

	Capital Account.	Controllable Expenditure.
1873	1,175,400	1,705,400
1874	2,024,000	1,705,400
1875	1,777,100	1,277,400
1876	1,245,400	1,277,400
1877	1,116,400	2,024,000
1878	644,000	2,024,000

This table makes it plain that, capital account expenditure aside, the controllable expenditure has risen under Mr. MacDonald from \$1,116,400 to \$2,024,000—an increase of \$907,600, or nearly 70 per cent.

The *Mail* attempts, by mis-using the phrase "controllable expenditure," to create a false impression.

The whole of the expenditure under the Supply Bill is, in one sense, "controllable," but that term has usually been applied to the following items:—Education, Immigration, Agriculture, &c.; Hospitals and Charities, Public Buildings, Public Works, and Colonization Roads.

Under the head of "Ordinary Expenditure" are placed the following:—Civil Government, Legislation, Administration of Justice, Maintenance of Public Institutions, Miscellaneous, Crown Lands Expenditure, Refunds, &c.

1871 compared with 1878.

In 1871 (Mr. Sandfield Macdonald's last year of office), what is called "Ordinary Expenditure" amounted to

And what is called, "Controllable Expenditure," do. **\$832,176**
\$832,630

Total **1,664,806**

as against \$1,199,030, the amount, under these two heads, spent by the same Government in 1878.

Or an increase in four years of more than fifty per cent.

In 1878, the "Ordinary Expenditure," so called, was \$1,268,57

And the "Controllable," so called, was **1,130,954**

Total **\$2,409,524**

The aggregate increase over 1871 was, therefore, **\$581,687**

Or thirty-two per cent. in seven years against fifty per cent. in four years.

But, under the head of "Ordinary" expenditure is included the charge for maintenance of public institutions; just as direct a relief to local and municipal burdens as Education, and some other items charged under the head of "controllable." This item increased from \$275,000 in 1871 to \$375,000 in 1878, accounting for \$100,000 of the apparent increase.

Education, too, under the head of "Controllable," rose from \$351,296 in 1871 to \$455,086 in 1878, accounting for another \$103,790 of the alleged increase.

A Favourable Comparison.

While the increase in the charge for all purposes was much less proportionately from 1872 to 1878, than from 1872 to 1871,

the expenditure for objects directly beneficial to the public, and exclusive of surplus distribution, was much greater. Take the following items:—

1868 to 1871.

	1868 to 1871	1872 to 1878
Education	\$1,275,207	\$1,275,207
Maintenance of Public Institutions	681,551	127,551
Colonization Roads	177,000	44,475
Agriculture and Arts	204,728	71,297
Hospitals and Charities	161,770	44,048

Total in four years... **\$2,500,256** or **\$625,064** per annum.

1872 to 1878.

	1872 to 1878	1868 to 1871
Education	\$1,275,207	\$1,275,207
Maintenance of Public Institutions	2,375,204	681,551
Colonization Roads	681,551	177,000
Agriculture and Arts	606,924	204,728
Hospitals and Charities	204,728	161,770

Total... **\$7,564,916** or **\$1,891,729** per annum.

Comparison.

1868-71—Aggregate expenditure on above items... **\$2,500,256** or **\$625,064** per annum.

1872-78— " " " **7,564,916** " **1,891,729** " "

Increase **\$447,311** per annum.

So that the Blake and Mowat Administration spent **FOUR HUNDRED AND FORTY-SEVEN THOUSAND DOLLARS** annually on these objects alone in excess of the sum devoted to the same objects by the previous Government.

Whatever increase has taken place in Departmental expenditure has been solely owing to the growth of public business.

But the absurd ground on which it is now sought to smother a verdict against the Mowat Government is that it has spent the people's money for the direct benefit and relief of the people.

A Miserable Quibble.

The *Mail* tries to raise a side issue by quibbling over the question whether, in Mr. Sandfield Macdonald's time, the Trust Funds held by the Dominion, and some other assets, were or were not regarded as a portion of the surplus.

The point is really of no importance whatever. Treasurer E. B. Wood, in his last Budget speech, Feb. 7, 1871, (see papers of that date), expressly alluded to those funds as part of the surplus in the public treasury, which, he alleged, amounted to \$4,000,000, then \$3,500,000 in cash and investments, and the "Funds" amounted to \$1,500,000 had been voted to be "set apart" for aid to railways.

The Two Surpluses 1871-1878 compared.

But here is the actual account, as it stood on the 31st Decem- ber, 1871, taken from the public records:—