

The next important item is the Public Works revenue, amounting to \$877,502. The gross revenue was, indeed, \$900,791—the difference being outstanding balances. It consists chiefly of the following heads:—

Public Works.	Gross Revenue	Deductions.	Net Revenue.
Canals and Locks	\$403,826	\$217,681	\$186,145
Harbors	4,699	4,699
Slides (timber)	71,334	39,121	32,213
Railways	413,979	359,961	54,018

These accounts are not, of course, charged with interest on the cost of construction. It may, however, be useful, as well as interesting, to see what percentage on their cost the net revenue pays. It is shewn hereunder:—

Public Works.	Gross Revenue.	Deductions.	Net Revenue.	Cost.	Per cent of Profit.
Welland Canal	\$236,876	\$76,416	\$160,460	\$7,428,117	2.1
St. Lawrence Canal	38,385	72,952	15,433	7,431,208	.2
Burlington Bay Canal	14,863	562	14,301	308,328	4.6
Ottawa River (slides)	62,326	21,913	40,413	1,236,319	3.3
Nova Scotia Railways.....	247,221	228,276	18,945	6,529,990	.3
European & N. A. R., N. Bruns.	166,758	131,685	35,073	4,650,903	.8

The investments are thus not very productive, even were there no expenditure on capital account, which there always is—but they should not be looked on in this light. The Welland and St. Lawrence canals, in Ontario and Quebec, and the railways in Nova Scotia and New Brunswick, were built for the development of the country, and for what we may now call national purposes. They may not pay as investments, but they render business possible which would not be possible without them, and annually add to the wealth of the country many times the interest on their cost.

Several minor heads of revenue now follow, of which the only two that exceed \$100,000, are interest on investments, \$117,343, and bill stamps revenue, \$119,713. The former is chiefly interest on the sinking fund—properly put among the receipts as a matter of account, but wrongly placed there when the intention of a sinking fund is considered—which is, that the interest on the securities purchased for it should not be considered part of the public revenue. After these items, amounting to \$23,417,372, which are usually held to constitute the ordinary revenues of the Dominion, come sundry special revenues, amounting to \$299,214. Receipts from loans, \$2,994,600; open accounts, concerning some of which there may be a question if they should not be otherwise classed, \$118,673 35, making the total receipts of the Dominion, on Dominion account, \$16,830,060 73. During the first year of Confederation, \$1,335,558 were also received, on account of the Provinces, and the amount appears in the sheet, to make it balance; but it does not really affect the public chest, as it had to be accounted for to the Provinces.

II. PAYMENTS.—The first item on the expenditure side, and the largest, is the interest on the public debt, \$4,106,021; the next, charges of managing the same, \$281,113—together, \$4,388,034. This interest is paid partly in London, by Messrs. Glyn, Mills, Currie & Co., and Messrs. Baring Bros. & Co., the fiscal agents of the Dominion; and partly in Canada, by the Bank of Montreal. A great outcry was recently made about getting this debt “placed” in the country, but a moment's reflection will shew that stock or debentures, being transferable, will gravitate to the place where money is most plentiful. Except investments by corporations, legally bound to hold debentures, and such debts as those to savings' banks depositors, which cannot be transferred, our obligations will long continue to be held abroad.

The next great item is the subsidies to the Provinces, which, considerable as it is, \$2,228,107 81, was only “on account”—the full subsidies being now fixed at \$2,522,611 44 per annum. The amount, by the way, is thus arrived at:—

ONTARIO :

Population in 1861—1,396,091, a 80 cts.	\$1,116,872 80
Add grant for legislative expenses	80,000 00
	<hr/> \$1,196,872 80