

expenditure was in 1901, \$11,116,498.62 against \$9,742,187.33, an increase under these heads of \$1,374,311.29. If we take the aggregate expenditures, that is consoli-

dated fund, capital, special and all classes, the total expenditure for the year 1900-1 was \$57,982,866.46, an increase in the total expenditures of all classes of \$5,265,399.62.

EXPENDITURE.

	1899-1900.	1900-1.	Increase.	Decrease.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Consolidated Fund	42,975,279 51	46,866,367 84	3,891,088 33	
Capital -				
Railways.....	3,308,894 31	3,914,010 50	605,116 19	
Canals.....	2,639,564 93	2,360,569 89		278,995 04
Public Works.....	1,089,827 29	1,066,983 39		82,843 90
Dominion Lands.....	199,470 09	269,060 90	69,590 81	
Militia.....	239,850 51	135,881 79		94,968 72
Canadian Pacific Railway.....	236 11	8,978 87	8,742 76	
Total Capital.....	7,468,843 24	7,695,488 34	226,645 10	
Special -				
Railway Subsidies.....	725,720 35	2,512,328 86	1,786,608 51	
South Africa and Halifax Garrison.....	1,547,623 74	908,681 42		638,942 32
Total Special.....	2,273,344 09	3,421,010 28	1,147,666 19	
Total Capital and Special.....	9,742,187 33	11,116,498 62	1,374,311 29	
Total Expenditure of all kinds.....	52,717,466 84	57,982,866 46	5,265,399 62	

It will be noticed that the largest item of increase in this statement is on account of railway subsidies. As I have pointed out we spent last year \$2,512,328.86 on railway subsidies as against \$725,720.35 in the previous year. It may be interesting that I should place in the budget a statement of these various railways which received this large amount of money. It is as follows:

Atlantic and North-western Railway.....	\$ 186,600 00
Massawippi Valley Railway.....	5,376 00
Great Northern Railway.....	345,323 11
South Shore Railway.....	88,400 00
Iverness and Richmond Railway.....	132,800 00
Canadian Northern Railway.....	537,600 00
Grand Trunk Railway.....	228,371 75
Central Ontario Railway.....	67,200 00
Midland Railway.....	170,264 00
Canadian Pacific Railway.....	92,800 00
Ottawa and New York Railway.....	90,000 00
Quebec Bridge.....	74,570 00
St. Mary's River Railway.....	75,000 00
Crows Nest Pass Railway.....	205,524 00
Pontiac and Pacific Junction Railway	
and Gatineau Valley Railway.....	212,500 00
	<u>\$2,512,328 86</u>

I come now to the question of the public debt. The net debt on the 30th of June, 1901, was \$268,480,003.69, while the corresponding debt of the preceding year was \$265,493,806.89, making an increase in the net debt of \$2,986,196.80. I have here a statement of the increase in the net debt for several years and I find in going over the items of the net debt, the increases for each year and the decrease which occurred in one year, we have this result, that in five years the net increase of the debt has been \$9,982,570.92, being an average of \$1,996,514.18 as against an average for the previous eighteen years of \$6,563,075. The increase in the net debt is accounted for in the following manner: Capital expenditure on railways and canals, public works, including Canadian Pacific Railway, \$7,290,542.65; Dominion lands, \$269,060.90; militia, \$135,884.79; railway subsidies, \$2,512,328.86; South African contingent and Halifax garrison, \$908,681.42, making a total of \$11,116,498.62. Deduct from this the surplus of \$5,648,333.29, sinking fund \$2,480,336.90 and a small refund in connection with the North-west Territory Rebellion of \$1,631.63, or a deduction altogether of \$8,130,301.82, and there is an increase in the net debt of \$2,986,196.80.