

ject of that beast was the Drainage Bill of the hon. Commissioner of Public Works, which it was stated would be much more advantageous to the country than that of the former Government. Now that beast fell to the ground entirely, because the hon. gentleman was forced to come to the House and acknowledge that his hanting had not been a success. He (Mr. Richards) was of opinion the present mode of loaning money to municipalities would turn out to be a revival of the old Municipal Loan Fund. The moment a municipality became indebted, political pressure would be brought to bear at the elections to prevent that debt being paid. The scheme of the late Government was much superior, because under it the money was lent to individuals and the Government retained the power of collecting the amounts expended.

Hon. Mr. McKELLAR said that under the Act of the late Government the municipalities were responsible as well as the individuals.

Mr. RICHARDS acknowledged that, but said that by the present Bill the individual was not held responsible at all, and that the municipalities would be just about as likely to pay their debt as they had been to pay what they owed the Municipal Loan Fund. He went on to contend that the Government should, if its members followed the principles which they contended for when in opposition, ask a vote every year instead of attempting to obtain possession of so large a floating sum. Votes of a previous session were always considered as having lapsed if not expended before the close of the year. He would support the amendment of the member for Leeds, although he did not think it went far enough. When the resolution for the appropriation of money for drainage under the Act of the Macdonald Government was being considered, an amendment was proposed and voted for by gentlemen opposite to ask for information as to what municipalities were to be favoured by drainage works, and how much was to be expended. Hon. gentlemen were not acting up to the principles they had formerly upheld.

Hon. Attorney-General MOWAT said two matters had come up for discussion during the present debate, one of which would come up for discussion shortly when the Bill relating to it would be submitted to the House. With regard to the particular matter before the House, his hon. friend in bring-

ing forward the present Bill chose to consolidate the law upon the subject. The Act of last session which received the sanction of the House contained the necessary provision with regard to the \$200,000 under discussion. There was no change in the law as it stood under the Act of last session. Several objections had been made to the Bill in the course of the discussion, and one was the danger of the money not being repaid. This danger was apprehended in consequence of the result in many instances of the first loan, and arose from the enormous sums loaned to the municipalities. They obtained larger sums than they could repay, and sums for which it was impossible for the Government to enforce payment. The danger in the present instance was extremely small. The sum proposed to be loaned was a mere nothing to the municipalities, and there could be no doubt as to their ability to pay it. The whole sum asked for, whether it was regarded as \$200,000 or \$400,000, was a very small one when the revenue of the Province and the important objects it had in view were considered. Reference had been made to clauses which his hon. friend had voted for or moved in the House formerly, which provided for the naming of the townships to which the grants were to be made. Then there was no reason why the Government should not comply with the desire expressed. In the present instance such a course would be impracticable. Only \$30,000 had as yet been asked for, and the Government could not possibly give the names. They did not know at the beginning of the year what municipalities might desire to have their debentures employed in that way. This entirely distinguished the case from those in which the municipalities might be named from year to year. There was a sort of discretion given to the Executive, but no substantial danger was to be apprehended from it. The Executive was so edged round that it was as free from the danger which had been referred to as it could be, and there would be no possibility of that power being used for political purposes. The 19th section of the Act passed last session provided that the Commissioner of Public Works should investigate as to the propriety of the investments. There would consequently be an actual violation of the law if the examination were avoided. Of course, if municipalities did not bring themselves within the law, and did not comply with it in making

the application, they would have to be rejected. If the investments were made with such did not come within the law, it would be illegal to loan money to them. It was thought that it would be an advantage to have a sum permanently set apart for this purpose, and the law provided suitable and sufficient means against the improper use of the money on the part of the Commissioner or Governor in Council. From what he (Mr. Mowat) had seen of the working of the Municipal Loan Fund, he did not think there was any danger in owing so small a sum to municipalities, and he would be surprised if the municipalities would not impose the taxes necessary for the payment of the debts incurred in this way. The point, although so much stress had been laid upon it by gentlemen on the other side, was one involving no substantial matter whatever. Two hundred thousand dollars constituted the sum to be invested with the municipalities, which would issue their debentures upon terms of 5, 6, 10, or 15 years. It would be consequently some time before any of the money would be repaid, and if it were thought undesirable to set aside the money returned for the same purpose, it would be possible to pass an Act, before any of the money was received, against the reservation. The Government considered it desirable that such a fund should be kept, but if a change of policy or experience indicated that a change in this respect would be proper, the change could be easily effected. (Hear, hear.)

Mr. MEREDITH asked the Commissioner of Crown Lands if he understood him aright that the indebtedness of the municipalities was to be paid by instalments.

Hon. Mr. McKELLAR in reply said some of them would pay in that manner, whilst others took advantage of the other course open to them. They would be at liberty to take their choice as to the manner in which they made the payments.

Mr. RICHARDS wished to know if, when \$20,000 lent to a municipality for this special purpose were misapplied by the County Council, or not properly appropriated, political force would not be brought to bear upon the Government to have that sum remitted.

Mr. McKELLAR said it was no use building castles in the air, and making suppositions such as had never arisen and never would arise. As yet there had been no instance in which the debentures had not been met, and he defied the hon. gentleman to point out one.

Mr. RICHARDS, in support of his assertion, said that when the Municipal Loan Fund was created, three or four townships in the county of Norfolk borrowed therefrom \$580,000. This sum was loaned upon guarantees which were considered satisfactory. Yet the money was misappropriated, and no benefit was derived by the townships from it. A case of that kind could arise again under the operation of the present Bill, and he should therefore vote for the amendment of the hon. member for South Leeds, although he did not think that it went far enough.

Mr. SNETSINGER said that the reason none of the Eastern counties borrowed money from the fund was because of political pressure. In regard to the present Bill, he held that the municipalities were the proper parties to hold the money, because they could expend it better than the Government could. He would like to see in the Bill a clause prohibiting people living along the line of the drains from filling them up in any way.

Mr. BOULBEE remarked that there was no opposition to the Bill itself as a whole, but to mere matters of detail. He thought it would be more satisfactory to the House if the Government were to alter the clause principally objected to so as to make it apply to the investment of the \$200,000 in the first instance only. When a Government had a large fund under its control it was liable to outside pressure, and under such circumstances might possibly act differently to the abstract principle as laid down.

Hon. Mr. SCOTT said he had been looking over the reports of last session, and he found that the present Bill under discussion was word for word the same as that brought into the House last year, and the House supported it. Some extraordinary new light must have fallen upon the members since then, for at that time not a single member in the Chamber got up to oppose the principle of the Bill. There was no step that could be taken by the Government that should meet with more approval than the drainage of the waste lands of the Province. The idea of creating a fund in the manner proposed was probably developed by the losses sustained by municipalities on their debentures in previous times; and if the Government saw that the people were willing to be taxed for drainage purposes, it should lend