincoln (Mr. Rykert), in the speech which he delivered this afternoon, pointed out what, I think, everybody must admit that they are quite as responsible for all the increases to the public debt which have taken place since Confederation as the party who are now in office. The Intercolonial Railway was an obligation at the time of Confederation; it was part of the Treaty. The then leader of the party, the late lamented Mr. Brown—and would to God he were with us to-night to see what are the principles his friends and former followers are venturing in his absence to proclaim—stated that Confederation was worth six Intercolonial Railways. I heard him make the speech myself in the old Music Hall, Toronto. That was an obligation resting on the country as a whole; for it both parties were responsible. It is true, as the hon. member for Lincoln (Mr. Rykert) has pointed out, that there was a difference of opinion as to the route; but I would like to ask the hon. member for Gloucester (Mr. Anglin) what he thinks of the route of the Intercolonial Railway. I would like to ask the members for Lower Canada—those who were in Parliament at that time and those who are in Parliament to-day—what they think of the route of the Intercolonial Railway. It is a notorious fact that except the Ontario Opposition and a few of the New Brunswick members, the whole of the Opposition—the Nova Scotia Opposition and the Quebec Opposition voted with the Government of the day in determining the north shore line as the route of the Intercolonial. What are the facts with regard to the canals, which is the next large item entering into the expenditures making up the increase of debt? Every one knows who has read the Confederation Act that the question of expenditure upon the canals, although provided for by that Act, was contingent on the condition of the finances. It was for the Government of the time, whatever the Government might be, to determine when they would enter on the work of enlarging the canals. Now, what is the history of the case? When the Conservative Government left office in 1873, I think I speak accurately in saying that there was not a single contract let for the enlargement of the canals west of Lachine, that all the work in connection with the canals west of Lachine was undertaken after the Conservative Government went out of office. Nay, more than that. Although the Conservative Government had advertised for tenders, and, I believe, had received tenders for certain contracts in connection with the Welland Canal, the Minister of Public Works of the late Ministry, when he came into power, stopped those tenders—rejected them—and advertised anew for tenders. It was competent for him, under the terms of the Confederation Act, under the obligation the country had assumed, connected with the construction and enlargement of the canals, to say that the condition of our finances would not permit us to go on, and, therefore, under the contract we are not bound to go on; and when we remember that the first act of the Government was to increase the annual taxation of the country by \$3,000,000 because the ordinary requirements of the country necessitated it, including, of course, the expenditures on the Pacific Railway—every one will admit that the hon. member for Lambton might have taken that course, and have said our finances will not permit us to enter upon the work, and, therefore, we will not enter on it. But he did not take that course; he entered on the work, on his own responsibility as a Minister; his party supported him on their own responsibility; and their organs in the country, the *Montreal Herald*, the *Toronto Globe* and