

on this true basis would show as follows:—From 1868 to 1874, the increase was \$9,830,223, averaging annually \$1,638,370; the annual average increase in the period from 1878-79 to 1883-84 was \$1,668,165, based upon the estimates of the current fiscal year; and the average annual increase under the Reform Administration was \$70,536. This reveals this startling fact that the ratio of increase in the first period from 1867 to 1873-74 was 23 fold greater than the increase under the Reform Administration, and that the ratio of increase in the second period from 1878-79 to 1883-84 was 23 6-10 fold greater than the ratio of increase in the preceding period under the Reform Administration. This shows a remarkable contrast between the first period and the second—showing an increase 23 fold greater in the first compared with the second; and a still more remarkable contrast between the second and third, the increase in the latter being 23 6-10 fold over the former. What greater financial contrast could be presented between the Administration under Reform and the Administration under Conservative control? I am well aware that my hon. friend will say that the increase in expenditure is more apparent than real; I am well aware that he will advance the argument that many public works were created, and that from the cost of management of these public works which is set down in the expenditure should be deducted to the revenue derived from these public works, to arrive at a true estimate of the increase of the expenditure of the country. I admit there is force in that contention, but if it were applied to the second period, the period of the Reform Administration from 1873 to 1878, if from the cost of managing the public works created by that Administration had been deducted the revenue derived from these works, the expenditure under the Reform Administration would have shown a large reduction instead of a slight increase, as compared with that under the preceding and subsequent Conservative Administrations. The truth is that our expenditure for the purpose of creating public works has gone on with tolerable regularity since 1871. The expenditure on public works in the second period of which I have been treating, the period when the Reform Administration was in power, was largely in excess of that in the first of these periods from 1867 to 1873, and was very little less than that in the third period from 1878 to the present time; and the population increased as rapidly in that period of the Reform Administration as in the previous one and more rapidly than in the subsequent one. The Reform Administration were called on to provide increased postal facilities and incur increased expenditure in consequence of increased population; our settlement had already commenced in the North-West; and the Reform Government spent over \$40,000,000 in the creation of public works. I hold therefore that the argument that the increase of expenditure is more apparent than real, in consequence of the fact that public works have been created and the cost of maintaining them charged to expenditure, will apply with equal force to the period from 1873-74 to 1878-79 as to the preceding and subsequent periods.

So much for the question of increases in expenditure. I now propose very briefly to refer to the increase in the public debt under the Reform Administration as compared with the increase in this debt under the present Administration. It is well known that an estate may be encumbered by its possessor and that his heirs and assigns are bound to pay the obligations incurred by him; and it is well known that a Government may incur obligations which its successors are obliged to discharge. Were the Reform party to get into power to-morrow, they would be bound to carry out the obligations of the Government now in power; they would be bound to carry out the odious Syndicate contract which they fought with all the energy they possessed; they would be bound to carry out the arrangements made this Session by which

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the Government has become sponsor and partner in a great railway monopoly. They would not be responsible for these obligations; but in carrying on the Government of the country, they would be obliged to fulfil the obligations entered into by their predecessors in office. When my hon. friend from East York (Mr. Mackenzie) became First Minister, he found certain obligations resting on the country; and in discharging these obligations, he was compelled to expend large sums of money. The expenditure in each of these years, therefore, increased largely, not in consequence of any motion or act of his, but in carrying out the obligations entered into by his predecessors, obligations for which he was not responsible and against the incurring of many of which he had strongly protested. As First Minister, however, he was bound to see that they were discharged. On the 30th of June, 1874, our public debt amounted to \$108,324,964; on June 30th, 1879, it had increased to \$142,990,187, or an increase of \$34,665,223. There is the fact admitted then of the increase in the public debt; the next question to examine is the cause of that increase. Was it in consequence of any act of my hon. friend (Mr. Mackenzie)? I answer it was not. What then was the cause? The hon. gentlemen now in power had made a certain contract or arrangement for the construction of a railway from the St. Lawrence river to Halifax, the Intercolonial Railway. The increase in the debt in consequence of this work amounted to \$5,283,965; the increase due to the Canadian Pacific was \$11,032,617, and the increase through work on the canals and other public works, \$17,645,985, and out of this entire sum, my hon. friend was only responsible for an expenditure of \$250,000 on the St. Peter's Canal. These expenditures make up the increase of the debt less \$682,656 and that deficiency is more than accounted for by payments into the sinking fund. Or we could make a comparison extending over a little broader period. The debt on the 30th June, 1873, was \$99,848,461, and on the 30th June, 1879, \$142,990,187, or an increase of \$43,041,726; and it was caused by these expenditures—debts allowed to Provinces in 1873, \$4,927,060; increase due to Intercolonial Railway, \$8,701,626; increase due to Canadian Pacific Railway, \$11,362,841; increase due to canal enlargement and public works, \$18,172,796; total, \$44,164,323, or an expenditure for these objects in excess of the increase of the public debt for that period of \$1,122,597, for all of which again the Government now in power were responsible, except the paltry expenditure upon the St. Peter's Canal. It may be said that my hon. friend might have cancelled these contracts, that he might have ceased these expenditures.

Sir LEONARD TILLEY. There were no contracts made.

Mr. CHARLTON. What would have been said if the expenditure upon the Intercolonial road, which was almost half completed, had been suspended? What would have been said by the Opposition if the policy of the Government as to the expenditure for the enlargement of the canals had been suspended? What would have been said if no attempt had been made to afford the North-West an outlet, which it had become apparent was necessary? Why, my hon. friend was obliged, under the very circumstances of the case, to proceed with these expenditures that had been entered upon by the preceding Government and with these works which had been largely advanced by them.

We may hold, then, that the Administration of my hon. friend from East York was characterized, first, by an arrest in the increase of expenditure. The Government that had preceded him had increased the expenditure \$9,800,000 in round numbers in six years. He arrested this increase, and it only amounted to \$365,842, on the correct basis of comparison, in five years. The percentage of increase of expenditure, on this basis of calculation, under my hon. friend, amounted for five years to seven-tenths of one per