

case of the municipal loan fund, it would have been a great benefit to the country, because at the time that fund was created county debentures were selling at a discount in England. So that by exchanging them for Government debentures, which sold at par, they gained a great advantage. But the mistake was that no limit was placed to the amount that might be borrowed. In the present case the Government were perfectly secure.

Mr. WOOD (Brant) said he did not think any one had any inclination to charge the Government with creating a new Municipal Loan Fund, but it was of considerable interest to the House to consider to what extent they should go in aiding municipalities in their local public undertakings. It was possible that some persons might get the idea, that because the Government may come to the conclusion that reductions may be made to municipalities owing to the Municipal Loan Fund, that the same provision in a remedial sense would extend to them for any loans effected for municipal purposes. Drainage of lands must add to the wealth of the country, and no doubt there were large tracts of land requiring drainage, perhaps a million acres; but care should be taken that the Government did not go too far in the matter of expense for this object. He approved of the principle of the Bill, and hoped it would be framed in such a shape that the House could pass it; but he held that the Bill must be a final concession to the local demands of the country. (Hear, hear.) He did not think that the money should be handed over to the municipalities to be expended by themselves, but the Commissioner should see that he had full control over the expenditure. He noticed by the Bill that no more than \$20,000 could be borrowed by any one municipality, and this sum in many cases might not do to drain all the lands. He scarcely thought, however, that any township would undertake drainage costing \$30,000 or \$40,000, unless it knew where to get the balance. He would ask whether interest on the money was provided for?

Hon. Mr. McKELLAR replied that the debentures were made payable by instalments with interest.

Mr. WOOD continued, saying that he approved of the investment proposed, and if it worked well, the money could be supplemented at a future time. But, in addition to this \$200,000, there was an Act passed by the Government, authorizing it to spend another \$200,000 for drainage purposes, making \$400,000 in all, and he thought that was a very large expenditure, and that there was danger of going too far. If the sums paid for law-stamps, marriage licenses, and other items of revenue were to be discontinued, there would be little money left. It might be better to see how our funds stood after there had been an adjustment of the Municipal Loan Fund, the settlement of the Railway grants, and other matters, before making further heavy expenditure. The sources of revenue promised to be so curtailed that little would be left except the rich domain of timbered lands spoken of by the hon. Commissioner of Crown Lands—and the revenue from Crown lands amounted to little after the expenses of the Department were paid—and the \$900,000 of a subsidy. The Legislature would not, he thought, be wise in devoting nearly half a million more for drainage purposes.

Mr. LAUDER contended that the expenditure of large sums of money through municipal councils was not the wisest way of expending it, and thought the whole machinery of the Bill was such as would prevent municipalities from taking advantage of its provisions. He objected to the amendment which proposed to allow the Government to re-invest the money as it came back, and thought too much power would be placed by the Bill in the hands of the Commissioner of Public Works, who would, under its provision, be able to favour certain municipalities to the disadvantage of others. He was of opinion that, before money was loaned for the purposes of drainage, statements should be submitted to the House with estimates of the required expenditure and other necessary particulars. This was the course adopted by the Sandfield Macdonald Government; and, after the hon. gentleman's contentions during the time that Government was in office, he was surprised that he should propose a course so opposed to his former views.

Hon. Mr. McKELLAR said he could scarcely have imagined that the hon. gentleman could have been so utterly ignorant of the subject he was discussing as he had shown himself to be. He had given the subject a good deal of consideration. He had first introduced the drainage clauses into the Municipal Act some years ago, and he had subsequently amended them as experience dictated.

Mr. LAUDER asked the hon. gentleman if he had anything to do with the Act of the late Government.

Hon. Mr. McKELLAR said if the hon. gentleman kept his seat he would give him some information which he very much needed. He introduced a clause to enable municipalities to do their own draining. Parties wanting their lands drained could petition their Municipal Council, and the Council could issue debentures and levy a tax upon the parties whose lands were drained for the payment of these debentures. The purchasers of these debentures held the whole township responsible for their payment, and the townships held the parties who owned the lands drained. The county of Kent, in that way, spent upwards of \$200,000 without getting a single farthing from the Government. He was strongly of opinion that the work could be done better by the municipalities themselves than by the Government. The late Government thought they would improve upon this system that he had initiated, and they appropriated \$200,000 for drainage purposes. They took the entire control of the whole affair into their own hands; they took power to enter upon any lands without asking the people whether they wanted their lands drained or not. The \$200,000 were frittered away, and as yet only one or two small pieces of work were finished. The money was gone, and the people had to pay interest upon it from the time it was expended. In his own township, Rawley, they entered upon lands, and they had already expended in that township between \$40,000 and \$50,000. There was no limit to the amount they might expend in any township. The hon. gentleman from South Grey had asserted that no municipality had taken advantage of the Act of last session, while the fact was that at present \$20,000 were awaiting investment under that Act. He had also asserted that the Government were now asking \$200,000 more to be expended by the Government. Such was not the case. They had already power to spend \$200,000, and in so far as that was concerned the present Bill was only a re-enactment of the present law. It was found that that law was defective in some particulars, and it was proposed to remedy those defects by a re-enactment of the whole Act rather than by a separate Act. He would advert to another point. The leader of the Opposition the other day had dissented from the view taken by the member for South Brant and himself that a Bill could be introduced with the money clauses in blank or in italics before the resolutions were passed. The view of the leader of the Opposition was sustained, and the result was they could not introduce the Bill till the resolutions were passed. Yet they were obliged to discuss the whole measure before the Bill was introduced. He was not asking for a new appropriation; he was merely asking for a re-enactment of the present appropriation. Notwithstanding all that had been said by gentlemen opposite, he asserted that he was asking the House to do that which would do more substantial good to the country than a dozen of those lawyers' Bills, although they might be very useful in their place. The hon. member for South Grey might understand his legal Bills, but he had shown that he knew nothing of the subject now before the House. He believed that the more members examined this measure the more satisfied they would be that it would do a substantial and permanent good to the country.

Mr. LAUDER asked if the Government were only asking for \$200,000, or were they not asking for \$200,000 in one Bill and \$200,000 in the other—\$400,000 in all.

Hon. Mr. McKELLAR said that in one Bill they were not asking for any new appropriation—they were merely asking for a re-enactment of the appropriation of last session. In the other Bill they were asking for a new appropriation of \$200,000, and that was all the new appropriation they were asking for.

Mr. RICHARDS said that the hon. Commissioner of Public Works acknowledged that the Bill introduced by him last session had proved defective, and that nothing could be done under it.

Hon. Mr. McKELLAR said he had explained three or four times what the defects of that measure were. People in the country knew very little about the 35th Victoria or the 19th Victoria or the titles of Acts, and some of the municipalities had passed their By-laws under the 32nd Victoria instead of under the 34th Victoria, and, of course, they were useless.

Mr. RICHARDS said the answer was an evasion. The hon. gentleman confirmed his opinion that nothing could be done under his Act. At the end of last session the Speech from the Throne contained what was very unusual—a petty boast or triumph over the legislation of a former session, and the sub-