

\$132 11 per head, in 1883 it was \$131 01.

Mr. MEREDITH—Is that the gross expenditure?

Mr. ROSS stated that it was the gross expenditure. While on the subject of expenditures he read from the Inspector's report, which showed that the expenditure per head was less than the lowest cost he had been able to ascertain of any State of the Union upon similar institutions. He also called attention to the fact that the British and United States Governments did not maintain the lunatics, but put the cost upon the municipalities sending them. They might have expected that when the counties bore the full cost that they would look closer after the expenditure than a central Government could do. This was not the case, however, and the contrary held good. The total cost of the public institutions had been \$648,995, while the estimate was \$607,584, showing an increase over the amount estimated of \$41,111. He thought that this was the position in which the Province had been found from year to year in regard to these institutions, and it had been found that an expenditure over the estimates had been constantly going on. It was unfortunate that it was so, but it had been found with the most economical management, inevitable. Under the head of immigration there had been an increase of \$7,814, which had arisen from the increase in the number of those who had come to the country. In 1882 those who came to the country and remained were 20,767, while in 1883 they were 25,697, which was an increase of about 5,000. In regard to the Agriculture and Arts there had been an increase of \$14,620 over the amount of expenditure. This arose mainly from the manner in which the statistics had been obtained. The estimated expenditure of the Bureau of Statistics was \$8,000, and the actual expenditure \$15,249, showing an increase of \$7,249. Formerly the returns had been obtained from the school teachers, but many teachers had objected to making the returns—which had been done without remuneration—but now the schedules were sent direct to farmers, and much more assistance had been necessary for the purpose of compilation. It would be for the House to consider whether the increased accuracy was commensurate with the increased expenditure.

Mr. MEREDITH asked if Mr. Blue had decided on the change without consulting the Government.

Mr. YOUNG intimated that it was after consultation that Mr. Blue had made the change.

Mr. ROSS (continuing) said in regard to agriculture and arts the same explanation held good. In connection with forestry and butter making there had been some exceptional expenditure in connection with printing, but he did not think there would be any objection to it. The total amount taken under the supply bill was \$2,606,151 55, and the amount expended was \$2,548,171 62, showing that the expenditure had been \$59,979 94.

The following is a statement of the  
ASSETS OF THE PROVINCE.  
INVESTMENTS.

1. Dominion 6 per cent. bonds.....	\$500,000 00	
Market value over par value.....	30,000 00	\$530,000 00
Drainage—5 per cent. debentures, invested 31st December, 1883.....	\$216,201 81	
Tile drainage—5 per cent. debentures, invested 31st Dec., 1883.....	25,679 61	
Overdue interest on account of same.....	1,539 91	
Municipal rent charges for works completed.....	302,398 00	545,819 33
2. Special or trust fund, held by Dominion of Canada:—		
Upper Canada Grammar School fund, 2 Vic., chap. 10, and 250,000 acres of land allotted to it. (This fund is bearing interest at 5 per cent.).....	\$312,769 04	
Upper Canada building fund (under the 13th Sec., Act 1854), Seigniorial tenure set apart for local purposes in Upper Canada. A large portion of this fund should bear interest at 6 per cent., but we have received only 5 per cent.....	1,472,391 41	
Land improvement fund, being one-fourth of the collections on account of common school lands sold between the 14th day of March, 1853, and the 6th of June, 1861, as per award.....	13	
Common school fund (see Consolidated Statutes, Chap. 26), 1,000,000 acres set apart (proceeds realized to 1st July, 1867), after deducting land improvement fund, \$1,520,959 24, portion belonging to Ontario, as per population of 1831. This fund is bearing interest at 5 per cent.....	891,201 74	\$2,801,047 37
3. Value of library, share assigned to Ontario, as per award.....	105,541 00	

4. Balance due on account of municipal loan fund debts, 31 Vic., Chap. 47.....	89,500 00
5. Balance due from Mechanics' Institute, Toronto.....	8,000 00
6. Balance due on account of sale of lots at Mimico.....	6,500 00
Balance in banks, current accounts.....	400,621 54
Special deposits.....	253,625 71
	\$4,740,654 95

LIABILITIES OF THE PROVINCE.

SURPLUS DISTRIBUTION TO MUNICIPALITIES.

Balance due.....	\$2,150 45
Quebec's share of Common School Fund, made up as follows:—	
Collections on account of lands between 14th June, 1853, and 6th March, 1861.....	\$821,966 94
Less 6 per cent., cost of management.....	\$49,318 01
One Quarter for Land Improvement Fund on account of lands sold.....	235,491 73 254,809 74
	\$567,157 00
Collections on sales made since 6th Mar., 1881.....	\$295,710 83
Less 6 per cent., cost of management.....	17,802 64 278,908 19

\$846,065 39

Quebec's proportion according to population of 1831.....

LAND IMPROVEMENT FUND.

Balance due municipalities for collections on lands sold between 14th June, 1853, and 6th March, 1861, as per Award.....	3,946 81
	\$356,413 03

Showing a surplus of Assets of.....\$4,334,241 92 (Hear, hear.) The House would notice that he had taken into account in this statement the trust funds in the hands of the Dominion at the same amount as his predecessor had done for some years past. He supposed the House would be anxious to know what progress had been made towards the settlement of the accounts with the Dominion, particularly in regard to these trust funds. They would recollect that his predecessor in his last financial statement had made the announcement that the accounts were in suspense waiting for the completion of a statement by the Deputy Minister of Finance, Mr. Courtney, and that as soon as this statement was in readiness the various parties would be brought together from Ontario, Quebec, and the Dominion for the purposes of a settlement. One of the first of his (Mr. Ross) actions after taking office was to enquire what progress the settlement of these accounts was making. He found that that statement had not been completed at that time, and it was not until the 19th of December that the voluminous blue book containing the accounts with the Dominion were received in the Department. Under these circumstances there had not been much time for him (Mr. Ross) to examine into the details of the accounts, and from the cursory glance he had been able to take, he could see that there were many exceptional charges as against Ontario which the Province emphatically disputed. (Hear, hear.) The accounts were given in three separate forms, and in one of them, viz., Schedule "C," the Province was credited with the trust funds he had enumerated in the statement of assets, viz., the Upper Canada Grammar School fund, \$312,769; the Upper Canada Building fund, \$124,685; and the Land Improvement fund, \$1,472,391; and these funds were placed to the credit of the Province as at the date of 1867, thus admitting that they belonged to the Province and that they were payable so soon as a settlement had been arrived at. (Hear, hear.) This, therefore, he thought, set at rest the contentions that these trust funds were not available to the Province at any time. The contention had often been made from the other side of the House that these funds were held in trust, and that the Province had no control over them. So far as these three funds were concerned that contention was set at rest. The claim on the part of the Dominion that common school fund should be left in their hands, was one which in his opinion could not be enforced. (Hear, hear.) Ontario and Quebec were receiving interest on that fund from time to time at 5 per cent., according to the population of the respective Provinces as determined by the decennial census. The arbitration between the Provinces decided that these funds were to be placed in the hands of the Dominion in trust for the two Provinces, but he did not think the Dominion could presume to hold them against the wish of both Ontario and Quebec, or against their joint request that they should be paid over. It was therefore

FOR THE PROVINCE TO CONSIDER

whether it was to its interest to allow the fund to remain with the Dominion drawing five per cent. interest, or to withdraw them and apply them in the public service of the Province. So far as he was concerned, his opinion was that they should be allowed to remain until the necessities of the Province required that they should be withdrawn. The House would be surprised to learn that in these accounts submitted by the Dominion, after credit was given to the Province for these three funds, amounting to \$1,909,845, there was shown to be at the credit of Ontario a sum only of \$966,312. This was a sum almost a million dollars less than what they had been in the habit of estimating it at, and his first enquiry was as to how that result was arrived at. It was thought that the Dominion by the