

ONTARIO LEGISLATURE.

FOURTH PARLIAMENT—SECOND SESSION.

TUESDAY, Feb. 1.

The Speaker took the chair at 3 o'clock.

PETITIONS.

The following petitions were presented:—

Mr. Calvin—Of the County Council of Frontenac; also a petition of the Village Council of Portsmouth, praying that the Bill before the House respecting the closure of a road allowance between Kingston and Portsmouth may not pass.

Mr. Ferris—Of the Village Council of Hastings for certain amendments to the Assessment Act respecting the taxation of dividends.

Mr. Graham—Of J. Coolnoy and others, of Logan, for certain amendments to the Ditches and Watercourses Act.

Mr. Ross, of Robert Currie and others, of the township of East Wawanosh; also of Thos. Taylor and others, of East Wawanosh. Mr. McLaughlin, of township of Darlington; Mr. Calvin, of Township Council of Storrington—for the abolition of market fees.

Mr. Harkin, of Thomas Gregg and others, of Vankleek Hill; Mr. Calvin, of F. W. Dodds and others, of Portsmouth—for certain amendments to the License Act respecting the hours of closing hotel bars.

RETURNS.

Mr. HARDY presented a return relative to Voters' Lists.

FIRST READING.

Mr. GIBSON (Hamilton)—A Bill to amend the Liquor License Law.

INTERPLEADER.

On motion of Mr. Hardy the Bill respecting Interpleader was read a second time, after a brief explanation by Mr. Hardy of its contents.

THE BUDGET DEBATE.

The debate on the Budget was resumed by

Mr. FERRIS, who pointed out that no one on the other side of the House had ever attempted to say that the million and a half appropriated by the Sandfield Macdonald Government for railway aid should have been taken from the surplus. If the trust funds were not part of the surplus as contended by hon. members opposite then it left the Government at liberty to take away an equal amount from the annual revenue to augment the surplus, so that they had after all the same result. They should remember that they had a reserve source of revenue from timber limits sufficient, did they choose to draw upon it, to enable them to discharge all their liabilities to the municipalities without making a draft upon the surplus. Hon. gentlemen referred to Sandfield Macdonald as the father of economy, but the House knew that when John Sandfield Macdonald was stripped of office that hon. gentleman, into whose nostrils he had breathed the breath of political life, deserted him and relegated him to the back benches. (Hear, hear.) The reference, therefore, did not sound very well coming from hon. gentlemen opposite, because they had repudiated the leadership of Mr. Macdonald. His hon. friend (Mr. Morris) had said that there was a balance of trade in favour of the country for the first time in many years. But would his hon. friend tell him when there had ever been a balance of trade in favour of the country?

Mr. MORRIS—If there never was a balance of trade in our favour before, it is all the greater ground for congratulation for the prosperity now.

Mr. FERRIS—Then my hon. friend would argue that they never had a period of prosperity in this country till now. Was his hon. friend prepared to argue that? He wished to impress upon the House that the system of bookkeeping of the hon. gentleman opposite regarding the surplus was entirely fallacious. It was scarcely reasonable for hon. gentlemen to say that the Government had no surplus. He held that the finances of the Province were at least in as healthy a condition as they were at the time of the administration of the Hon. John Sandfield Macdonald.

Mr. WHITE contended that the present Administration was less economical than the Sandfield Macdonald Government had been. He claimed that if the true condition of the finances was known it would be found that there was a deficit. He thought the increased prosperity was due to the National Policy, although it was denied by hon. members on the other side of the House. It was important that the people should have a correct statement of the finances of the country, and it was the duty of the

Ministry to give them the correct facts. According to his contention there was no surplus, and their available assets were nothing like they were stated to be. If they had all this hard cash on hand, how did it come the Treasurer had to sell \$5,000,000 in bonds? These bonds were a portion of the revenue, and when these were disposed of there would be a corresponding decrease in the revenue. The banks were lending money to the Government at four per cent. upon their deposits. They should have retained their bonds when they were getting interest at 5 per cent. upon them. They would be clearing one per cent. Adverting to the Agricultural Commission, it was not a non-partisan affair, as had been alleged. The Conservatives were never approached in reference to the matter, and the most notorious Reformers were alone consulted. He had not seen what would go into the report, and could not controvert the statement that it would be a valuable report, still he did not believe it would. Speaking of the Agricultural College, he thought that many young men would be kept out from the College in consequence of the establishment of the entrance fee of \$50. It would not in his opinion augment the income of the College. In reference to the proposed grant of \$6,400 to the Central Prison, this institution was becoming more and more expensive every year, and in his opinion this money should not be voted to them.

Mr. YOUNG did not propose to occupy much time because no new arguments were adduced by the Opposition. They tried to keep before the House the one point with reference to the surplus. It appeared to him that the hon. gentlemen were hard to satisfy if they were not satisfied with the statement of the Treasurer. With less modesty the Treasurer might have dwelt upon the fact that the revenue had been in excess of the expenditure to an extent of over \$135,000. (Hear, hear.) Hon. gentlemen opposite had quoted the increased receipts from Crown Lands to show the good done by the National Policy for the lumbering interests. But what had the National Policy done for the lumbering trade?

Mr. PARKHILL said that THE GLOBE had contended that the N. P. would ruin the lumbermen by raising the price of oats and rough grain, but the N. P. left oats as cheap to-day as ever. (Loud laughter.)

Mr. YOUNG was quite as well pleased to have the argument of the oats used against the N. P. If oats and rough grain had not advanced in price, then what became of the farmer who was to be so much benefitted by the National Policy? (Applause.) This was perhaps a digression, but hon. gentlemen opposite had dragged the subject into the debate. The expenditure of a young country was of necessity always increasing as the country grew, and it was a pleasing fact as presented by the Treasurer that they had a considerable sum of surplus revenue. That was that the ordinary expenditure for the year had been \$280,000 less than the ordinary revenue. (Hear, hear.) He was pleased to find that the surplus at the present time, contrary to his expectations, showed a decrease from last year of only \$79,000. The hon. member who had just resumed his seat had said that there was no surplus in existence. They probably belonged to the sect of philosophers who believed that nothing was real. He claimed that the Trust Funds, so long as they paid five per cent. interest, were a portion of the surplus, and it was merely a quibble to say that these funds were not available, for it was an asset they could use at any time they desired. These funds were placed on the Public Accounts of the Dominion as a liability, and that was good proof of their ownership by the Province of Ontario. The railway liability which hon. gentlemen wished to capitalize and place against the surplus. If that was done then they should also take the anticipated revenue with which to meet this liability and capitalize it, as the Act for granting aid to these railways provided expressly for the payment of grants out of the yearly revenue. He would deprecate any further considerable draft on the cash surplus in the Treasury, for the grant to the Ontario Pacific Junction Railway would leave but little actual cash on hand. He would like the hon. gentleman opposite to take a more hopeful view of the affairs of the Province.

Mr. METCALFE could not bring himself to believe that the statement made by the hon. gentleman could be correct. He thought that the arguments of the hon. member for North Grey had not been fully answered. He contended that the expenditure had increased since 1873. Alluding to the Teachers' Superannuation Fund, he was of opinion that the fund should be continued. Speaking of the alleged surplus, it had not been proved to him that there was a surplus at all, although he would be glad to find that he was