

time the population of Canada increased from 4,833,239 to 7,206,643. From 1901 to 1911 the increase in population was 34.17 per cent; as the Canada Year Book says, it was "the greatest in the world." In those fifteen years the immigrants who entered Canada totalled 1,885,531, and a very large proportion of them came well supplied with money and effects. During those fifteen years trade trebled, increasing from \$239,025,360 in 1896 to \$769,443,905 in 1911. Exports increased from 121 millions in 1896 to 297 millions in 1911. Railway mileage increased from 16,270 miles of track in 1896 to 25,400 miles in 1911. The country from end to end was prosperous, unemployment was practically unknown, it was the era of the "full dinner pail." Revenues were buoyant and ample surpluses were shown in every annual statement of the affairs of the country. And yet in spite of the unexampled development of the country and the tremendously growing calls for expenditure of all kinds, the actual increase in total expenditure, from 44 millions in 1896 to 137 millions in 1911, shows an increase of only 63 millions, or at an average rate of about 6 millions a year. This included both "Capital" and "Consolidated" accounts. The first represents money spent on railways, canals, public buildings and public works of a permanent character which are considered permanent assets of the country. The second represents the ordinary year-in and year-out expenses of running the country and is called "controllable" by Sir Robert Borden.

In the fifteen years of Liberal administration "controllable" expenditure increased from 37 millions in 1896 to 98 millions in 1911, a total increase of 61 millions, or at the rate of 4 millions a year. This increase came while trade was doubling and trebling and the population and wealth of the country was increasing by leaps and bounds. And yet it was this increase which Sir Robert Borden designated as "extravagance beyond all possible defence."

Tory Prodigality Despite Falling Revenue.

Unfortunately it is beyond argument that there has been no particular increase in the development of the country or its business since 1912. If the Borden government seeks excuse for its carnival of increased spending, it cannot find it in the records of those years. Trade, which increased normally for a short time, dropped alarmingly before the war and if it is holding its own now, it is only by reason of heavy exports stimulated by the War. For six months prior to the War imports from which revenue is collected dropped off at the rate of more than one million dollars a month. Immigration dropped from 402,432 in 1912-13 to 384,878 in 1913-14 and to 144,789 in 1914-15. Population, it is admitted, has done no better than remain stationary. Home-land entries fell from 44,479 in 1911 to 33,689 in 1913 and have been dropping off ever since. Railway earnings dropped 13 millions in 1914 and railway extensions have practically ceased. Unemployment, for the first time in many years, became a terribly present problem in 1913 and increased alarmingly.

Conditions Dictated Retrenchment.

Such were the conditions under which it might surely have been reasonably expected that the

Borden government would have at least kept its expenditures down to the level of what was considered by them "extravagant" in the days of Liberal administration. Surely it might have been expected that the Liberal "extravagant" figures would not be exceeded, if they were not curtailed. But what are the facts?

Records Show Warnings Unheeded.

During the first year of the Borden government's regime the high-water mark of total expenditure set by the Liberals was exceeded by \$7,314,795; during the second year it was exceeded by \$49,098,965; for the third year it was exceeded by \$45,019,951. A total increase in three years of \$101,433,711 over the standard set in the last year of Liberal administration. An average increase of 33 millions a year. And every dollar could have been saved to the country if the Borden government had kept its spendings down to the level that it termed "extravagance beyond all possible defence" when it was a Liberal government that was doing the spending.

Capital Account Spendings Increased.

In the last three years of Liberal administration 89 million dollars was spent on capital account—for public works including railways and canals. In the three years of Conservative rule the expenditure under the same head has amounted to \$105,000,000 an increase of \$16,000,000, or an average yearly increase of over five millions. This is exclusive of government subsidies to railway companies. A great part of this increase is chargeable to the Department of Public Works, which under the care-free extravagant administration of Hon. Robert Rogers has increased from eight millions in 1911 to 10 millions in 1912, to 13 millions in 1913, and to 19 millions in 1914.

Railway Subsidies.

Subsidies to railways reached the extreme limit during the past three years under Nationalist-Conservative rule. In the whole 15 years of Liberal administration, railway subsidies amounted to \$25,129,193. In the three years of Nationalist-Conservative administration the official returns show no less a sum than \$29,163,250 of the people's money thus given to the railway corporations. In 1913 there was \$4,935,507; in 1914 the amazing total of \$19,035,236 and in 1915 \$5,191,507. This takes no account of railway company bonds guaranteed during the three year term, and which may become a liability of the government to be defrayed with still more of the public money.

It should be borne in mind that the figures quoted do not take into account anything in connection with War expenditure. Canada's War expenditure is being paid out of special borrowings in London. Not a dollar of Canadian War expenditure has yet come out of Canadian funds, but the day is fast approaching when interest on these huge borrowings will have to be met and it is against that day that the Borden government should have been preparing by retrenching in every other possible direction so that the burden of War might be that much more easily borne.