there was a not increase in the above controllable expenditure over the average of preceding five years of about three million dollars. The savings effected were :- - Mail subsidies, \$37,399 : militia, \$443,229 ; miscellaneous, \$11,922 ; police, \$26.238 ; railways and canals, \$108,762 ; culling timber, \$8, 633; Dominion lands, \$50,187; minor revenues, \$5,500; total savings, \$696,920, as against an increase of about \$3, 700,000 on the other items. If during these five years of commercial depression, to which was attributed the deficits of that period, it was found necessary to increase the annual expenditure in a greater ratio than has occurred in any subsequent period of five years, it is difficult to see how the supporters of the Mackenzie Government can claim even as good a record for economical administration as has been shown by their successors. The principal nems of increase during Conservative Administration have been : Civil government, \$497,998; Indians, \$646,078; militin, \$519,667; public works, \$504,423; fisheries, \$318,029; administration of Jus tice, \$183,830; legislation, \$247,048, superannuation, \$151, 739 In addition to which there was a large increase of expenditures on the railway and canal and post office service.

In illustration of the utter absurdity of many of the charges of extravagance and corruption which are so frequently made, the item for superannuation may be referred to. During the five years of Reform administration, thaverage annual expenditure on this item increased 140 per per cent. over that of preceding five years. During the succeeding fifteen years the merease was only 150 per cent. If during each of the three five year periods succeeding 1878-7?, the 140 per cent increase had been maintained, the average expenditure during the five years ending in 1891 would have been \$1,393,100 instead of \$252,513 which it really was. It is not always safe to invite comparisons.

A comparison of Dominion expenditure with that of the province of Ontario, for which great credit is claimed for the exercise of praiseworthy economy, shows favorably for the Dominion, although it would naturally be supposed that there should be a much more numerous and important demand upon the Dominion than upon any of the provinces.

The Dominion expenditure including charges on debt<br/>was in 1868....\$13,466,093The Dominion expenditure including charges on debt<br/>was in 1804...\$13,466,093Increase per cent......37,585,025The Province of Ontario expenditure was in 1868...1,179,269The Province of Contario expenditure was in 1894...3,842,504Increase per cent......226,000

The expenditure of the province in 1868 was nearly the same as the amount of the provincial subsidy, which Hon. George Brown, in his speech during the confederation debate, estimated would be amply sufficient for all the requirements of Oatario.

Any one year may not fairly represent the case, and it may be proper to take the average expenditure for a series of years.

The Dominion expenditure for the four years onding 1871 averaged	\$14,373,192
1801 avoraged	10,001,101
Increase per cent	156.00
1872 averaged The interio expenditure for the four years ending 1895 averaged	3,994,092
Increase per cont	105.00

The above figures show that it does not become the leaders of the Reform party to assume that the increase in expendi ture is in itself an evidence of extravagance and corruption, because, on the same basis, they must admit that their five years administration at Ottawa, and their twenty-five years management in Ontario, have proved even more extravagant

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The object of the present paper is not so much recrimintion, as it is to ascertain exactly how we stand as to expenditure, and whether our position demands parsimonious intrenchment, or admits of a liberal policy in aid of me ded enterprises.

As above shown, the controllable expenditure of the 14minion, during the five years ending in 1893-94 averaged \$19,522,361, as compared with average for five years ending 1878-79, \$11,861,144, apparent increase in last five years over the average of the five years of the Mackenzie adminis tration, \$7,661,217.

But the increase does not represent a like increase in tartion. Reference has been previously made to the large in crease in the expenditure for postal, railway and canal services, for the fifteen years this increase amounted to 33,576,743. During these fifteen years the revenue derived from these services, which cannot be called taxation, increased 33,410,846. This should be treated as an offert to the in creased expenditure, and should therefore be deducted. This reduces the increase to \$1,250,371.

There has also been an increase in the subsidies, paid to the different provinces, of \$375,000. This should be deducted, as although adding to Dominion taxation, it adds in same extent to provincial resources. There has also been an increase in the minor revenues since 1879, derived from other sources than public taxation, and mainly produced through the increased expenditure—about \$625,000, together, \$1090,000, making the net increase in controllable expenditure in fifteen years, which involves additional taxation, \$3,250, 371.

There might also he fairly deducted \$500,000, being the increase in average annual expenditure for public works during last five years as compared with five years ending in 1879.

This is a very different showing from the alarmist exhibiheld up to public condemnation by political agitators, who have been informing the people that their taxation has in creased from \$23,503,258 in 187879 to \$38,168,609 in 1893Of course there has been an addition to the \$3,250,371 of increased taxation as above, for annual charges on debt The increase in 1895, since 1879, for the zervice has been \$4,237,678. As this has been incurred for the completion of our great transcontinental rail and water communications, which nearly all approve of, this increase need not be discussed.

There is nothing alarming in the position of Canada, either as to the amount of its debt or its annual expendi ture; the increase in both cases having been incurred in equipping the country with such facilities for developing its resources, and bringing them to the world's markets, as enable us to meet the increased taxation with greater case than we could have met a lesser taxation without these equipments On the contrary, the more carefully the figures are studied, and the more candidly the causes of our past progress are investigated, the greater must be the incentive to the contin-