that very material increase, the public debt is increasing very rapidly, and will continue to increase still more rapidly in the near future. The financial history of this Dominion naturally divides itself into three periods, the first period extending from the date of Confederation to the year 1873, when the Reform Administration came into power; the second period extending from 1873 to the year 1878, when the gentlemen now occupying the Treasury benches came into power again, and the third period extending from the time these gentlemen came back to office, down to the present day. The expenditure chargeable to Consolidated Fund in the year 1867-68, was $13,486,092; in 1873-74, it was $23,316,316, or an increase in six years of $9,830,000, or an annual average increase of $1,635,000. The expenditure for the first year of the second period, commencing with 1873-74, was $23,316,316. The expenditure for the year 1877-78 was $23,503,158, an increase of $186,842 for the period, or an average annual increase of $46,710. For the third period the expenditure, commencing with the year 1877-78, was $23,503,158, and the expenditure, based on the Estimates for the current fiscal year, will be $32,009,747, or an increase of $8,506,589, or an average annual increase for the third period of $1,417,764. And if we were to add one important item, now charged to capital account, which during the *regime* of the Reform Administration was charged to income, to wit, the expenditure on Dominion Lands Surveys—if that were added, as it should be added, to the current expenditure chargeable to income, the sum would be $652,000 larger. In that case, the total increase would amount to $9,058,589, or an average annual increase of $1,509,444. As is well known, Sir, the expenditures of this country are placed under three distinct heads—first, expenditure for debt and subsidies, an expenditure over which Parliament has very little control; second, ordinary controllable expenditure; and third, charges upon revenue, for carrying on Customs, Excise, post offices, public works, &c. Now, Sir, the desire of a Government to exercise economy must be shown in the matter of controllable or ordinary expenditure; and that expenditure, we shall find, increased in the first period I have named, the period from 1867 to 1873 with extraordinary rapidity. In 1867-68 the controllable expenditure was $3,630,298; in 1873-74 it was $8,324,076; or an increase in six years of $4,693,778, or 123 per cent., the average annual increase being $728,296. The record of the Reform Administration presents a great contrast. Commencing with an ordinary controllable expenditure in 1873-74 of $8,324,076 they reduced it to $6,542,510 in 1877-78, a decrease of $1,781,566, or 21 per cent. Coming down to the third period, we find that the controllable expenditure increased from $6,542,510 in 1877-78 to $9,253,870 in 1882-83, an increase of $2,711,360, or 41 per cent. Briefly, then, the controllable expenditure shows an increase in the first period from 1867 to 1873 of 128 per cent., a decrease from 1873 to 1878 of 21 per cent., and an increase again from 1878 to 1883 of 41 per cent.; and if we summarize these results, and place the first and the third period together, amounting to 13 years, we shall find that the total increase in the expenditure chargeable to the Consolidated Fund during those periods was $18,336,812, or an average annual increase of $1,410,524, while the average annual increase under the Reform *regime*, in the second period was $46,710; or, to place the contrast in another light, the average annual increase under the Conservative Administration during those two periods was thirty-fold greater than the average annual increase under the Reform Administration, from 1873 to 1878.

Now, Sir, I have hitherto assumed that my hon. friend at my right was only responsible for the expenditures in the years 1875, 1876, 1877 and 1878. The Reform party, if my recollection serves me, took office on the 8th of November, 1873. At that time a little over three months of the financial year had passed away, and seven months and twenty-two days of the financial year were under the supervision of my hon. friend at my right. The Reform Government resigned on the 10th of October, 1878, giving to our friends opposite eight months and twenty days of that financial year. Now, Sir, a more accurate mode of making a comparison between the expenditures of the two Administrations can be adopted than that which I have pursued. If we take the sum which my hon. friend opposite took power to expend for the year 1873-74, and if we find that that sum was not exceeded by the expenditure actually made, then I think we may reasonably assume that the hon. gentleman was responsible for the expenditure of that year. Now, I find that my hon. friend opposite took power to expend in the year 1873-74 $23,685,000, made up as follows:—

By original Estimate	$20,941,183
By first Supplementary Estimate	368,340
By second " "	57,300
By third " "	100,000
By 36 Vic., chaps. 30 and 41, and New Brunswick Subsidy (assumed Provincial debts)	819,349
By 36 Vic., chap. 31 (provided increased salaries, &c)	300,555
By 36 Vic., chap. 40 (provided admission of Prince Edward Island)	418,000
By 36 Vic., chap. 35 (provided organization of Mounted Police	200,000
By balance carried forward under Order in Council	480,282
Total	$23,685,009

This sum was not exceeded by the actual expenditure made by my hon. friend at my right. On the contrary, he reduced it by $369,000, his actual expenditure being $23,316,316. For this reason we can properly hold hon. gentlemen opposite responsible for the total expenditure of 1873-74. Now, Sir, the Estimates of my hon. friend at my right, including the Supplementary Estimates, for the year 1878-79—of which year hon. gentlemen opposite were in office for eight months—amounted to $23,669,000. Now, the question is, had my hon. friend remained in office, would the expenditure for that year have exceeded this estimate? I believe I am warranted in saying that it would not, and I will cite some corroborative evidence bearing on the matter. I find that the expenditure of 1876-77 was $23,519,301, and the expenditure of 1877-78 was $23,503,158, a decrease of $16,143. Well, Sir, the Estimates for 1878-79 provided for an increase over the expenditure of 1877-78 of $165,842. Bearing in mind, therefore, the fact that the expenditure in the preceding year had decreased, as compared with the expenditure for the year which preceded that, I think I am warranted in saying, that had my hon. friend remained in power, the expenditure of 1878-79 would not have exceeded the Estimates for that year. I think we are warranted in saying, and I think my hon. friend will bear me out in asserting that the expenditure for 1878-79 would not have exceeded the estimates made by my hon. friend, to-wit $23,669,000. This, therefore, establishes a basis upon which to make a comparison as to the expenditure during these different periods; and upon this basis we find that my hon. friend opposite did expend in 1878-79 $786,381 more than my hon. friend on my right had estimated the expenditure for that year would be. On this basis, the expenditure for 1873-74, when the Reform Administration came into power, was $23,316,000, while the expenditure for 1878-79, under the Administration of hon. gentlemen opposite was $23,669,000, or an increase during that period of $352,684, making an average annual increase of $70,536. In making a comparison upon this more accurate basis, we find that the increase during the third period, the period from 1879, to the present day, has been from $23,669,000 to $32,009,747, or a total increase of $8,340,747, being an average annual increase of $1,168,165. Now a comparison of the increases