

supply it.

Mr. MACDOUGALL asked the hon. Treasurer to enumerate the items.

Mr. CROOKS said he would, therefore, refer, first, to the assets of the Province on 30th September, 1875. Under the head of investments was Dominion 6 per cent. stock and bonds amounting to \$850,000, and 5 per cent. debentures, which cost \$1,897,805, making the total \$2,747,805. Special deposits in banks at 5 per cent. interest amounted to \$1,373,000; and balance to credit on current cash accounts \$24,248. The Province has invested in drainage 5 per cent. municipal debentures \$161,971, of which \$104,173 was purchased up to 1st January, 1875, and \$57,797 up to 30th September last. Then they had also the municipal rent charge for the drains constructed under Mr. Carling's Act, amounting to \$174,813, for which the municipalities were now making their assessment, and \$65,858 in respect of works not yet completed under that Act additional. It was only on the completion of the works that the requisition could be made on the municipalities for the payment of the principal and interest, which amounted to \$240,672. There was a balance still, represented by the municipal debentures which were yet unsold on the 30th September, amounting to £35,100 sterling, which at the ordinary rate would represent \$170,820, but a half of that had been realized since, so that a very small portion of the municipal debentures remained unsold. In addition to this there were two special or trust funds in the hands of the Dominion. He had last year endeavoured to show that these were equal to what would be represented by regular Dominion securities, that Mr. Wood, as treasurer, had contended for that before the arbitration between Ontario and Quebec, and that the arbitrators concurred in his contention. He had also referred to the acknowledgment of the Auditor-General of the Dominion that these funds were held only in trust, and to the fact that we were receiving interest to the amount of \$136,696 on them. The only reason why we had not these amounts in Dominion marketable securities at this time was the unsettled state of matters between ourselves and Quebec. The Dominion Government did not deny our title at all, but they preferred that the matter should remain in this condition to handing over to us the securities before the open questions with Quebec were settled. The Upper Canada Grammar School Fund was established by the 2 Vic., chap. 10, by which 250,000 acres of land were set apart for Grammar School purposes. The proceeds of the sales of that land up to the 1st July, 1867, were \$312,769. To that our title was as clear as to the building in which they sat. Then there was the Upper Canada Building Fund, which was an equivalent for certain appropriations made to Lower Canada for the extinguishment of the Seigneurial Tenure, and was clearly an item to which Upper Canada was entitled. In the 18th section of the Act of 1854 there was a specific appropriation of this amount in favour of Upper Canada. This, on the 1st July, 1867, amounted to \$1,472,391. The Common School Fund was established by the Consolidated Statutes of Canada, chap. 26, by which 1,000,000 acres were set apart for Common School purposes, and it was conceded before the arbitrators that Lower Canada was entitled to a portion of this fund according to population. By this Upper Canada was entitled to five-ninths and Lower Canada to four-ninths of this fund, which amounted on the 1st July, 1867, to \$1,645,644, of which Upper Canada was entitled to \$914,246. Thus these special funds amounted in the aggregate to \$2,699,407. There was another item which the arbitrators found the Province was entitled to—the five-ninths proportion of the value of the Parliamentary Library of the old Province of Canada. That was taken over by the Dominion Government, and it would be liable for the amount of the award, \$105,541. The value of the Dominion debentures over their cost, according to the London quotations, was \$267,113, so that the total assets comprised in those items he had enumerated was \$7,790,578. The liabilities to place against these assets were fortunately in a small compass. First, there was the Railway Aid Fund, and he was glad to observe that it was being diminished year by year, and miles of railway had been added. Of the total amount of the grant, \$1,900,000, there yet remained to be paid \$941,258. The Railway Subsidy Fund represented a liability of \$282,187, being amount of annual appropriations (three and a half years to 30th June, 1875, \$350,000, less amount paid to 30th

Sept., 1875, \$67,812. In regard to the surplus distributions to municipalities, amounting to \$3,115,733, \$2,030,634 had been paid up to Sept. 30th last, leaving \$1,085,098 still to be paid. Quebec's share of the Common School Fund, \$325,657, and aid to counties for gaols, \$60,000, brought the liabilities to \$2,694,201. The assets exceeded the liabilities by \$5,096,376. Hon. members might be inclined to inquire in what shape the resources of the Province stand, and such an inquiry he had answered by explaining that of the capital invested no less than \$4,000,000 were invested in Dominion Bonds. But he might further state that the Province had invested a large amount of capital in public buildings, public works, and other permanent improvements. The public accounts showed that payments of that character amounted, at the end of 1875, to the large sum of \$2,300,000.

Mr. MACDOUGALL—Since when?

Mr. CROOKS—Since the 1st July, 1867. Between that date and the 1st January, 1875 the following amounts had been expended in public buildings and works of a permanent nature:—Toronto Insane Asylum, \$207,499; London Idiot and Insane Asylum, \$420,851; Hamilton Asylum, \$55,000; Reformatory, Penetanguishene, \$17,515; Central Prison, \$428,875; Deaf and Dumb Asylum, Belleville, \$126,832; Blind Institute, Brantford, \$125,291; School of Agriculture and Farm at Mimico, \$48,344; at Guelph \$102,488; Normal and Model Schools, Toronto, and Education Office, \$40,708; Normal and Model School, Ottawa, \$62,189; School of Practical Science, \$57,527; Osgoode Hall, \$2,436; Government House, \$113,596; Parliament and Departmental Buildings, \$98,396. The expenditure on other smaller buildings brought the aggregate amount expended on public buildings and works, adding \$269,123 spent on locks, dams, and slides and other improvements in the inland waters, to \$2,206,586. He now proposed to make a statement which he had not hitherto made to hon. members, and to give a sort of *resume* of the financial operations of the Province since July 1st, 1867. It would be found on reference to the public accounts of different years that the Government of Ontario had had to deal down to the end of 1874 with no less an amount than \$19,188,642 of receipts, and had had to make an expenditure of no less than \$14,214,157. He had a statement of the receipts and expenditures from 31st December, 1868, to 31st December, 1874, by reference to which it would be seen that there had been a considerable excess of receipts over expenditures. Whatever might have been the surplus accumulated up to the end of 1871, \$1,715,000 had been added to it in the two years 1872 and 1873, so that hon. members would at least give some credit to this Government for not having diminished the surplus. (Hear, hear.) They had not only a visible tangible surplus existing, but its existence depended just as much on the operations of 1872 and 1873 as on the preceding years. The excess of receipts over expenditures, exclusive of 1874, amounted to \$5,525,859, to which those two years contributed as largely as the preceding years. In 1874, however, the tide turned, because in that year they expended \$425,144 in excess of their receipts, but it must be recollected that they paid \$2,000,000 on account of the surplus distribution and more than half a million on account of the railway fund, while nearly \$800,000 had been realized in 1874 by the sale of the Municipal Loan Fund debentures. He was now referring to the gross receipts and expenditures. He wanted to show what had become of the funds, to how hon. gentlemen that there was a tangible surplus in existence, though he supposed the hon. member for East Grey would not believe in its existence unless he had an opportunity of touching and handling it. (Laughter.) The excess of receipts over expenditures was \$5,525,859, and the excess of expenditure over receipts was \$425,144, leaving a balance of \$5,100,715. Now, what had they done with that?

Mr. MACDOUGALL—That is the question.

Mr. CROOKS said that was what he proposed to show. He desired to remove any doubt under which hon. gentlemen might be labouring, and to give on this and any occasion when he had the duty to discharge the fullest opportunity to hon. gentlemen to become thoroughly informed in reference to our financial affairs. The statements which had been made during the campaign, that he in his position as Treasurer