

he made up the \$1,489,607 charged against the operation of the railways for nine months. The expenditure for the same service in 1873 was only \$791,326, although it was well known that, owing to the severity of the winter, the roads had been worked at unusual cost.

He had no hesitation in saying this was a mistake, and he would undertake to show before the Public Accounts Committee that there was \$500,000 charged here to account which in all previous years had been charged to capital account. The addition of the sum of \$776,200 to \$400,000 made a total of \$1,166,200 as the sum of unexpended money which would enable the Finance Minister to meet any possible deficiency in any possible demand which might arise before the 1st July, 1874. By subtracting these errors from the amount of \$24,100,000, the sum remaining would be \$22,963,800, which would give him a clear surplus of \$7,300,000, or something like \$1,000,000. Now he (Hon. Mr. Tupper) would take the figures as they stood to prove from the official documents now on the table that there would be an actual surplus to the 1st July without reference to the surplus of the preceding year. The returns showed that for the nine months ending 1st April, 1874 the receipts amounted to \$16,096,927, while the expenditure for the corresponding period was \$15,970,405, leaving a clear surplus in the nine months of \$126,522. It might be said that the ratio of the receipts in the next three months might change. They had data, however, to go upon to prove that no adverse change could take place.

Did the hon. gentleman not know that the last three months, from the 1st April, were the three months upon which they could best rely for increased receipts? If the same argument were applied to the expenditure, no evidence could be found that the receipts during that period would be disproportionate to or in excess of the income. One of the greatest charges on the revenue was about \$4,000,000 for subsidies to provinces, which was already paid for the entire year. This payment had been made in the nine months the hon. gentleman had referred to. The surplus for the first nine months of the year 1872-1873 was \$1,517,294, showing that there was an increase of income over expenditure during the last three months of the fiscal year of \$121,584. The surplus therefore that the hon. gentleman's own figures showed now existed would be increased instead of diminished. At the end of three months, to the actual surplus now existing to \$1,260,022 must be added \$400,000, at least, for errors on account of railway expenditure, which would make an actual surplus of \$526,522. In the year 1873-1874, the surplus of the past year of \$1,638,822 would give \$2,165,344 as the surplus in hand on the 1st July, 1874, for the two years then ending. If to this were added the sinking fund paid during those two years for redemption of debt, it would show a total surplus in the two years of over \$3,000,000, by which the receipts had exceeded the current expenditure for that period. Those papers showed that at that moment the receipts of 1873-1874 were \$3,000,000 in excess of what they were on the same day in 1872-1873.

The hon. gentleman had proved that he was deserving of the gravest censure that ever fell on any Finance Minister for the enormous derangement in trade he had caused. Everybody had been

alarmed by hearing that unfounded statement in his speech that there was a deficiency, and that Parliament would have to be appealed to for additional taxation. The effect of this was to derange the business of the country to an enormous extent. Had the hon. gentleman taken the right way of obtaining an increased revenue by giving people notice to rush to the custom houses and deposit nearly \$300,000 in about twenty days? Such a course was unjust and in every respect improper and unprecedented. The Government were bound to keep any proposed change of tariff as secret as possible.

He proceeded again to allude to the mistake made in regard to the Railway service when "six o'clock" was called, and the House rose for recess.

AFTER RECESS

Hon. Mr. TUPPER resumed his speech, and said he had already stated that he did not intend to found an elaborate argument on the twenty days' return which hon. gentlemen had been kind enough to give them under pressure, but he might simply say that these returns showed that the Government now had on hand three million in excess of the corresponding period of last year. It was not for that purpose that he would for a single moment draw the attention of the Hon. Minister of Finance to the return.

He wished to call the attention of the Hon. Finance Minister to one or two items which went far to establish the ground he (Hon. Mr. Tupper) had already taken that there was no indication of a falling off in the commercial prosperity of the country. There was no branch which indicated more commercial vigour than the Post Office Department. The receipts for the first nine months and twenty days of the current year exceeded the receipts for the corresponding period of the previous year by \$232,897. The increase in the revenue for public works during the same period was \$170,086. So they had here two items, the Post Office and the Public Works Departments, which gave an increase of over \$400,000 in the nine months. He drew the attention of the House to this point in order to sustain the statement that he had made with regard to the commercial prosperity of the country.

He then proposed to show that which he imagined no person would doubt: that the current three months would give them as much, if not more, than the corresponding three months of last year. The various items to which he had referred, when added together, would give the Finance Minister a surplus on July 1st, 1874 of \$2,165,344, with which he might anticipate any deficiency that his own management of the financial affairs of this country might enable him to create during the ensuing year. He invited the attention of the House to this, because he thought there never was any occasion on which it was more desirable that the Finance Minister should fully appreciate the true financial position of the country.

Hon. Mr. CARTWRIGHT: Hear, hear.

Hon. Mr. TUPPER said the Hon. Finance Minister interrupted him with a derisive "Hear, hear", but the hon. gentleman himself