

possible right, and that it would be a gross breach of duty on the part of the Dominion if they were to grant it. He

WAS HAPPY TO INFORM THE HOUSE

that the interpretation he had put upon the Act had been accepted by the Dominion Government; the amount claimed had been conceded as owing to Ontario, namely, two millions eight hundred thousand dollars odd. (Loud cheers.)

Mr. MEREDITH—I suppose it is a case of Quebec domination?

Mr. FRASER—No; Ontario's justification.

Mr. ROSS—Honourable gentlemen opposite he supposed would contend that the interpretation he had put upon the Act was not really that accepted by the Dominion Government, but he thought a reference to the Act itself would clearly show that was right. He did not wish to detain the House by reading the clause in the Act of '73, but it stated that the amount now in the British North America Act should be read as if it was the increased amount. It was open to the interpretation and construction that we were to be relieved from that debt. The Dominion Government had

ACCEPTED THAT AS THE INTERPRETATION.

There was no other justification. If this was merely an act of grace, giving an additional subsidy, there would be no justification in giving it to Quebec and Ontario jointly upon the basis of the division of debts as by the award, as it is done, while the equivalent given to other Provinces was given on the basis of population. There was no reason for the division that has been made between Ontario and Quebec, except for the reason that it was in connection with the debt due by the late Province, and was really to be a carrying out of the intention of the Act of '73. It had been contended by hon. gentlemen that it was not in the interests of Ontario to ask this. The Dominion Government have imposed increased taxation and had been able to accumulate a surplus of over seventeen million dollars. The possession of that surplus no doubt prompted the Government to find new outlets for their increased revenue. Applications had been made from various quarters in regard to how that surplus should be disposed of, and it was well known at that time that Quebec was making urgent demands that they should have some special consideration in regard to their railway extensions. It was perfectly well known that if Quebec took a permanent stand she would be successful. He (Mr. Ross) stated last year that no doubt Quebec would be successful, but that if successful

ONTARIO MUST GET AN EQUIVALENT.

If an increased subsidy was given to Quebec, Ontario was entitled to one and ought to get it. Out of a total of seven million, one hundred and seventy-two thousand, dollars given by the Act of '74, Ontario had got \$2,882,289 00. Hon. gentlemen opposite last year thought we should contend for this, but have they offered one word of condemnation to the claim that was made and carried, whereby Quebec got a return of two million four hundred thousand dollars as aid granted to local railways, when Ontario was refused a dollar for similar aid? (Cheers). Have they found fault with that? Was it not better that the Province should take the position that if Quebec was to get relief from financial embarrassment under which they were labouring that it should be put upon some basis by which Ontario should get an equivalent. That was one of the grounds why he had contended that we should see after our rights and have the proper construction applied to the Act of '73. Honourable gentlemen opposite had opposed that. We should press our claims when other Provinces were pressing theirs: whenever they got an advantage, we should get an equivalent. He would not refer further to the question of railways at present, but would do so hereafter. He would now give the House a statement of

THE EXPENDITURE DURING THE PAST YEAR.

[These figures were given in THE GLOBE of yesterday.]

He said he would make a brief reference to one or two of the items of expenditure. It would be noticed that our expenditure in Civil Government had approximated very closely with what the estimated expense would be. The estimated expense was \$179,797 as against \$179,825 expended. In regard to legislation it would be seen there was a very large over-expenditure which was principally under the head of sessional clerks, printing, and stationery. It was an expenditure which was yearly increasing, and as pointed out last year, it was an expenditure which, to a certain extent, was more under the control of the House than the Government. It had been impossible to make the returns asked for without employing a considerable additional assistance, and had involved a very large expense in printing. There had also been a yearly increase in the cost of printing the departmental and other reports which were for the information of the country. In 1884 they had eight volumes of sessional papers, while the largest number in any previous year was only six volumes. The cost of printing and distributing the annual reports alone amounted to \$34,552. All these reports were valuable, containing general information useful to the country, information which it would be impossible to withhold, but at the same time it must be recognized that it involved a considerable cost. In all the departments over which

he had any control he had directed the officers to condense as much as possible when issuing the reports, and had also suggested that a lesser number of some of the reports might be distributed but the House itself to a very large extent

CONTROLLED THE DISTRIBUTION,

but he would draw the attention of the House to the matter, and it might be expedient to consider whether the expense in that direction could not be lessened. Provision had been made last year for a large distribution of the agricultural reports which contained information of inestimable value to the country, but it must be remembered that they were expensive, and that was one reason why the expenditure under legislation had exceeded the estimate by the amount it had. Under the head of Administration of Justice it would be seen there had also been an over-expenditure. That over-expenditure was mainly due to the amount refunded to the counties. As had been explained before, our expenses in connection with the administration of criminal justice were largely under the control of the municipalities themselves and the Government reimburses to the municipalities a certain proportion of the expenditure. The estimate of last session had been found insufficient, and instead of paying to the counties one hundred and twenty-three thousand dollars, as estimated, we have actually returned to them something about

ONE HUNDRED AND THIRTY-TWO THOUSAND AND EIGHTY-ONE DOLLARS,

or an over expenditure given to the counties of \$2,181. There had also been an over expenditure in regard to immigration, and without going into details he would state that about \$6,000 of the amount appearing in the present accounts was for carriage of immigrants, which should have been charged in last year's account, but which had been left out because the railway companies had failed to send in their bills in time. In regard to agriculture and arts there had also been an over-expenditure, and the remarks already made in regard to legislation would apply here. There had been an over-expenditure in regard to the Experimental Farm. The House last year made an allowance for the purchase of thoroughbred stock. It had been impossible to accurately estimate the expenses connected with the purchase of stock in the Old Country, and it would be seen that the expenditure was \$27,000 odd instead of the \$25,000 asked for. Under the head of miscellaneous it will be seen there had been an additional expense incurred owing to the cost of the Boundary dispute. An expense of some \$29,000 odd had been incurred as against an estimated sum of some \$10,000.

Mr. MEREDITH—The hon. gentleman is passing over a large expenditure under the head of repairs and maintenance of departmental buildings.

Hon. Mr. ROSS said they were placing the account for repairs of public buildings under a separate head instead of having them charged under the Departmental accounts as formerly. If the buildings were to be maintained in a proper state of repair it required a large expenditure. Hon. gentlemen had an opportunity for seeing that for themselves. They had an opportunity of seeing that the repairs were not of an extravagant character, being only those that were absolutely necessary. An old building such as this

REQUIRED A GREAT DEAL OF REPAIR,

and it had taken more than they had anticipated. There had also been an over-expenditure in connection with the north-western and other parts of the Province. That expense had been forced on the Province partly by the unwarranted invasion of what was then a disputed territory, but now disputed no longer. That invasion had been instigated from quarters that it was not necessary for him to point out, but the violation of our territory had forced upon the Government a large increased expenditure in maintaining the authority of the Province in those parts. There had consequently been an over-expenditure in connection with that of \$6,000 odd more than anticipated. He did not desire that the financial statement should reflect upon the causes that led to that expenditure. That question could be discussed at another time, and he did not wish to say anything that could be looked upon as being of a hostile or offensive spirit, but there was no doubt that that expenditure was forced upon the Province. Of course there had been an additional expense incurred in consequence of the construction of the C. P. R. through that section. He would briefly refer to a large item in our expenditure, the

MAINTENANCE OF PUBLIC INSTITUTIONS.

He had gone fully into that last year, and had given the House tables showing the expenditure from year to year. It would be recollected that from those figures he had drawn the deduction that in regard to our Reformatories and Central Prisons, our Institutions for the Deaf, Dumb, and Blind, that the expenditure had arrived at what the Province might assume to be a maximum expenditure for their maintenance. Although variations might take place from year to year, still there would not be that progressive and continuous increase that had existed in former years. The deductions that he had drawn from those tables had been disputed by honourable gentlemen opposite.

He was happy to say, by the return of the Inspector of Prisons, that another year's experience had added force to the contention. He found in regard to those institutions, not referring to our insane asylums, that the numbers that were confined or taken charge of in 1884 were less than in 1883. He thought it might be fairly assumed that with regard to the maintenance of those institutions we had arrived at a maximum expenditure, and that any increase now would be mainly due to those minor fluctuations that take place from year to year, or due to the increase in our population. He was sorry to say in regard to our lunatic and idiot asylums that these deductions had not held good. That we were year by year finding

A STEADY AND PROGRESSIVE INCREASE

in the numbers admitted and the cost of maintenance, and this year, as will be seen, the Government will be obliged to ask an additional amount from the House for the purpose of providing additional accommodation for those unfortunates. In connection with this matter he was happy to say that the Province of Ontario dealt in a most liberal manner. There was no Province in the country that dealt so liberally as Ontario. From inquiries made by the Inspector of Prisons and Asylums it was ascertained that seven of the United States assumed the whole cost of the maintenance of their lunatics and idiots; that in eighteen of the States the whole cost of the maintenance was thrown upon the municipalities from whence the patients came, that in thirteen of the States they divided the cost, a portion being paid by the State and a portion being paid by the municipality that sent them. We in Ontario, because our revenue had enabled us to do so, had maintained them at the sole expense of the Province, and had maintained the institutions in a manner that was not only creditable to the people of the Province, but in such a way as to receive the encomiums of those who were capable of judging, who had visited our institutions. In no State or Province were institutions conducted with the same ability as those of the Province of Ontario, nor were they

MAINTAINED AT SO LOW A COST.

In regard to the over-expenditures in the different Departments, he supposed it would be one of the matters to which honourable gentlemen opposite would take exception. It was well known that in times of depression there was more likely to be over-expenditure than at other times. At Ottawa, although they had an overflowing treasury with seventeen millions surplus, having therefore no inducement to under-estimate their expenditure, yet during last year there had been very large and heavy over expenditures on the part of the Dominion, over expenditures to the amount of over a million.

Mr. WHITE—That is no excuse for you.

Mr. ROSS said they did not claim it was, but it showed that it was impossible for any Government at the commencement of a year to foresee all the expenditure that may be required. Circumstances would arise which would call for expenditure in different ways and it had to be met or the interests of the Province jeopardized. He would now lay before the House a statement of the financial condition of the province as of the 31st December, 1884, as regards assets and liabilities. Our assets were as follows:—

ASSETS OF THE PROVINCES.

1. DIRECT INVESTMENTS:—	
Dominion 6 per cent. bonds.....	\$500,000 00
Mark's value over par value.....	50,000 00
	\$ 550,000 00
Drainage 5 per cent. debentures, invested 31st Dec., 1884.....	\$241,602 48
The drainage 5 per cent. debentures, invested 31st December, 1884.....	26,239 61
Overdue interest on above.....	1,649 90
Drainage works—municipal assessments.....	278,779 77
	548,271 76
	\$1,098,271 76
2. CAPITAL HELD AND DEBTS DUE BY THE DOMINION TO ONTARIO, BEARING INTEREST:	
U. C. Grammar School Fund, (2 Vict., Capl. 10.)	\$ 312,769 00
U. C. Building Fund, (18 Sec., Act 1854).....	1,472,391 41
Land Improvement Fund, (See Award).....	1 24,685 18
Common School Fund, (Consol. Stats., Cap. 25)—proceeds realized to 1st July, 1867, \$1,520,959.24—after deducting Land Improvement Fund portion belonging to Ontario....	891,201 74
Capital declared owing to the late Province of Canada by Dominion Act, (47 Vict., Cap. 4)—\$5,397,503.15, bearing interest at 5 per cent. Ontario's proportion on basis of award as devised by Finance Department.....	2,848,289 52