

In consequence of the creation of Manitoba and the admission of other provinces, other Acts were passed as under :—

- (a.) Manitoba Act, 1870, Chap. 3 (consult sections 24 and 25).
- (b.) British Columbia, Order in Council, page 84, Statutes of Canada, 1872.
- (c.) Prince Edward Island, Order in Council, page 14, Acts of 1873.

Agitation having sprung up in the Provinces of Ontario and Quebec against payment of interest on the sum of 10½ million dollars (by which amount the actual debt of the old Province of Canada exceeded its allowed debt under the Union Act, 1867), an Act was passed to readjust the amounts payable to and chargeable against the several provinces. That Act is to be found in Canadian Acts, 1873, Chap. 30.

These Acts and Orders in Council contain the authority under which the sums mentioned in paragraph 1216 were assumed or allowed by the Dominion, and by such allowance became part of the Federal debt.

A question behind these Acts, viz., how to reconcile them with Section 118, Union Act, 1867, was discussed fully in the Session of 1869. A careful presentation of the case by Sir Alexander Campbell is in the Senate Documents. Mr. Blake took the opposite view.

1218. On the (1) Canadian Pacific Railway has been expended \$62,653,745, on the (2) Intercolonial and connecting railways \$45,294,030, on the (3) Prince Edward Island Railway \$635,830, and on (4) canals \$44,161,312, making a total of \$152,744,917. Not only, therefore, is the whole debt thus accounted for, but it will be seen that under the four above heads alone there has been spent the sum of \$9,100,138 more than the total actual increase of the debt since Confederation.

1219. The total expenditure on capital account since Confederation has been \$200,143,171, made up as follows :—

Debt allowed to provinces.....	\$ 30,743,393
Canadian Pacific Railway.....	62,653,745
Canals.....	44,161,312
Intercolonial and connected railways.....	45,294,030
North-west Territories.....	3,798,656
Dominion Lands.....	3,668,904
Public Buildings, Ottawa.....	2,163,545
Prince Edward Island Railway.....	635,830
Other public works.....	*7,023,756
	\$ 200,143,171
Increase of debt.....	177,346,286
Expenditure in excess of increase of debt.....	\$ 22,796,885

1220. The following table shows the amounts, including expenditure charged to revenue, spent by the Government in each year since Confederation.

* Including the sum of \$2,725,504 expended in previous years by the Montreal Harbour Commission on the improvement of the St. Lawrence and assumed in 1890 by the Dominion Government.