

156. Except in New Brunswick and Manitoba, there was an increase in Excise revenue in each of the Provinces during 1885; the largest, both in amount and percentage, being in Ontario.

157. Owing to the Canada Temperance Act having been adopted in many parts of the Dominion, and more particular by the majority of counties in Ontario, it was thought that there would be a decided falling off in the revenue derived from spirits and malt liquors. Contrary, however, to expectation, the revenue from both sources showed a large increase over 1884, amounting to \$734,444 though this was not brought about by increased consumption, but by large withdrawals from bond in anticipation of additional duty. In Ontario the increase amounted to \$787,332, but there was a decrease in Quebec, New Brunswick and Nova Scotia of \$53,170. The increase in revenue from tobacco and cigars amounted to \$152,986; there being an increase in every Province, except in British Columbia and Manitoba. The actual amount per head was highest in Ontario, but in proportion to population the inhabitants of Manitoba paid more per head for their spirits and tobacco than any other Province. There was an increase in total Excise revenue in 1885 as compared with 1881, in Ontario, Quebec, British Columbia and Manitoba, and a decrease in Nova Scotia, New Brunswick and Prince Edward Island.

158. Every country in the world, in the present day, has its national debt, that is, money borrowed by the Government for the purpose of defraying extraordinary public expenses that cannot be provided for out of the ordinary revenue. After deducting the assets from the gross amount of debt, the balance remaining, or net debt, constitutes the real liability of the country, and for the purposes of comparison, therefore, the net debt is always referred to in the following tables.

159. The net public debt of Canada on the 30th June, 1885, amounted to \$196,407,692, and in 1884, to \$182,161,850, showing an increase of \$14,245,842.

160. The gross amount on the same date in 1885 was \$264,703,607, and in 1884, \$242,482,416, an increase of \$22,221,191.

161. Of this increase of over fourteen millions, upwards of ten millions were payments on account of the construction of the Canadian Pacific Railway, and three millions were expended on public works. While the gross increase in the public debt in 1885 was \$22,221,191, or 9·16 per cent., the increase in the assets of the country was \$7,975,350, or 13·22 per cent.

162. The next table gives the gross and net liabilities, together with the amount of assets, and their respective increase or decrease in every year since Confederation. The number of years of revenue is also given that it would take to make up an amount equivalent to the debt.