

though there were no doubt some municipalities which had neglected to provide sinking funds, as the law required. The Government, however, could not undertake to see that the municipalities had a sinking fund, if their creditors did not see it to their advantage to compel the municipalities to comply with the law in that respect.

Mr. MEREDITH—What would be the effect of repudiation?

Mr. MOWAT thought there was no reason to fear repudiation in this Province.

Mr. CREIGHTON and Mr. ROSS spoke briefly in favour of the Bill.

The Bill was read a second time.

#### DIVISION COURTS.

Mr. CURRIE was about to move the second reading of the Bill to amend the Division Court Act, when

Mr. MOWAT said this matter had been discussed in the House last session, when there was evidently a strong feeling that the jurisdiction of the Division Courts should be extended. During the recess he had sought information on the subject from the County Court Judges, who were thought to be the best persons to supply it. He had also sent circulars to other persons. He desired the House to know the opinions of the Judges before they considered the question. They were now in type, and would be laid before the House in a few days. He therefore hoped the hon. gentleman would allow his Bill to stand for the present.

Mr. CURRIE was willing to do so in view of the explanations of the Attorney-General, but he certainly intended to test the House on the question this session.

#### THE BUDGET.

Mr. MERRICK desired, without rendering up his right to speak on the budget, to give way to the leader of the Opposition. (Laughter.) He had understood that at the conclusion of the speech of the Treasurer the debate was not to go on, and as no one appeared to move the adjournment, he had done so himself.

Mr. MEREDITH said he did not know that the House had much to thank the Government for in bringing down the estimates at so late a time. It had been suggested that this difficulty would in future years be overcome by an alteration in the financial year, but it seemed strange that notwithstanding all that had been said and done in former years such a simple scheme should not have been brought into play before. He referred to the pamphlet of Senator Macpherson, and claimed that the figures were correct, whatever gentlemen opposite might say to the conclusions which were drawn from them. If the author had done nothing further he deserved the thanks of the people for having drawn attention to the rapidly increasing expenditure of the Province. It had often been referred to before that the income of the Province was fixed except from the Provincial territories, the revenue from which source was rapidly diminishing. It would be a sad thing if the Government in pursuit of their present financial policy should force the Province into direct taxation. In order to make a fair comparison between the years 1871 and 1877, as had been done by the hon. Treasurer, it was necessary to deduct from each the amount of the extraordinary expenditure. In 1871 the gross expenditure had been \$1,816,876, from which had to be deducted the payments on special funds: the municipalities fund and others \$163,142, amount granted for the relief of the sufferers by the Ottawa and Saguenay fires \$30,000, and the cost of the general elections which had not to be provided for in 1877, \$19,505; public buildings and public works, \$430,620, or a total of \$643,267, leaving a balance as against ordinary expenditure of \$1,173,609. In 1877 the gross expenditure was \$3,117,414, from which were to be deducted, special funds \$792,342, public buildings and works \$322,105, leaving a balance upon ordinary expenditure of \$2,002,967, or an increase upon the expenditure of 1871 of \$829,367, which would be in the proportion of 70 per cent. But it might be said that he should make his comparison with the year 1878. If he did so it would appear all the worse for the Government, for the ordinary expenditure of that year showed an increase of about \$109,000 over 1877, even a still greater increase over 1871. It had been said—and very properly said—that there must of necessity be an annual increase in the expenditure of the Province, but not such an increase as the one he had just shown. If the present policy were pursued what guarantee was there that the increase should not be as great during the next as during the last six years? If it did the annual expenditure would reach the enormous amount of \$3,400,000—an amount which might well make every man in the Province pause, and make all well consider where the end would be. It would be seen that he had not placed the amount spent on colonization roads as against capital account. He had not, and he thought very properly so.

Mr. FRASER—Have you deducted from the amount of expenditure in 1877 the cost of consolidating the statutes?

Mr. MEREDITH—No, I have not.

Mr. FRASER—That was surely an extraordinary expenditure, and it cost \$40,000.

Mr. MEREDITH continued that if hon. gentlemen opposite could point out any increase in the revenues there might be some excuse for the enormous relative increase in the expenditure. He then proceeded to quote the returns, to show that the expenditure in 1871 had been a little over 50 per cent. of the revenue. In the four years of John Sandfield Macdonald's Administration a proportionate increase had been 8 per cent., but in 1878 the expenditure was 95 per cent., and the increase from 1871 such as he had quoted, in each case considering the same items. He referred to the letter of the Hon. Minister of Education to the Reform Convention, in which he accused Hon. Mr. Macpherson and the *Mail* newspaper of being inimical to Confederation. This was not a fair statement to make, in consideration of the fact that he could nowhere point to a single word from either to support the statement. But the country would perfectly well understand that this was done merely with a view to diverting public attention from the growing expenditure and want of economy in the administration of the Government. He now came to a consideration of the surplus. Up to the time of the present Government, when they spoke of the surplus they simply meant the saving upon the annual revenue. Hon. gentlemen opposite prided themselves upon having a statistical bureau. But one of the principal uses of statistics was to preserve a uniform standard by which to regulate public affairs. The Hon. the Treasurer claimed credit for amounts received from mechanics' institutes and to be received from the Model Farm.

Mr. WOOD—Are they not due?

Mr. MEREDITH—Certainly they are, but such

amounts should be taken into account the same under one Government as under the other. He then proceeded to state other amounts which he claimed under the present Government were considered as part of the surplus, but had not been under the former one, and to compare the amounts received from the Mimico Farm and other sources with those of the present Government. He stated that the surplus under the former Administration was \$7,002,202 45, less the comparatively small amount due to Quebec on account of school lands and other indebtedness.

A discussion here took place concerning the million and a half of dollars which had been promised to be expended upon railways by the Sandfield Macdonald Administration, but it was interrupted by Mr. Speaker, who desired that Mr. Meredith should be allowed to proceed in the quotation of his figures.

Mr. MEREDITH then continued that the present Government claimed that they had distributed \$17,335,551 to the people, and when he looked over the items he thought hon. gentlemen opposite had a good deal of courage to make such a statement as that. For instance, there was the expenditure upon Immigration, which was perhaps more than any other calculated to bring the Administration into discredit, for the people believed that the greater part of it had been spent in the support of the Horace Cook's and other gentlemen of a like class who were friends of the Government. In order to ascertain how far the present Government were entitled to credit as compared with the former it was necessary to quote the figures, which he then proceeded to do, and showed that the real average distribution of the present Government, deducting the amounts to which he had referred as not to be classed under this head, was \$2,391,945 45, and that, under the former Administration, it had been \$3,383,886 75. Coming to the estimates for the coming year, it would be seen that they were framed not only with a view to economy, but with a view to the general elections. Under the head of Legislation the Treasurer proposed to reduce the Ministers' salaries by \$3,000 and the amount set apart for indemnity to members by \$17,600. He desired to state his position with regard to the latter item. He still assumed in its entirety the responsibility which attached to him in connection with that increase. He had never attempted to make political capital out of it, and he never intended to do so.

Mr. FRASER—Why did you vote for the amendment to the Address?

Mr. MEREDITH said that it was not his fault if hon. gentlemen opposite treated as a motion of want of confidence that which was a perfectly honourable and fair motion. But even if it were one of want of confidence, the feelings of the country upon the subject had changed, and if hon. gentlemen opposite did not choose to recognize that change, they could not blame the Opposition for bringing the matter up in the way they had.

Mr. FRASER—Why did you not wait until the Estimates came down?

Mr. MEREDITH contended that the Government should have inserted a clause in the Speech from the Throne promising a reduction in the item of members' salaries. He had no objection to the hon. Commissioner of Public Works occupying the position he did in the Government as the power behind the throne, but he did object to his interfering with the management of affairs on that side of the House. (Hear, hear.) But he warned that hon. gentleman to beware that the same fate did not befall him which had befallen another hon. gentleman who had gone into power with a majority of one hundred votes, and who by neglecting the wishes of the country had been hurled from his place. (Opposition cheers.) He enumerated several decreases which had taken place under the head of Administration of Justice and in the expenditure for Education, claiming that an examination of these deductions showed that they were in the main not on account of controllable expenditure, but on items which were not subject to control. The saving in Asylum maintenance was \$13,200, but not one dollar of that was on account of salaries, which, from the greatly reduced cost of living, ought now to be much less than formerly. The reasons for that decrease were exceptional, as had been explained by the Hon. Treasurer, and consisted mainly of the greatly reduced prices at which supplies could be purchased. On the expenditure for the Central Prison there was a saving of \$17,495, but \$13,000 of that was for material, and \$4,495 for foreman, &c., which as he understood that the Government intended to abolish some of the industries that had been formerly carried on there, was in reality no saving at all, for the people would not now get the benefit of the money formerly spent in that way. He was pleased to notice the saving proposed to be effected in the item of immigration, some \$10,500. If any one could take credit for that it was hon. gentlemen on that side of the House, who had always strenuously opposed that expenditure. He believed it would be much better if instead of spending large sums upon immigration hon. gentlemen opposite would encourage the young men of the Province, and others who might be desirous of doing so, to settle upon the wild lands of the country. Such a scheme would add much to the prosperity of the country, in furnishing a market for manufacturers.

Mr. FRASER—How about the N. P.? (Laughter.)

Mr. MEREDITH, continuing, pointed out that out of the entire sum by which the Government claimed to reduce the expenditure but a very small portion would be found to be in the interests of the people. The cost of civic government and legislation had very largely increased since 1871, and notwithstanding the large increase which had undoubtedly taken place in the work of the Departmental offices, the increase was not a justifiable one. In the Attorney-General's Office alone the expense had risen from \$7,639 65 in 1871 to \$11,660 in 1878, and contingencies from \$2,602 32 to \$3,271 38. In the Treasury Department salaries had risen from \$8,755 in 1871 to \$12,299 96 in 1878, and contingencies from \$1,319 15 to \$2,423 12. The expenses connected with the Secretary and Registrar's Office in 1871 were \$9,493, and in 1878 \$16,200, while contingencies in 1871 were \$1,003 90, and in 1878 \$2,231.

Mr. HARDY—My hon. friend leaves out of account the \$4,000 formerly paid to deputy registrars. We now do the work that used to be done by them.

Mr. MEREDITH said that in 1871 the salaries in the Public Works Department were \$10,365, and in 1878 \$16,654 92. In the Crown Lands Department salaries had similarly risen from \$29,884 80 to \$41,780, and contingencies from \$8,454 to \$10,120 21. In the Inspector of Prisons' Office the expenditure for salaries and contingencies had increased 80 per cent.; and under the head of Legislation from \$24,349 to \$38,072. Much of the latter increase was due to legislation of hon. gentlemen opposite, as, for