

193. The preceding table gives the total liabilities and Assets and liabilities, 1868-1886. assets and the net liabilities, together with the respective increase or decrease of each, for every year since Confederation. The number of years of revenue required to pay off a sum equivalent to the debt are also given.

194. With the exception of the years 1871 and 1882 there Average increase in debt. has been an increase in the amount of debt in every year since Confederation, the total increase amounting to \$147,430,465, being an average annual increase of \$7,759,498. The assets it will be seen show a decrease in 1886 of Decrease in assets. \$18,290,681, caused by the repayment of the loan to the Canadian Pacific Railway.

195. In 1868 the debt was equivalent to five and one-half year's revenue, in 1872 it would only have taken four years revenue, and in 1886 it would have required 6 years and 9 months of revenue to pay off the debt. It will be seen, therefore, that the debt has increased in a somewhat greater ratio than the revenue, the proportion of increase being 195 per cent. and 142 per cent. respectively. Multiple of revenue

196. The principal objects upon which this large increase of debt has been laid out have been the following, viz., the assumption by the Dominion of the debts of the various Provinces on their entering the Confederation, the construction of the Intercolonial and Canadian Pacific Railways and of numerous public works, the enlargement and improvement of canals, and the acquisition and management of the North-West Territories. Objects of debt.

197. The combined debt of the four Provinces which was assumed by the Dominion at the time of Confederation was \$77,500,000. In 1869 a further allowance of \$1,186,756 was made to Nova Scotia, and since that date additional Provincial debts have been assumed or allowed by the Dominion to the extent of \$30,743,392, making a total Assumption of provincial debts.