

had endeavoured to stifle investigation, were entirely untrue. (Cheers.) He stated now, as he had to his friends in South Oxford, that all these allegations were untrue, and had place only in the imagination of his hon. friend the member for East Grey. (Cheers.) He would present to the House a statement of the assets and liabilities in 1874. There were invested in Dominion five and six per cent. securities, \$2,747,805, and in special deposits in banks on 31st December that year, \$1,328,348. Special payments amounted to \$853,377, being railway fund, 1872, \$372,786; railway fund, 1873, \$426,642; drainage debentures, \$53,949. These sums made a total of \$4,929,530, which when deducted from the surplus receipts over expenditure of \$5,100,715, left \$171,184 to be accounted for. But the bank account showed a balance on 1st January, 1875, of precisely that amount. The accounts for the years 1868 to 1874 inclusive showed gross receipts amounting to \$19,188,642, and he proposed to examine them for the purpose of ascertaining whether there had been any year during which the affairs of the Province had been extravagantly administered, or if the expenditures had been for objects of public necessity, and for carrying out the wishes of the House as manifested by its enactments. They had then invested, as he had mentioned, \$4,076,153; on public works and buildings, \$2,448,179; in drainage debentures, \$108,187; in drainage rent charges, \$174,813; in payments on the Railway Aid Fund up to January 1st, 1875, \$799,428; on the Railway Subsidy Fund, \$52,010; and in the municipal distribution, \$1,361,101, amounting altogether to \$9,019,874, out of the nineteen millions, and leaving \$10,168,178 to represent the expenditures for the different years on the various subjects for which the Government was responsible. The details of these expenditures could be found in the Public Accounts. They had a very heavy burden in maintaining the administration of justice, criminal as well as civil, with the exception of the payment of the salaries of those judges who were appointed by the Dominion Government. They had also to provide for the proper maintenance of our educational system, to maintain the public institutions, to erect public buildings whenever the exigencies of the public service required it, to open up the unsettled portions of the country by means of colonization roads, and to bear all the charges which the welfare of the Province demanded. Last year he had undertaken to estimate the probable amount of their revenue for any particular year, and the probable amount of their necessary expenditure. He then took the normal income to be about \$2,500,000, and expenses to be about \$1,800,000 on current account without reference to what might be chargeable to capital account. Since he made that statement they had run through nine months of the current year, and they had the operations of the whole of 1874 as their guide. In 1868 the receipts were \$2,260,176; 1869, \$2,625,179; 1870, \$2,500,695; 1871, \$2,333,179; 1873, 2,962,315; 1874, \$3,446,347. The amount of expenditure on current account during the past seven years for civil government, administration of justice, and for expenditures necessary to keep the machinery of the Province in motion, averaged \$1,452,681 annually. As hon. members would understand, while the expenditure on matters within the discretion of the House might be curtailed, there were certain obligatory expenditures that could not be brought to a lower scale, and which would probably increase as the wants of the country might require. As to the actual results of 1874, the estimated receipts, irrespective of municipal debentures and payments, exclusive of railway fund, drainage, and surplus distribution, amounted to \$2,394,857; the actual receipts were \$2,646,872, excluding \$277,000 in the banks, showing \$252,015 over his estimate. (Hear.) This would be easily explained by a reference to the items for that year. The expenditure for that year had also been diminished as compared with the estimates. The estimated expenditure, if reference were made to the Supply Act, 1874, would be found to be \$2,684,176, while the actual expenditure was \$2,408,966. If reference were made to the Public Accounts for 1874, statement 38, the total would be found to be \$2,384,176, but \$50,000 was added for unforeseen and unprovided expenses. The charges for the second session of 1874 were included in that, though they were in the estimates of 1875. The operations of the year 1874, seeing that there was an excess of receipts amounting to \$250,000, and a diminution in the expenditure to the extent of \$175,000, had been nearly half a million better than his esti-

mate. (Hear, hear.) Then he came to 1875. In this year he had only nine months as a basis. As he had mentioned, there had been a falling off in the receipts from Crown lands and woods and forests. He had estimated the probable receipts for the year to be \$2,518,291, and that gave him a margin over receipts of \$292,693, the estimated expenditure being by the Act \$2,225,598. The actual receipts for the nine months of this year had been \$2,013,823, showing a difference of nearly half a million. There were, however, still three months of this year, in which he expected to realize \$253,000, leaving him short \$220,000, which would probably be the result of the year 1875 at its close. If hon. members inquired as to where the falling-off occurred, it would be seen that while the receipts of the Crown Lands Department were estimated at \$752,000, they would probably fall short of that amount by \$290,000; while the other sources of revenue had increased, that Department showed the reduction to the amount stated. The receipts from the Crown Lands were, in 1868, \$382,782; 1869, \$653,257; 1870, \$552,887; 1871, \$686,193, giving an average for the four years of \$566,000. In 1872 the revenue amounted to the large sum of \$1,178,764, which arose from the extensive sale of timber limits. The depression in the timber trade was beginning to be felt in 1875, but the amount exceeded half a million, being \$524,358. The Grammar School lands were diminishing year by year, and it was always anticipated that they would be ultimately entirely wiped out. For the first nine months of 1875 there had been received from Grammar School Boards \$7,286, from Crown Lands \$71,689, from woods and forests \$120,201, making a total of \$199,176. The receipts for the remaining three months were estimated at \$155,000. He would now mention for the information of the House the result of the sale of the municipal loan fund debentures. The amount represented by those debentures, and which represented the reduced debt of the municipalities, was £364,000 sterling, or \$1,800,000, after crediting Brockville and other towns with sums in regard to the Canada Central Railway. Hon. members, in dealing with this Municipal Loan Fund debt, forgot that the basis of the measure depended entirely upon the correct amount of the obligation of each municipality in the Province, and this was determined by the Act of the former Province of Canada of 1858. Some hon. members discussed this subject as if this Government had left only a million and a half out of ten or twelve millions of dollars due to the Province, and attempted to show from this how unsatisfactory the administration of public affairs had been under a Reform Administration. The enactment of 1858 was that of a Conservative Administration, and that declared that the utmost liability of any borrowing municipality should be represented by a rate of five cents in the dollar upon the value of the property in 1858, and that was to apply for all time. All the rest was wiped out by that Act, which brought down the debts to about \$3,000,000. The next step was a very easy one, being to do in favour of the municipalities which had aided railways before Confederation what the Province had been doing for the railways since, and to refund to them the aid they had given to railways, or something like their quota. A further reduction was made, and generally acquiesced in, so that if the amount still remaining exceeded a two-cent rate upon the assessment it should be reduced to that amount. This whole matter had been fully discussed in the last Parliament, whose action had been confirmed by the country at the last general election, not only in regard to this, but in regard to many other matters with which this Administration had had to deal. The amount received for debentures up to the 31st December, 1874, had been \$799,525, and up to the 30th September, 1875, \$593,786, making a total of \$1,392,811, and leaving \$170,820 yet to be realized, which altogether would amount to \$1,563,631. He proposed now to submit the estimate of revenue and expenditure for 1876. The revenue for that year he estimated at \$2,350,000. The main sources of revenue he placed the same as for 1875, with the difference of \$588,000 for receipts from Crown Lands instead of \$752,000; in other words, the reduction was \$164,000. The receipts for 1876 from the Crown Lands Department were estimated at \$588,000 as compared with \$354,000 for 1875.

Mr. MACDOUGALL asked if the Treasurer concurred in that estimate.

Mr. CROOKS said that so far as his infor-