

ting higher, to continue the contract with the same contractors.

6 & 7. Public tenders were called for in 1897, and the present contract is a renewal of the one made on the 1st July of that year.

#### MADOC MAIL SERVICE.

Mr. CARSCALLEN asked :

1. Who is the contractor for carrying the mails from Madoc village to Central Ontario Railway station at Eldorado ?
2. When was the contract entered into, and for what length of time ?
3. What amount is paid for the service ?
4. Were tenders advertised for, and for how long were such advertisements posted ?
5. Were any tenders received, and the amount of tenders, if any ?
6. Did the lowest tender receive the contract ?

Hon. JAMES SUTHERLAND. The service is performed by Mr. Joseph Vassau under a temporary agreement entered into on the 1st July, 1900. Mr. Vassau's contract expired on the 30th June, 1900, and it was proposed to put the service up to tender, but it was represented to the Postmaster General that the Eldorado Railway would be reopened within a short time, and that it would be better to postpone the making of a new four years' contract until the question of utilizing the railway for the conveyance of mails could be considered; and the service has been performed since that time on the terms and conditions of the former contract.

The service is semi-daily, distance 7 miles, and the rate of pay \$400 a year. The inspector in reporting on the service stated that the rate of pay was reasonable, and that the service had been satisfactorily performed.

#### WAYS AND MEANS—THE BUDGET.

The MINISTER OF FINANCE (Hon. W. S. Fielding) moved that the House resolve itself into Committee of the Whole to consider of the Ways and Means for raising the Supply to be granted to His Majesty.

He said: Mr. Speaker, for several years in succession, on occasions similar to this, I have had the good fortune to be able to congratulate the House and the country upon periods of great and steadily increasing prosperity. I rejoice to know that I am at liberty to make a similar statement to-day with respect to the affairs of Canada for the past year. In almost every department of industry in which the Canadian people are engaged there was a gratifying activity, and trade, commerce and manufactures flourished. Here and there, as may always be expected in a country of such vast extent and varied interests as prevail in Canada, some local condition was unfavourable, some drawback may have occurred. But in summing up the affairs of the country, we are able to describe the year as

one of unexampled prosperity. Prosperity in trade and manufactures has brought prosperity to our national finances, and enabled me at the close of the year to announce results which it is not too much to say formed the most satisfactory financial statement that ever fell to the lot of a Minister of Finance to make in the Dominion of Canada. At a time of very considerable financial stringency, at a time, too, when our expenditures were being conducted on a very liberal scale, we found our revenues so generous that we were able to provide for all our needs without having resort to fresh loans, or even to an issue of treasury bills.

A glance at the receipts and expenditures in comparison with the previous year will show that there was a general increase all along the line. I have the honour to present this statement:

	1898-9.	1899-1900.	Increase.
Customs ....	\$25,316,841	28,374,147	3,057,306
Excise .....	9,641,227	9,868,075	226,848
Post office .....	3,193,777	3,205,535	11,758
Miscellaneous ....	8,589,404	9,582,237	992,833
	\$46,741,249	\$51,029,994	\$4,288,745

It may be remembered that in speaking of the prospects of the year in the budget speech of last March, I expressed the opinion that the receipts for the year would pass the \$50,000,000 mark; the figures I have just given will show that that anticipation was realized, the receipts of the year having been over \$51,000,000. The chief increase, as may be readily understood, was in customs. That increase, to some extent, was due to the increased imports, and to some extent, no doubt, to the higher values which prevailed. We have increases in the post office which are very gratifying. Of course it is well known that a year or two ago the post office revenues fell off—not a matter of regret altogether, because we know that that falling off was caused by the very important reform brought about by my hon. colleague the Postmaster General, who is now absent, wherein he established a two-cent rate instead of a three-cent rate, one of the most important reforms in the Post Office Department, and one which I am sure the country has fully appreciated.

If, for a time, therefore, our revenue from that source fell off it would not be altogether a cause for regret. I am glad to be able to say that we have now reached the point where we shall be able to make comparisons with previous years under the three-cent rate. In January last past, we had turned the corner in that respect. Up to that date, our revenue was, under the two-cent rate not quite so large as it was under the three-cent rate; but, in January, 1901, under the two-cent rate, the revenue of the Post Office Department was \$398,289, while in the corresponding month of





































