

H. B. M. Murrie,
Toronto, *Onto,*
Dominion Elections, 1882.

Toronto,
Onto

EDWARD BLAKE

AND

LIBERAL PRINCIPLES,

ANTI-MONOPOLY

AND

PROVINCIAL RIGHTS.

PAMPHLET No. 4:

Hon. Edward Blake's Address.

Public Expenditure.

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1882.

PUBLIC EXPENDITURE.

Increased Taxation, Accompanied by Extravagance and Waste in every Department.

The Annual Expenditure and the Public Debt going up by Millions at a Jump—A Record of Broken Pledges.

The record of the Tory party during the past three years is one of extravagance and waste in nearly every department of the public service. Contrary to all the pledges made to the electors in the campaign of 1878—contrary to the professions of the leaders of the party on the floor of Parliament—contrary to the expectations of thousands of the confiding electors of Canada—they have increased the public debt, they have added millions to the annual expenditure, and they have filled the public departments with their friends and partisans.

PUBLIC DEBT OF THE DOMINION.

The following table (see Public Accounts, page 19) shows the debt of Canada, net and gross, on the 1st day of July in each year since Confederation :

	Net Debt.	Gross Debt.
1867.....	\$75,728,641	\$93,046,091
1868	75,757,134	96,896,666
1869.....	75,859,319	112,361,993
1870	78,209,742	115,993,706
1871.....	77,706,517	115,492,682
1872.....	82,187,072	122,400,179
1873	99,848,461	130,778,098
1874.....	108,324,964	141,163,551
1875	116,008,378	151,663,401
1876	124,551,514	161,204,687
1877	133,235,309	174,675,834
1878	140,362,069	174,957,268
1879.....	142,990,187	179,483,871
1880.....	152,451,588	194,634,440
1881	155,395,780	199,861,537

It will be seen from these figures that the debt of the country has doubled in ten years, and considerably more than doubled since 1867; there has been an increase of 100 per cent. within the ten years, and of 105 per cent. since Confederation, while in population there has been an increase of only 28 per cent. In 1871 the debt per head was \$21.45; in 1881 it was \$35.72—an increase of \$14.27 per head in ten years.

WHO IS RESPONSIBLE FOR THE INCREASE ?

It is alleged by Tories that the Liberal party are responsible for the larger portion of this increase. This would be true, in part, but

only in part, if the obligations for which the debt was incurred were undertaken by the Liberals; but inasmuch as **nearly every dollar** added to the debt between 1874 and 1879 was borrowed to carry on public works begun previous to 1873, the party who began these works must be held responsible for the debt incurred for their construction.

A LEGACY OF OBLIGATIONS.

When the Liberal party came into power in 1873 they were confronted with a legacy of **serious financial obligations**. By the action of their Tory predecessors the country was committed to enormous undertakings, requiring a large amount of foreign capital, the chief of which were:

The Enlargement of Canals.....	\$20,000,000
The Intercolonial Railway.....	10,000,000
The Pacific Railway.....	30,000,000
The Nova Scotia and New Brunswick Railways....	2,000,000
The Prince Edward Island Railway	2,500,000
Improvements of the St. Lawrence.....	2,500,000
Total.....	\$67,000,000

The full responsibility for these works was frankly admitted by Sir Leonard Tilley in 1873. On page 20 of his Budget Speech of that year, the following statement occurs:

"We are, however, entering upon new and increased engagements, involving a very large sum of money. We are entering upon works—we have already done so—which will require a large increase of our debt. We have \$10,000,000 to expend on the Intercolonial Railway; we have \$30,000,000 for the Canadian Pacific; and the canal system that has been accepted by the Government will involve an expenditure of at least \$20,000,000. These are serious matters, inasmuch as they add \$60,000,000 to our existing debt."

Besides these undertakings—for which Sir Leonard Tilley admits the responsibility of the Tory party—there were a number of minor works for which money was voted in 1873, and which, being already under contract, could not very well be abandoned. These were principally public buildings, such as Custom Houses, Post Offices, Harbors and Piers, on which about \$3,000,000 were spent during the Mackenzie Administration merely to fulfil the pledges of the previous Government.

REDEEMING THE PLEDGES.

Now, it would certainly be very unfair to charge the Liberal party with the debt incurred under these circumstances. For instance, between the 1st July, 1874, and the 1st July, 1879, \$17,645,985 were spent for the enlargement and improvement of our canal system. For this purpose \$3,690,000 were voted in 1872, and \$5,277,000 in 1873. On the Pacific Railway \$11,052,615 were spent. No one will surely be bold enough to say that this was an obligation of the Liberals. During the same time \$5,283,963 were spent on the Intercolonial Railway. We have then the sum of \$33,980,561 expended by the Liberal party on public works begun by their predecessors, for which money had to be borrowed, and on account of which the public debt had necessarily to be increased.

THE MATTER IN A NUTSHELL.

To put the matter briefly and concisely, responsibility for the debt account of Canada will then stand as follows:

Increase from 1867 to 1st July, 1874, for which the Conservative party are responsible.....	\$32,596,323
Increase from 1874 to 1879, chiefly to fulfil obligations of Conservative party as above.....	34,665,293
Increase from 1879 to 1881.....	12,405,593
Total increase since Confederation	\$79,667,139
Conservative increase.....	\$78,982,477
Reform increase of only.....	684,662

To this, however, must be added the deficits, which, after deducting the surpluses, amounted to \$2,863,540. By no possibility then can the Liberal party be held responsible for more than 5 per cent. of the increase of the public debt since the union of the Provinces in 1867. *The Tories are responsible for 95 per cent. of it.*

ANNUAL EXPENDITURE.

The following table shows the annual expenditure of the Tory party under the first administration (1867-74) and of the Reform party during its term of office :

TORY EXPENDITURE.	REFORM EXPENDITURE.
1867-8.....	1874-5.....
\$13,486,092	\$23,718,071
1868-9.....	1875-6.....
14,038,084	24,488,372
1869-70.....	1876-7.....
14,345,509	23,519,301
1870-1.....	1877-8.....
15,623,081	23,503,158
1871-2.....	
17,589,468	
1872 3.....	
19,171,647	
1873 4.....	
23,316,316	

The Tory party are here rightly charged with the expenditure of 1873-4. *They, and they only, are responsible for it.* They provided for the admission of Prince Edward Island into the union, for the assumption of provincial debts by the Dominion, for a largely increased expenditure upon the Civil Service, and for various other purposes not included in any previous year. Following are the items of their estimates for the year, some provided for by vote of Supply and some by special Acts :

Amount of original estimates.....	\$20,941,182
1st supplementary estimates	368,340
2nd supplementary estimates.....	57,300
3rd supplementary estimates	100,000
Under 36 Vic. (Provincial debts)	918,000
Increase of Civil Service salaries	300,000
Prince Edward Island charge.....	418,000
Mounted Police	200,000
Miscellaneous charges	482,000
Total	\$23,784,822

By no exercise of ingenuity can the Tory party evade responsibility for the expenditure of this year. But the whole amount of the vote was not spent; by prudent management Mr. Mackenzie's Government saved \$368,684. There is, however, a very different tale to tell of the year 1878-9. Sir Richard Cartwright's estimate was \$23,696,873, and in each of the previous years he kept expenditure considerably within the estimate. But the Tories got on the Treasury benches early in the financial year, and instead of keeping expenditure within the vote, they exceeded it by \$758,000. Mr. Mackenzie's Government cannot be held responsible for a larger sum than their own estimate, and the ex-

cess is properly charged against the Tories, who managed affairs for three-quarters of the financial year.

PROMISE AND FULFILMENT.

The Tories in Opposition were staunch advocates of economy and retrenchment, and they made wonderful promises to the people of what they should do were they again entrusted with office. Sir Leonard Tilley, addressing the electors of St. John in 1878, said :

“ Had the Government of which he was a member been in power during the last five years, he was satisfied the average expenditure would not have exceeded \$22,500,000.”

And speaking in Parliament on the 22nd February, 1878, in view of the elections so soon to take place, Sir Charles Tupper said :

“ Inasmuch as we governed the country with a small taxation, and inasmuch as we are prepared to govern the country again without those extravagant expenditures made by the present Government since they have been entrusted with power, all we ask is, *not that the taxation shall be increased, because we do not require so much money as the hon. gentlemen opposite, as we have shown by our economy in the past, and which we are prepared to practise in future.*”

The following table, commencing with 1878-9, will show how those specious promises have been kept :

TORY EXPENDITURE.	
1878-9	\$24,455,381
1879-80	24,850,634
1880-1	25,502,554
1881-2 (Estimates)	27,672,213
1882-3 (Estimates)	28,079,485

Sir Leonard Tilley, in 1878, was satisfied that had he and his friends been in power for the preceding five years, *they could have saved at least one million dollars a year*; and Sir Charles Tupper was prepared to govern the country “without those extravagant expenditures” of the Mackenzie Government. He and his friends *would not increase taxation*. They would not require so much money as Mr. Mackenzie and his friends. Oh, no ! The economy they had shown in the past they were prepared to practise in the future.

BUT WHAT DO WE FIND ?

Not that taxation or expenditure has been reduced by a million dollars, but that *both have been enormously increased*. Last year the taxation was \$29,635,000 ; this year the revised estimates of the Finance Minister are \$31,710,000 ; and for the next financial year he expects to collect \$30,600,000 ! Now, examine the expenditure. For Mr. Mackenzie's last full year the amount was \$23,316,316, inclusive of the cost of the Dominion Land Surveys and of rolling stock for Government railways. The Tory leaders denounced that expenditure as wasteful and extravagant. But for the current year they are themselves expending \$27,670,000, chargeable to income. Add the \$350,000 for land surveys—which they are charging to capital instead of to income, as was the practice under Mr. Mackenzie's Administration—and *the total expenditure for the year will be a little over \$28,000,000 !* For a professedly economical Government these figures are startling ; but for the coming year it is proposed to spend a much larger amount. During the session just closed the following appropriations were made, by Estimates and special Acts :

APPROPRIATIONS FOR 1882-3.

Main estimates	\$27,305,453
1st Supplementary Estimates.....	694,032
2nd Supplementary Estimates.....	80,000
Fishery Bounty (by Act)	150,000
Chignecto Marine Railway	150,000
Manitoba's increased subsidy.....	129,000
Railway subsidies	1,508,000
Total.....	\$30,016,485

The subsidy to the Chignecto Railway (\$150,000 a year) extends over a period of twenty years, making altogether \$3,000,000. The second item of railway subsidies is for short roads that will doubtless be finished within three years, so that probably only one-third of it will be a charge on the expenditure of 1882-3, say \$503,000. Then there must be added, for fair comparison with the expenditure under Mr. Mackenzie's Administration, the sums of \$450,000 for land surveys and \$616,600 for railway rolling stock, now charged to capital account. This gives us a *total expenditure for the coming year of \$30,076,485!* But more will surely follow. It has been the practice in recent years to bring down a second series of first and second supplementary estimates; those voted for the current year amounted to \$1,250,000. Taking as granted that those for next year will be equally large, we have as the total for the year *the enormous sum of \$31,426,000!* being a sum \$826,000 in excess of the estimated revenue for the year. These are

AFPALLING FIGURES.

and they are a striking commentary on the promises and pledges made by the Tory leaders in Opposition. But the figures do not belie the record which the Tory party has made for itself. It is the old story of heedlessness and waste of public expenditure. During the first period of that party in office the annual expenditure was increased by \$9,830,000, or *at the rate of \$1,640,000 per year*. During the second period they bid fair to beat the old record, and it will not be the fault of Sir John, Sir Charles, Sir Leonard and Sir Hector, if they do not. During the Reform period the expenditure was only increased *at the rate of \$47,460 per year*. The contrast between the two parties is one that the people may study with profit on the eve of a general election. Another five years of Tory rule would bankrupt the Dominion.

ON DANGEROUS GROUND.

It has been shown that, while the Government has added largely to the taxation of the people, expenditure has been keeping step with revenue. This is always the great danger of levying a higher rate of taxation than the necessities of revenue require. It encourages recklessness and waste. And, unfortunately, there is no task more difficult for a Finance Minister to accomplish than to cut down or materially reduce expenditure consisting of permanent charges when it has been allowed to attain to a certain figure. What, then, is to be done when the next period of depression comes? *Our surplus will disappear, but our taxes will remain; and unfortunately the scale of expenditure which the Government has fixed will remain too!* When that time comes—and the experience of every country in Europe and America proves that periods of depression recur with almost the regularity of the seasons—what will the condition of our people be? The average taxation now is \$35 per family, and the system upon which

it is levied is so unfair and unjust that a very much larger percentage is paid by the poorer classes of the community than by the wealthier ; the heaviest burden is laid on the shoulders of the wage-earning classes. There are taxes on fuel, taxes on meats and breadstuffs, taxes on clothing, taxes on light, taxes on knowledge, taxes on everything. Yet with all his taxes, and in a season of great commercial prosperity, the Finance Minister has the prospect of *being brought face to face with a deficit next year*. What will the condition of our finances be when the next period of depression comes ? and what the condition of the wage-earning classes ? Is it not high time that

THE ELECTORS SHOULD CRY, HALT!

and discharge the wicked and unfaithful stewards who were given power and place on the faith of specious promises ? The representatives of the Liberal party in Parliament have sought to check the extravagance of the Government by all means in their power, but in vain. On the 6th of May, this year, the following resolution on the subject was moved by Sir Richard Cartwright, in amendment to a motion to go into Committee of Supply :

"That Mr. Speaker do not now leave the chair, but that it be Resolved :

"That the expenditure for the year 1878 was \$23,503,158 ;

"That the expenditure for the year 1881 was \$25,502,554 ;

"That the estimates for the year ending 30th June, 1883, amount to \$27,999,483, independent of large amounts proposed to be added to the annual expenditure, involving a further addition of \$410,000 more ;

"That many of the items charged to Capital account are of a character which might more properly be charged to Income ;

"That a very large proportion of this expenditure consists of fixed charges, or charges of a permanent character, which, when once created, are either incapable or very difficult of reduction ;

"That recent legislation and the completion of existing engagements will result in a steady increase of the fixed charges within a few years ;

"That experience has shown that the consequence of rapidly increasing the fixed charges is, to produce great embarrassment in the public finances ;

"That this House views with regret the proposal of the Government to expend for the year 1883 \$2,906,627 more than the expenditure for 1881, and \$4,906,355 more than the expenditure for all purposes in 1878."

The resolution was voted down by the Government and its supporters, thus clearly showing* that they have no intention to retrench, but that—to quote the significant promise of Sir Charles Tupper in 1872—they are prepared to practise in future the "economy" they have shown in the past. The electors now know what that "economy" means, and what they may expect if a renewed lease of office is given to the Tory party by the votes to be cast on the 20th of June.

It may be proper to explain that Sir Richard Cartwright's resolution was proposed in the House before the second Supplementary Estimates were brought down, and before notice was given of the Government's intention to grant subsidies to Provincial railways. This will make clear the apparent discrepancy between the figures in the resolution and those in the Statement of Appropriations.

CAPITAL EXPENDITURE.

It only remains to add that in the three years 1879-81 the Government expended \$22,065,820 on Capital account for railways and other public works ; that for the current financial year they have an appropriation for \$15,368,474 more ; and for next year a further appropriation of very nearly \$20,000,000,

“ SKIPPERS IN THE CHEESE.”

A TALE OF TORY EXTRAVAGANCE AND MISRULE—THE COST OF MINISTERIAL PLEASURE TRIPS.

A humorist has discovered a close family resemblance between thoroughbred Tories and skippers in the cheese. Both get into place much in the same way, and their habits are very similar. Skippers get blown into the cheese by somebody's neglect, and generally Tories get into office in the same way, and once in they are hard to get out; they think they have a divine right to stay there, and that the cheese is far better for their being in it. There is, our humorist says, only one more uneasy creature in the world than a skipper out of cheese, and that is a thoroughbred Tory out of office. The Tory party out of office were daily working themselves into a passion over the expenditure of the Liberal Government, and telling the people how much better they could manage affairs. They got in, and now let us compare notes and see.

CIVIL SERVICE SALARIES.

In 1878 the number of employés in the various Government Departments was 469, and the amount of salaries paid was \$510,925. The Tory leaders condemned the Government in strong terms for this “extravagance;” yet, the official papers show that in 1881 they had themselves increased the number of employés to 537, and the salaries to \$574,240—an increase in three years of 68 in number, and of \$63,315 in amount of salaries! “Skippers” again.

SUPERANNUATION.

The expenditure under this head is incurred to enable the Government to retire officers who by age or bodily infirmity are no longer fit for service. It is very much to be feared that many are retired, not so much from physical incapacity as from a desire to fill their places with friends of the Government. *The effect of this is to charge the revenue with the allowance of the retired officer, and also the salary of the person who takes his place.* The expenditure under this head in 1878 was \$106,588, and in 1881 it was increased to \$147,362. The estimates for 1882-3 provide for \$155,000.

The reckless manner in which the expenditure is increasing is shown by the following statement of the numbers retired and the allowance made in 1878 and 1881 respectively:

No. of persons superannuated, 1878	38
“ “ “ “ 1881.....	70
Allowance made in 1878.....	\$16,857 33
“ “ “ “ 1881.....	29,927 34

CANALS.

The management of our vast system of Canals requires the greatest care and economy. In 1878 the revenue of the entire canal system of Canada was \$378,248, and the expenditure on salaries, repairs, etc., \$346,996, leaving a net profit of \$31,252. In 1881 the revenue was \$369,597 and the expenditure \$374,788, showing a net loss of \$5,191. *In three years these public works, which, under the Mackenzie Administration were reasonably productive, were made a charge upon the revenue by the improvident management of the Conservative Government.*

THE CONTROLLABLE EXPENDITURE.

This includes all services that are supposed to be clearly under the control of the Government, and which may be increased or diminished according as the disposition of the Government is extravagant or economical. It is an expenditure which Hon. D. L. Macpherson, a member of Sir John Macdonald's Administration, has declared to be *as much under Government control as ordinary household expenses are under the control of individuals*. The following table shows at a glance the record of the two parties :

TABLE OF CONTROLLABLE EXPENDITURE.

SERVICES.	1873-4.	1877-8.	1880-1.	1882-3. ESTIMATES.
Civil Government	\$ 883,685	\$823,369	\$915,958	\$979,121
Administration of Justice...	459,037	564,920	583,957	613,590
Police.....	56,387	10,616	13,525	12,500
Penitentiaries.....	395,551	308,482	307,366	296,027
Legislation.....	784,048	618,035	611,375	651,671
Geological Survey.....	97,814	96,049	111,352	109,400
Arts, Agriculture.....	19,091	92,365	22,408	21,200
Census.....	39,470	1,053	127,033	60,000
Immigration and Quarantine	318,572	180,691	250,812	401,107
Marine Hospitals.....	66,062	57,484	52,183	62,000
Pensions.....	56,453	105,842	96,388	102,160
Superannuation.....	64,442	106,588	147,362	155,000
Militia and Defence.....	977,376	618,136	667,000	760,500
Ocean and River Service....	407,700	402,371	429,439	548,723
Public Works.....	1,826,001	998,594	1,138,765	2,325,375
Lighthouse Service.....	537,057	431,967	443,724	497,766
Fisheries.....	76,247	93,262	80,560	93,000
Steamboat Inspection.....	10,291	14,315	12,149	15,000
Insurance Supt.....	8,577	9,579	9,850
Miscellaneous.....	102,160	81,167	109,929	183,249
Indian Grants.....	146,068	421,503	805,097	909,308
Dominion Lands.....	283,163	87,628	67,745	113,660
Dominion Forces, Manitoba	209,169	11,210
Mounted Police.....	199,599	334,748	289,845	413,000
North-West Territory Orga- nization Boundary Survey, Sundry charges.....	308,221	43,905
Total.....	\$8,324,076	\$6,542,510	\$7,293,563	\$9,333,412

Here it will be seen that during the Liberal Administration the annual controllable expenditure was reduced by the sum of \$1,781,566, and that under ten years of Tory Administration it has been again increased by the sum of \$751,053. This is bad enough, but the showing for the next financial year is vastly worse; they propose to expend \$2,800,000 more than Mr. Mackenzie's Government spent in its last year, and \$1,000,000 more than their own expenditure for 1873-4. Add the fishery bounty and the railway subsidies—appropriations by special Acts and freely under Government control—and the amount is increased by \$700,000, or a total of \$3,500,000 more than under Mr. Mackenzie's last year! Verily, the "skippers in the cheese" are having a feast of fat things.

MINISTERIAL JUNKETINGS.

Tory ingenuity to discover means of wasting public money is no confined to ordinary departmental affairs. The item of ministerial travelling expenses has been enormously increased, as the following comparison of the last year of each Administration will show :

1878.		1881.	
Hon. E. Blake.....	\$ 48 00	Hon. Mr. Mousseau	\$634 50
Hon. A. Laflamme.....	297 00	Hon. J. O'Connor	31 25
Hon. H. B. Vail.....	218 70	Sir John A. Macdonald....	466 50
Sir Richard J. Cartwright..	118 00	Sir A. Campbell.....	249 10
Sir Albert Smith.....	135 00	Sir H. Langevin.....	85 85
Hon. J. Burpee.....	500 00	Hon. A. P. Caron.....	504 00
Hon. Mr. Cauchon.....	300 00	Sir Leonard Tilley.....	464 00
Hon. Mr. Pelletier.....	80 50	Hon. M. Bowell.....	205 00
Hon. S. Huntingdon.....	303 00	Hon. A. G. Baby.....	399 58
		Hon. J. C. Pope.....	655 00
Total.....	\$2,000 00	Total.....	\$3,694 75

There can of course be no objection to legitimate expenditure of this kind, in the interest of the public service. But the "skippers," during the parliamentary recess, spend more of their time journeying through the country in search of the "hum" than attending to the affairs of their departments at Ottawa; and some of the bigger ones among them have developed an excessive fondness for trips to England in the holiday season. This, too, in face of the fact that one of the chief reasons given for the appointment of Sir Alex. Galt as Canadian Commissioner in London, at an annual cost of about \$20,000, was that he would take the place of a Minister, and that these expensive trips would no longer be necessary. The following comparison of the travelling expenses of Liberal Ministers to England, when there was no High Commissioner, with those of Tory Ministers, when they went to do the work which they declared Sir Alex. Galt was sent there to do, will show the extent to which this Tory promise has been fulfilled :

LIBERAL MINISTERS.		
1874-5	Sir Richard Cartwright	\$ 1,023 84
"	J. M. Courtney, Deputy Minister Finance... ..	1,072 12
"	Hon. A. Mackenzie	1,966 32
1875-6	Sir Richard Cartwright	1,351 31
"	Hon. E. Blake	760 00
"	H. Kinloch, Private Secretary.....	659 66
1876-7	Sir Richard Cartwright	554 99
1877-8	Do do do.....	603 91
Total in five years.....		\$ 7,992 15
TORY MINISTERS.		
1878	Sir Leonard Tilley	867 97
1879	Sir Charles Tupper, including secretary.....	2,433 33
"	Sir Leonard Tilley, do	2,141 33
"	Sir John Macdonald	2 524 37
1880	Hon. J. H. Pope.....	888 88
"	Sir John Macdonald and Col. Dennis	826 53
1881	Sir John and associates in London, England...	3,198 31
"	Do second payment	1,361 12
"	Sir Charles Tupper	1,946 66
"	Do second payment	1,000 00
1881-2	Sir John Macdonald	2,049 05
Total in three years		\$19,237 55

A most remarkable circumstance connected with the expenditure of 1881, is that the large sums paid to Sir John Macdonald and Sir Charles Tupper are charged to capital account and actually taken out of the moneys borrowed in England for the construction of the Pacific Railway. The amounts paid to some of the Tory Ministers are enormous.

SIR LEONARD TILLEY

has drawn from the public treasury, for trips to England, the sum of \$3,009, besides the further sum of \$603, for himself and secretary, for a trip of a few days to Washington in 1881.

SIR CHARLES TUPPER

during the last three years has drawn from the public treasury, for trips to England, the enormous sum of \$5,380. Besides this he drew \$1,600 for the expenses of his trip to British Columbia in the fall of 1881, and charged the sum of \$1,524 for the travelling expenses of two officers of his department who shared with him the pleasures of that outing. In addition to a departmental salary of \$7,000 a year, Sir Charles Tupper's travelling expenses have cost the country within a trifle of \$7,000 so far.

SIR JOHN MACDONALD

has drawn from the public treasury since 1st January, 1879, for travelling expenses, the sum of \$9,159, or over \$3,000 a year in addition to his salary as First Minister of \$8,000. Contrast these expenditures with the economy practised under the Mackenzie Government, and you will find that Sir John Macdonald's pleasure trips alone have cost the people of Canada more than all the travelling expenses of Ministers during the existence of the Reform Administration.

OUR COSTLY HIGH COMMISSIONER.

The following statement shows the amount of money paid to Sir A. T. Galt, as High Commissioner of Canada in England, the amount paid for rent and the outfit of his residence in London; and the amount paid for travelling expenses for himself and his associates in the service of the Government since 1st January, 1879:

1879.

Paid Bank of Montreal, expenses of Sir A. T. Galt and Lt.-Col. Bernard	\$5,093 05
“ Services as Commissioner five and a half months.....	3,208 33
“ Lieut.-Col. Bernard, services as Assistant Commissioner, three and a half months.....	933 33

1879-80

“ Salary, 1st March, to 10th June, 1880, at \$10,000 per annum.....	3,333 33
“ Passage for self and family to England, including expenses during detention at Halifax.....	946 32
“ House furnishing and establishment of London office.....	1,259 85
“ Rent.....	711 61
“ Exchange on draft.....	22 22

1880-81.

“ Salary.....	10,000 00
“ Other expenses—Rent, fuel, travelling expenses, etc....	5,294 07
“ Services and expenses connected with trade negotiations with France and Spain in 1879-80.....	4,058 32

1881-82.

“ Payment on account of salary.....	6,333 30
“ Contingencies.....	3,919 04

For all of which the country has little or nothing to show, but the “skippers in the cheese” have had a “glorious time” of it.

THE PORT MOODY SECTION,

ONE OF TUPPER'S LATEST BREACHES OF PUBLIC TRUST —THE TRIUMPHS OF ONDERDONKERY.

Sir Charles Tupper continues to be true to his record, and the country need expect neither honesty nor honor in his management of the great department over which he presides. One of his most recent breaches of public trust in the matter of letting the contract for the construction of the Port Moody and Emory Bar section of the Canada Pacific Railway is one of the most barefaced and outrageous in the entire list of his failures to do justly and act uprightly.

TUPPER'S UNDUE HASTE.

By the contract with the Canada Pacific Railway Syndicate the Government were under no present necessity to put the Port Moody section of the road under contract. They were not required to complete it and hand it over to the Syndicate till May, 1891, and four years would be ample time for its construction. The fact that Sir Charles Tupper saw fit to advertise for tenders and let the contract five years in advance of the necessary time, and upon the eve of a general election, was of itself sufficient to excite suspicion. Possibly he dreaded that if he waited until after the election he would never have the opportunity to further indulge his appetite for jobbery, as he and his friends would be beaten at the polls. The palpable favoritism and disregard of public interest shown in letting the contract are painfully suggestive either of personal gain to a Minister wholly regardless of the interests of the taxpayer, or of heavy contributions to election funds by a favored contractor after the manner of 1872—perhaps of both.

THE FACTS OF THE JOB.

The facts connected with the letting of this contract are briefly as follows:

1. Advertisements were issued on the 24th of October last calling for tenders for the construction of the Port Moody and Emory Bar section. Fourteen tenders were received, and were opened on 1st February by Messrs. Trudeau, Braun and Schreiber, of the Railway Department.

2. The tender of McDonald & Charlebois, of Montreal, was the lowest, being for \$2,277,000. It was accompanied by a deposit cheque of \$20,000 on the Bank of Montreal, as a guarantee of good faith. This cheque was dated January 23rd, 1882, and was stamped by the bank on the 24th, "good for two days only." The next lowest tender was made by Andrew Onderdonk, of California, being for \$2,486,255.

3. On Saturday, February 4th, Sir Charles Tupper instructed his private secretary to call at the Bank of Montreal, in Ottawa, and ask the manager if he would pay the cheque of McDonald & Charlebois. The secretary called on Monday, the 6th, and was told that it would be necessary to inquire at the head office in Montreal. The secretary franked a message by telegraph, and at 1 o'clock p.m. on the same day, the Bank manager handed him a telegram from the head office stating: "Please strike out 'for two days only,' from our acceptance. *The cheque will be good until paid.*"

4. On the same day Mr. Schrieber reported to Mr. Braun, secretary of the Department of Railways and Canals, that the tender of McDonald & Charlebois, though lowest, was irregular for the reason that the cheque for \$20,000 was marked "good for two days only," and he recommended the acceptance of the tender of A. Onderdonk.

5. On February 7th, one day after his private secretary had ascertained that McDonald & Charlebois' cheque was good, Sir Charles Tupper drew up a memorandum setting forth that the tender of Andrew Onderdonk was the lowest in conformity with the conditions, and the same day Mr. Onderdonk was informed by the secretary of the Department of Railways that his tender was accepted.

6. On February 8th, Sir Charles Tupper's memorandum was endorsed by the report of a Committee of Council.

7. On February 10th, McDonald & Charlebois telegraphed as follows :

" 10th February, 1881.

"TO SIR CHARLES TUPPER: This morning's *Gazette* says that we were the lowest tender for Port Moody section, and as we failed to make the deposit the contract was awarded to Onderdonk. This is incorrect; we are only waiting notice from the Department to complete deposit. Waiting answer.
MCDONALD & CHARLEBOIS."

"TO F. BRAUN: Any decision on B. C. tender; awaiting notice to make deposit. Answer.
MCDONALD & CHARLEBOIS."

To these telegrams Mr. Braun returned the following reply:

"OTTAWA, 10th February, 1882.

MCDONALD & CHARLEBOIS, MONTREAL: Contract was awarded to Onderdonk whose tender was lowest, as yours could not be considered for want of cheque marked good as required by specification.

F. BRAUN, Secretary."

8. On February 14th McDonald & Charlebois petitioned the Governor in Council, setting forth that their tender was regular, that it was \$209,255 lower than any other, that the cheque for \$20,000 was still good, and was known by the Department to be good before the contract was awarded to Onderdonk, and declaring that they were ready to put up the deposit and execute the contract, and praying that it might be awarded them.

9. On February 20th Sir Charles Tupper reported the petition of McDonald & Charlebois to the Council, recommending that it be not entertained, and on the following day this recommendation was adopted by Minute of Council.

10. The draft form of contract with Onderdonk was submitted to the Deputy Minister of Justice for examination on February 20th, and was reported correct in form.

THE POINTS OF THE NARRATIVE.

From this narrative of facts the following points may be gathered:

That the tender of McDonald & Charlebois was \$209,255 lower than any other.

That the deposit of \$20,000 required with each tender was deposited by them in the form of a certified cheque in the Bank of Montreal.

That this cheque was inadvertently stamped by the bank "good for two days only," which inadvertence was not the fault of McDonald

& Charlebois, and was corrected by the Bank before the Department required the money as a deposit.

That on the 6th of February, and before the contract was awarded, Sir Charles Tupper sent his private secretary to Mr. Drummond, the manager of the branch at Ottawa, and ascertained by telegram from Mr. Shadbolt, the manager of the Bank at Montreal, that the cheque was good and would be good till paid.

That on the 7th of February, one day after he had been made aware that the deposit of McDonald & Charlebois was good, he passed over their tender and awarded the contract to Onderdonk.

That McDonald & Charlebois, on the 10th of February, declared their readiness to put up the five per cent. deposit, and demanded the contract.

That on February 14th McDonald & Charlebois petitioned the Governor-in-Council, setting forth all the above facts, and demanding the contract, which demand was denied.

That on February 20th, *fourteen days* after Sir Charles Tupper knew that the deposit of McDonald & Charlebois was good, the contract with Onderdonk was yet unexecuted, as the draft of the contract was that day sent to the Deputy Minister of Justice for approval.

That the tender of McDonald & Charlebois was not refused on the ground that their tender was too low, or that they were not able to do the work.

TUPPER WITHOUT EXCUSE.

It may be asked, Why Sir Charles Tupper should take the trouble to send to the bank to learn whether the cheque of McDonald & Charlebois was good, if the stamp "good for two days," inadvertently placed upon it when certified by the bank, rendered the tender informal, and debarred him from considering it? The fact is, that he took advantage of a technicality to set aside the lowest offer when he knew the deposit was in his hand at the time the contract was awarded, and gave the contract to a friend at a loss to the people of \$209,255.

THE GUILTY ONES.

The responsibility for the betrayal of the public interest in the Onderdonk contract was assumed not only by the Government, but by the Conservative majority in the House of Commons. The contract could not be held legally binding on either party until ratified, either formally or by consent, by the House of Commons. An opportunity was given to Parliament to *save the sum of \$209,255 to the country, and give the contract to a Canadian instead of to a Californian firm.* On the 28th March, Mr. Mackenzie moved that the contract with Andrew Onderdonk be rejected, and that it be given, as of right it should be given, to McDonald & Charlebois, whose tender was the lowest. Mr. Mackenzie's motion clearly set forth all the facts above related. It was rejected by a strict party vote of 128 for and 55 against.

How can the electors give their confidence to a Government and a party coming before them red-handed with such a crime?

THE MURRAY-OAKES CASE.

PARTISAN FRIENDS OF SIR CHARLES TUPPER GET LEAVE TO MAKE A HAUL OUT OF THE PUBLIC CHEST.

In order to afford the Government and the public purse protection against scheming contractors, the Mackenzie Administration provided that a deposit of money should accompany tenders for public works as a pledge of good faith; and that, besides personal sureties, a cash security should be lodged with the Government for the due fulfilment of the contract. The Petition of Right Act was also passed, under which an aggrieved contractor might bring his case before the Exchequer Court to establish his claims. The provisions of this last Act proved most useful in 1877 and 1878, in respect to some contractors' claims on the Intercolonial Railway.

THE CASE OF BOGGS & MURRAY.

contractors on section 19, was in progress when the change of Government took place. They had a contract assigned to them for the construction, for \$395,753, of a section of the railway, including the bridge over the Restigouche River. The bridge was subsequently struck out of the contract, leaving the net amount \$279,734. The work having been completed, the contractors made a claim for \$490,007, and the case was entered in the Exchequer Court. Mr. Schrieber, Chief Engineer of the Intercolonial, reported that \$293,344 had been paid on the contract; that extra work had been done to the extent of \$7,682; and that work which was embraced in the original contract had been undone and dispensed with to the amount of \$7,385. The account, therefore, stood according to Mr. Schrieber and Mr. Brydges:

To amount of original contract.....	\$395,733
To amount of extra work.....	7,682
	\$403,415
Less bridge contract, as above.....	\$116,000
Less paid on contract.....	293,345
Less work not done, as above.....	6,385
	\$415,730
Amount overpaid when action was brought....	\$12,315
Mr. Brydges' further claims for work undone additional.....	2,440
	\$14,755
Total amount overpaid to contractors.....	\$14,755

THE CASE IN COURT.

The original contract was signed on June 15th, 1870. The suit was commenced on January 26th, 1876, by filing the petition. Judge Fournier delivered an interlocutory judgment on the 22nd day of June, 1878, and ordered as follows:

"I consider it my duty, reserving to myself the right of adjudging afterwards on the merits of the case, to order that this case be referred to the Registrar of the Court to obtain such legal evidence as can be adduced by the parties, for the purpose of getting the number and quantity of alterations of the location and of the grades which either increased or diminished
. . . the work under contract, and of ascertaining the value of such

increase or diminution, and the balance which may be due to either party after these operations."

This judgment, then, was wholly for the purpose of obtaining facts for a judgment on the merits of the case.

THE CASE OUT OF COURT.

The next appearance is that of Mr. Oakes, for the contractors, asking the Government to withdraw the case from the Court and settle it in the old Tory fashion—there having been in the meantime a change of Government. On December 19th, 1878, a few weeks after Sir Chas. Tupper was sworn in as Minister of Public Works, he directed the Secretary of the Public Works Department to ask the Deputy Minister of Justice if it would be competent for that Department "to take this matter out of the hands of the Court as requested by Mr. Oakes."

Mr. Lash, Deputy Minister of Justice, after a careful recital of the facts, cautiously replied as follows: "I see no *legal* objection to the Department undertaking to settle the matter." Having obtained the opinion of Mr. Lash on December 26th, that he could *legally* withdraw the case from Court, Sir Chas. Tupper proceeded in hot haste to do so, and on January 9th, 1879, an Order-in-Council was passed taking the case out of the hands of the Judges of the Court, and giving the whole case into the hands of one arbitrator, with an intimation that "*Her Majesty abandons all claims to penalties.*"

The penalty clause provided for a forfeiture by the contractors of \$2,000 a week for every week during which the contract remained unfinished after July 1st, 1872, or \$80,000 in all. There was a further plea made by the Government that the contract should be diminished by the sum of \$50,000 paid on the same section to the first contractor.

A FAITHLESS MINISTER AND AN OBLIGING REFEREE.

Although *prima facie* the contractor had been overpaid at least \$12,315, and possibly \$65,755, Sir Charles Tupper on January 28th actually advanced to John Murray \$650, "the same to be deducted from the amount to be awarded him by the Referee." This action shows conclusively that Tupper, as Minister of Public Works, had prejudged the case, and was violating his oath of office by deliberately paying the public money to partisan contractors when he knew that such contractors were indebted to the Government. The Referee, being thus informed of the obvious intentions of the Minister, proceeded in the most remarkable manner to his work. He first called the contractors' engineer, but never summoned Mr. Sandford Fleming, Mr. B. ydges, Mr. Schreiber, the late Minister of Public Works, Mr. Mackenzie, or his Deputy. With such evidence as he cunningly took, the Referee was able in a few days to reach the extraordinary conclusion that, instead of the contractor owing the Government, the Government owed the contractor \$79,900 and interest, and also \$877 to pay his expenses.

A VERDICT ON ONE-SIDED TESTIMONY.

The actual amount paid was \$101,047, when there was every reason to believe that *the contractors were overpaid before the action was commenced.* To accomplish this, it was necessary to get the case out of the hands of the Court and commit it to such an arbitrator as Mr. Samuel Keefer, who shunned all the material evidence that could be produced, and pressed the case to a conclusion on one-sided testimony. But the real culprit in the case is Sir Charles Tupper. It was through his machinations that Boggs and Murray, his partisan friends, were enabled to make a haul out of the public chest.

THE SECTIONS A & B SCANDAL.

MANIPULATING TENDERS TO FAVOR PET CONTRACTORS—THE MINISTER OF RAILWAYS VIEWED IN THE LIGHT OF HISTORY.

A very grave case of manipulating tenders in connection with the money deposit security, to suit the Minister and favor certain pet contractors, is to be found in the letting of Pacific Railway contracts by Sir Charles Tupper, between English River and Keewatin. This part of the Railway was offered in three sections: Section A, extending from English River to Eagle River, 118 miles. Section B, extending from Eagle River to Keewatin, 67 miles. Section C, embracing both in one contract, 185 miles.

Parties tendering were required to fill in two columns; the first column to finish the work in July, 1883, and the second to finish it in July, 1882.

THE TENDERS RECEIVED:

The lowest tender for the entire work was from Morse & Co., as per No. 1 column, for \$5,699,707, and as per column No. 2, for \$5,937,732.

The second was from Andrews, Jones and Company for the whole work, as per column No. 2, for \$6,062,559; and for Section B, as per column No. 2, for \$3,915,942.

These tenders appear to have been all passed over without any reason by Sir Charles Tupper, and the following were accepted instead: Marks & Co., Section A, for the sum of \$2,203,896, and Fraser, Grant & Pitblado, Section B, for the sum of \$4,130,707, being \$6,334,603, for the whole work.

Morse & Co.'s lowest tender being as above for \$5,699,707, the amount lost by not accepting their tender, as per column No. 1, was \$634,896; and by not accepting their tender, as per column No. 2, the amount lost was \$396,871.

Assuming that there was some objection to Morse & Co.'s tenders, there remains Andrews, Jones & Co.'s, whose tender was \$6,062,559. The amount lost by not accepting their tender was \$272,044.

TUPPER'S MANIPULATION.

Morse & Co. tendered also for Section B for the sum of \$3,364,336, but they were induced, by representations from the Department of Public Works, to withdraw the offer. Upon its withdrawal, Andrews, Jones & Co.'s tender became the lowest. On the 26th of February, 1879, Sir Charles Tupper notified the firm that their tender would be accepted, but required them to make the deposit of 5 per cent. on the amount of tender (\$3,915,942) on "Saturday next," that was on March 1st, or three days from the notification. The firm on the same day applied for an extension of "two or three days," but this was refused by the Minister. It should be noticed, however, that one week was given to Marks & Co., to deposit the money security for Section A, while the other firm only got three days.

VERY SHARP PRACTICE.

On the appointed day, March 1st, Andrews & Co. had deposited \$48,950, and on the 3rd of March a further sum of \$48,950. There was, therefore, no reasonable doubt that after such a large amount was deposited the whole sum would be made good. Yet the Minister of Railways on the 5th of March recommended to Council the acceptance

of the tender of Fraser, Grant and Pitblado for \$4,130,707, instead of the tender of Andrews, Jones & Co. for \$3,915,942. The contract was accordingly awarded to this favorite set of contractors, *at an extra cost to the country of \$214,765!*

This sum, large as it is, does not represent all the loss. Andrews, Jones & Co.'s tender was to complete the work in 1882, while Fraser & Co.'s tender was to complete it in 1883. It would necessarily cost much more to complete the work in two years than in three. The ten tenders put in averaged a sum of \$387,252 more to complete the contract in the shorter term. This sum has therefore to be added to the actual difference of \$214,765, making the actual loss \$602,017!

THE COST OF SIR CHARLES TUPPER.

The obstinate, senseless refusal of the Minister to allow Andrews, Jones & Co. the same time given to Marks & Co. for making the money security deposit, caused this enormous loss to the country beyond *any doubt.*

It was not to be wondered at that some of those contractors, so favored by Sir Charles Tupper at the expense of the country, should have been able to sell out their interest for a sum of \$50,000. He knows by long experience how to help personal and political friends at the country's expense. And just here is a fitting occasion to *give* the electors a view of Sir Charles in the light of history.

THE PICTOU RAILWAY JOB.

In 1864 the Government of Nova Scotia decided on building a railway from Pictou to Truro, a distance of about 50 miles. The law required that it should be built by tender and contract, and that due security should be taken for the completing of the work. The contract was let and the work was carried on for nearly a year, when Sir Charles Tupper urged the chief engineer to suggest some way of hurrying it up. The chief engineer advised that the work should be taken out of the hands of the contractors and given to himself; that he should have full liberty to act according to his own judgment, and to employ whatever men and means he pleased. This was agreed to by the Government; the chief engineer became the contractor without any form of tender as required by law, no sureties were demanded of him, and an unknown deputy land surveyor from the back woods was appointed as chief engineer of the work. Mr. Archibald—better known in recent years as Governor Archibald—brought up the transaction in the Legislature, and in addition to exposing the gross violation of law of which Sir Charles Tupper and his colleagues had been guilty, he proved most conclusively that, by changing the specification and degrading the work, the new contractor was enabled to make an extra profit of at least \$300,000.

A TESTIMONIAL.

Commenting on the conduct of Sir Charles Tupper and one of his colleagues in this affair, Mr. Archibald said:

“Take the Railway Commissioner on his own showing, take the Provincial Secretary (Sir Charles Tupper) as his Commissioner paints him—we have these two gentlemen, like the two heads of the Fenian faction, meditating a raid on the public treasury; and the only strife between them is, who shall be first to pocket the plunder.”

Speaking of the Government further on in the same speech, Mr. Archibald said:

"It would be the best thing the country could do to pay them all their salaries and maintain them in the asylum at the public expense. The Provincial Secretary (Sir Charles Tupper) might then be allowed with safety to write despatches without end; pens, ink, and paper would not amount to much. If he had been there for the last three years, *we would have been some three millions of money better off.*"

And referring to Sir Charles Tupper's letting the contract without tender or surety, "in the very teeth of a statute passed to meet such a case," Mr. Archibald said:

"For acts less arbitrary than that an English monarch lost his head."

This is a fine reputation for the man who is at the present day Minister of Railways and Canals for the whole Dominion, and it is given by a man who knew Sir Charles Tupper like a book.

ANOTHER TESTIMONIAL.

But the same debate furnishes us with another testimonial to the character of Sir Charles Tupper. It was given by Mr. McLelan, now one of Sir Charles Tupper's colleagues in the Cabinet. Speaking of Sir Charles Tupper's pretence that, in privately and secretly handing over the contract for the railway to his chief engineer, and burying the transaction for months in the grave of secrecy—"it was so hidden to serve the public interest,"—Mr. McLelan said:

"I know not what term to apply to such conduct in a Government. I know not what to call it—I shall not venture an opinion; *but in private life it is called extorting money under false pretences, and our laws make it indictable knavery.*"

THE GREAT HIGH PRIEST OF JOBBERY.

But Mr. McLelan was not satisfied with giving his present colleague one testimonial. Read the following, and think of the fate in store for the Dominion with Sir Charles Tupper (the political heir-at-law of Sir John Macdonald) as its Prime Minister:

"Where is the Hon. Provincial Secretary? Paying away half a million more than he proposed in 1863; and on this issue alone the people have determined to remove him. They have heard of men riding in public conveyances with a loose mantle about them and *a pair of false hands folded in front to lull suspicion, while their real hands were finding their way into their fellow-travellers' pockets,* and they now think that when the hon. gentleman (Sir Charles Tupper) put on the mantle of Herbert Huntington and the old Reformers, the hands he put to the plough were not real—that *the real hands were hidden that they might the better get deep to the arm pits in the public chest; and they wait, they long for the opportunity to sweep him from his position.* Therefore, sir, there was no necessity to bring this case here to excite public opinion. But, Mr. Speaker, if having brought it here for investigation in the discharge of a public duty, what if the people should, on examination of it, decide that *the public interests have been bartered away and betrayed—that the man whom they once believed in as the Apostle of Retrenchment has become the great High Priest of jobbery and corruption?* Who then shall restrain limits to their just indignation, as they take him, *loaded down though he may be by the share of the offerings that fall to the priest,* and impale him upon the horns of the altar at which he ministers."

This was the same Charles Tupper that the Dominion knows in connection with some greater and some worse transactions. The picture is "so like Sir Roger."

