

We propose to limit it in the first place to the city of Toronto and the county of York.

Mr. MEREDITH—Is it not to apply to newly granted lands?

Hon. O. MOWAT—No, not even that. We have considered that, and think there are some objections to that just now. By-and-bye I expect that the country will desire that it should be applied to all newly granted lands, but now I think it would be inexpedient to do so. We have had petitions from almost all the Councils in the Province in favour of that Act, but of course the system has not been thoroughly discussed. These petitions are owing to the fact that a very active organization has been formed, whose publications have been sent out in all quarters, but the sufficiency of the proposal has not been discussed.

Mr. MEREDITH—The hon. gentleman has not faith in the society.

Hon. O. MOWAT—I have the greatest possible faith. Here is the Act itself. No copies have been distributed anywhere and of course, therefore, I cannot say the people are acquainted with the details of the measure. All that they know is the general character of it and the general object of it set forth in the publications of this society. To a certain extent we must still regard it as an experiment, but at the same time when such a revolution is proposed it is well to know that it is not a novelty, that it has been tried in various colonies and has

PROVED SUCCESSFUL.

There is not a single colony in which it has been introduced for a time and afterwards abandoned. It is now in operation in Van Dieman's Land, New Zealand, and all the Australian Colonies, as well as in British Columbia and so on. The value of the system is recognized in England now as well as in all these colonies. An Act has been put on the statute books there as a result of the united exertions of some of the ablest lawyers and Lord Chancellors that have ever been in England, and both political parties have united in supporting it. The difficulty there, however, is in getting those interested in land to take advantage of it. Then in this country something has been done in the same direction. The first Bill we had was prepared and introduced by Mr. Mills when he was Minister of the Interior. This was to apply only to the Dominion Territory. Well, Sir, Mr. McCarthy has twice introduced a bill for the same purpose, and I have no doubt will do so again this year.

Mr. MORRIS—Hon. Alexander Campbell has introduced one in the Senate. I have a copy here.

Hon. O. MOWAT—Indeed, I was not aware of that. I hope we may succeed in introducing the system here. Every clause has to be considered, and some modified, for the purpose of making

THE MEASURE EFFECTIVE.

Personally, I have no desire to limit it, yet, on the whole, I think that is the wisest way to begin.

Mr. MEREDITH—Would the hon. gentleman give us an idea of its provisions? Will it be necessary to appoint any new officers?

Mr. MOWAT—One new officer is necessary. In one colony he is called a Commissioner, and in another a Master of Titles. I have adopted the latter name. My object is that in the meantime the duties shall be discharged by some person holding another position.

Mr. MEREDITH—Does the Bill propose any guarantee fund, and if so how is it to be provided?

Hon. O. MOWAT—In almost every law passed on the subject there has been a guarantee fund provided for. They have not in England, and I have some doubt whether it was necessary or not. Mr. McCarthy, I notice, had such a provision, and I do not know whether Sir Alexander Campbell has or not. On the whole I think it is desirable to have one. Mr. McCarthy provided for raising a fund by charging one-quarter of one cent on the dollar. In every case where this has been tried the amount raised has been more than sufficient to pay the expenses, and in some cases no draft whatever upon the fund has been necessary. They charge a fee for every title of one-quarter cent on the dollar on the value of the land.

Mr. MEREDITH—Do you propose to provide for the validity and exchange of old titles under this system?

Hon. O. MOWAT—The Bill adopts them.

Mr. YOUNG—I rise to say that I recognize this as

A GREAT MEASURE

of law reform. The point I intend to bring out is that the application of the measure should not be confined to the City of Toronto and the County of York. I am sure the whole country will regard it as a great system of law reform. For my own part, though I have thought a good deal about the Torrens System, I did not think it would come in force here for several years yet, and I do most heartily congratulate the Attorney-General in bringing this measure before the House. The difficulty and expense of investigation of titles is felt all over the country and I am sure the country will rejoice to know that a new system is to be introduced. I cannot, however, see under those circumstances any reason why it should not be extended to the whole country and I trust the Attorney-General will give it to the whole Province.

Hon. A. M. ROSS was greeted with loud applause on rising to deliver his Financial Statement. He said he would first lay before the House the receipts of the Province for the past year. It would be noticed there was a classification in the receipts. Instead of including the interest of the funds held by the Dominion as part of the subsidy he had taken it into account—as he conceived it properly ought to be—as interest on funds held for the credit of the Province. [Mr. Ross then laid before the House the statement of receipts published in yesterday's GLOBE.]

He said it would be noticed there had been \$31,038 78 1/2 received during the past year than had been anticipated at the time of making his last financial statement. Last year he referred to the deficiency in our Crown Lands revenue which amounted to some \$114,000, as compared with the amount they had anticipated receiving. That deficiency was due to the fact of a general depression in the lumber trade. He had hoped that by this time there would have been an improvement in that industry, and that he would receive a larger sum than on the previous year. He was sorry to say, however, that the depression in the lumber interest had continued during the present year, and it was even in a more depressed condition than it was at that time. There had been consequent further reduction in the revenue from that source. Our receipts from the different sources of the Crown Lands revenue had been estimated at \$690,000, whereas the receipts had only been \$570,000, or a deficiency of \$119,695. Considering the fact that the depression in the lumber trade had been so general during the past year, had been even more severe than had been experienced for many years, extending not only throughout our own Dominion, but to England and the United States, he thought the returns from that source were very reasonable, although much less than had been anticipated.

Mr. MEREDITH asked if the arrears due by the holders of timber limits at the end of the present year were greater than at the end of the previous year.

Hon. Mr. ROSS said he had not made special inquiry in regard to that, but he believed they were greater; that it had not been the practice of the Crown Lands Department to collect the dues, although the timber was cut, but they were allowed to stand until such times as it had been disposed of or stopped. The House would be glad to know that the expectation in regard to the revenue from liquor licenses had been fully realized. The estimated revenue from that source was \$200,000, whereas they had received \$211,353.71. From a statement which had been handed to him by the officers of the License Department it appeared that the estimate of the revenue from Ontario licenses had been as nearly as possible the sum realized. From a statement of the Dominion licenses issued it appeared they were principally confined to hotel licenses. There had been 3,217 Ontario hotel licenses issued, and 182 Dominion licenses. Dominion shop licenses 14. It would be noticed that the statement of receipts contained an item which had not appeared in any of our former statements of the revenue of the Province. It was an amount of \$250,643 63 from the sale of annuities authorized by the Statute of last session. Under the Act of last session tenders had been asked for the sale of those annuities, payable either in Canada or England. The most favourable tender received was one payable in Canada, and it had been accepted, the rate being at a fraction below 4 1/2 per cent. Last session, when introducing this matter into the financial statement, he had stated that about the above amount would be what they would be able to sell the annuities for. That statement of what the expectation was had been accepted by the House as satisfactory, at least no exception was taken to it. Considering this was the first issue, he thought the price obtained was a very good one; at the same time he expected we would be able to do better in future if we should have any to place upon the market. It might be asked why the annuity plan had been adopted. One reason was—a reason that actuated most municipal institutions—that it was better to have a portion of the securities falling due each year, and by that means avoid the trouble and expense connected with the keeping of accounts when investing in a sinking fund. The saving of expense necessarily connected with a sinking fund was in itself an item of considerable importance. It had been contended by some, that if we had issued an amount sufficient to take up the whole of the outstanding railway certificates, namely: something over two million dollars, and had placed the loan upon the London market, we would have been able to realize a better price for our securities. Such a proposition, he thought, would not commend itself to the House or the country. It was never intended that we should every year take up these railway certificates by an issue of new annuities, it was only in case from year to year there should be a deficiency in our revenue, that we might if necessary renew these certificates by the issue of new ones, but in any year when our receipts might be sufficient, they would be taken up and paid out of the consolidated revenue. It would have been very unwise to have issued new certificates for the whole of those falling due during the eighteen years to come, merely for the purpose of getting a large loan placed upon the London market. Another objection to that course would be that as we all know the rate of interest had been decreasing

year by year. The Dominion, a few years ago, were obliged to pay 6 per cent. on loans made. They are now getting loans at four per cent. The nominal issue is three and a half, but he understood the price was practically four per cent. He (Mr. Ross) instanced a number of large loans that had been effected during the last few years to show that the rate of interest was decreasing year by year, and he thought it would be a folly to issue all the certificates now and not benefit by the anticipated decrease of interest. Tenders had been received for the amount lately issued, payable in England, at the rate of four and three-eighths per cent., and it might be asked why the higher tender, payable in England, had not been accepted in preference to the lower tender payable in Canada. It had been thought much more advantageous to accept the one payable in Canada, thereby escaping many charges for commission, brokerage, and other things. It was much better that they should be payable here and we should escape all those incidental charges that were connected with loans payable out of the country. The Dominion Government were paying at the present time on all new loans, one per cent. commission to their financial agents, besides that they were paying brokerage of one-quarter per cent., which with stamp duties would bring it up to one-half per cent. On all investments in the sinking fund they paid three quarters per cent., and they paid on the redemption of their loans one per cent. All these commissions were saved by having the securities payable at the Treasurer's office in Toronto.

Mr. MEREDITH—Does not the purchaser usually re-sell these securities in the English market?

Mr. ROSS said he did not know in regard to that, but he was at present dealing with what would be the charges entailed upon the Province if the loan was payable out of the country. The Dominion Government last year remitted to England \$5,116,790, upon which they paid as exchange or discount \$15,863, or three-tenths of one per cent. for the cost of transmitting the money there. A portion had been returned to Canada to meet liabilities here. They drew on their agents in England to the extent of \$3,815,000, and they paid a discount upon that of \$28,499, or three-quarters of one per cent. for getting the money back. The Dominion was subjected to very heavy charges for the purpose of having their loans payable in England. They had an officer whose duty he believed was to assist the financial agent in taking charge of the whole matter, costing the country about \$40,000. All these charges were saved by having our loans payable here. We had no commission to pay either for the sale, payment, interest, redemption, or investment of a sinking fund. In regard to the price obtained, he had looked at the quotations of securities as furnished in the London Economist, and found similar securities had been rated

AT ABOUT THE SAME FIGURE.

He found for instance that New Zealand debentures bearing four and one-half per cent. were sold in the English market at from one hundred and one to one hundred and three. Those for Quebec bearing four and a half were saleable at one hundred and one to one hundred and three, so it was manifest that we had received as good a price as is obtained for similar securities even when they were payable in the Old Country. There was one other item in the receipts to which he would draw the attention of the House. It was the item of interest derived from the capital held by the Dominion in trust amounting to two hundred and seven thousand nine hundred and three dollars. Honourable gentlemen would see that we derived \$71,207 more than we had ever received before. That was a half year's interest upon funds placed to our credit by the Dominion, and paid to us in July under the Act passed last year at Ottawa. It would be remembered that last year he had drawn the attention of the House, in referring to the accounts submitted by the Dominion, to the fact that they have charged interest upon the excessive debt between 1867 and 1873, which was before that debt was assumed. It would be remembered that he contended that by the construction of the Act of 1873 we were

ENTITLED TO BE RELIEVED FROM THAT INTEREST

as from the date of '67; that by the Confederation Act it was provided the Dominion should assume the whole of the debts of the late Province of Canada, and they should become legally liable for them, that they should altogether assume to the extent of six or two millions and a half. In '73 it was found that the debt of the Province had amounted to \$73,006,084 84. An Act was passed relieving the Province from that debt, and the Province assumed it. By the construction of that Act he had claimed last year that the wording of it was really a relief for the Province from the date of '67 instead of from '73, but in the Dominion account with the Provinces they had charged us with interest between '67 and '73, and he had claimed that we should have a credit to the extent of over two and a half millions, Ontario's share. That contention had been scoffed at by hon. gentlemen opposite.

Mr. MEREDITH—Hear, hear.
Mr. ROSS—They stated it was a construction wholly unwarranted and one that should not be listened to for a moment. They said we had no