

Sir RICHARD CARTWRIGHT. Exactly, and to which I referred.

Mr. FOSTER. The surplus is given there. In each case they are simply as they purport to be, the cash record of the month or the cash record, receipts and payments of the nine months. They correctly represent what they purport to represent. Whether you call it surplus or anything else, that is the actual statement of the case. In the nine months so much was received in cash, so much was checked out of cash, and so much remains over—a surplus undoubtedly.

Sir RICHARD CARTWRIGHT. I do not object to the fact of the hon. gentleman's department making a return of the audited expenditure. What I think is very objectionable is that the line "surplus" should be introduced now for the first time. We have had these returns published every month ever since confederation, a period of eight and twenty years, and I do not think that in all that time the hon. gentleman will find any such reference to a surplus until after the end of the financial year. The reason we do not find it is that the heads of the department were perfectly well aware that any statement of a surplus made at any other time would be misleading in the highest degree; and I object to its being put in the "Official Gazette," because any ordinary business man in Canada, looking at that, and knowing no better, would naturally say to himself, "Well, after all, things are not so very bad when there is a surplus for nine months of \$708,000.

Mr. FOSTER. The hon. gentleman will excuse me if I say a word or two further. My statement is true, and my hon. friend will take it as such; but I want to supplement that by stating that the only time I have interfered with the way in which these statements have been made was last year. Previous to that time, if I mistake not, at the end of the fiscal year, when all the accounts were not in, but when overdue claims and accounts that had to be adjusted, amounting to some millions of dollars, had yet to come in, I said to the book-keeper, "That will be a misleading statement if you send it out at the end of the fiscal year or in the July statement, because there are accounts yet to come in; after this, when you make up that statement to the end of the year, I want you to add a note stating that this does not include accounts overdue and accounts to be adjusted which are yet to come in, and which will make this statement very different."

Sir RICHARD CARTWRIGHT. I accept frankly the statement of the hon. gentleman, and I am glad to hear it. I am glad to hear that the hon. gentleman was not responsible for what looks on the face of it to be rather an unworthy artifice, and I recommend him to strike out that line for the future, or to add a note to the effect that this is merely

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audited expenditure and has nothing to do with any other expenditure.

Mr. FOSTER. Certainly; any one would see that who looked into it.

Sir RICHARD CARTWRIGHT. No, anybody would not see that. On the contrary, all over the country, in all the organs of the hon. gentleman from the "Mail-Empire" downwards, these statements have been accepted as representing the true state of the case, and long articles have been indited holding me up as a slanderer of the credit of Canada, because I alleged that the real deficit for the nine months was over \$5,000,000, when it was only \$500,000. Now, Sir, I call the attention of the House to the extent to which this absurdity in the way of book-keeping may go. We all know that 1894 terminated with a deficit of one million and a quarter; as to that there is no dispute. For the nine months ending the 31st of March, 1894, the revenue was given as \$27,845,000, and the expenditure as \$23,331,000, showing a nominal surplus on the operations of the nine months of \$4,514,000, with an actual resulting deficit of \$1,210,000. On the 30th of April the revenue was given as \$30,288,000 and the expenditure as \$25,515,000, showing a nominal surplus of \$4,773,000, with a resulting deficit, as before, of \$1,210,000. On the 31st of May the revenue is given as \$32,911,000, and the expenditure as \$28,840,000, showing a nominal surplus of \$4,071,000, with a resulting deficit of \$1,210,000, as before. On the 30th of June, under the date of the 4th of July, the revenue is given as \$35,382,000 and the expenditure as \$30,755,000, showing a nominal surplus of \$4,627,000, while the actual deficit was only \$1,210,232. However, Sir, can the hon. gentleman gainsay the accuracy of any one of my statements? Can he gainsay the fact that we closed last year with a deficit of \$1,210,000? Can he gainsay the fact that on the last day of this month our revenue had fallen to the extent of three and a quarter millions and our expenditure had increased to the extent of half a million? These statements are taken from his own official returns; they are the statements which he has himself submitted; they are the statements which, at any rate, have issued from his department, whether he saw them or not, and I suppose, according to the rule he laid down some time ago that the Minister is bound to accept the statements of his subordinates, these are statements which he must accept in full faith or get rid of the subordinate who made them. Now, as to whether we are likely to lose another million by extra expenditure or diminished revenues during the next three months, I do not desire to offer an opinion other than this, that if, on the 1st of April, 1895, you have an ascertained deficit of \$5,016,000, it is not very likely that you are going to make much improvement in the remaining three months. However, that is a matter on which I shall