

a basis that is going to do equal justice to all the Provinces. That the people will not be satisfied where a partnership exists, if this is not done and that Ontario being the largest contributor to Dominion revenue will not be content if the other Provinces are to get all the benefits. It was said last session that Ontario contributed two-thirds of all the Dominion revenue, but even taking the amount at one-half, Ontario will be called upon to pay \$1,300,000 of the sum which was granted to Quebec by the Dominion a year ago. Will she be content to return that the Dominion should return to Quebec that amount for her road without getting a single dollar for her own? I have a statement here showing the amounts expended by the Province of Ontario on roads:—

SUMMARY SHOWING TOTAL MUNICIPAL AND PROVINCIAL AID TO EACH RAILWAY.

RAILWAY.	Amount of Bonauses.	Am't repaid by Province out of M.L.F.	Net amount of aid by County.	Direct aid by Province, paid and maturing.	Ttl Provincial and Municipal aid to each Railway.
Buffalo & Lake Huron.....	\$ 1,278,000	\$ 322,000	\$ 955,000	\$	\$ 1,278,000
Bytown & Prescott.....	324,000	108,000	216,000	.....	324,000
Berlin & Preston.....	240,000	88,000	152,000	.....	240,000
Brockville & Ottawa, C P R.....	1,351,000	173,000	1,181,000	.....	1,351,000
Canada Atlantic.....	130,000	.....	130,000	454,837	584,837
Canada Central, C P R.....	147,500	.....	147,500	125,957	273,457
Canada Southern.....	322,000	.....	322,500	244,539	567,039
Credit Valley, C P R.....	1,850,000	.....	1,035,000	18,702	1,868,702
Cobourg, Peterboro', & Marmora.....	613,500	.....	543,500	796,900	1,381,900
Erie & Niagara.....	205,000	.....	245,000	18,740	632,240
Grand Trunk, Georgian Bay, & Lake Erie.....	929,000	64,000	929,000	229,896	1,163,896
Gait & Doon.....	25,000	61,000	19,000	.....	25,000
Gait & Guelph.....	180,000	.....	149,000	.....	180,000
Grand Junction.....	208,000	6,000	208,000	278,057	486,000
Hamilton & North-Western.....	775,596	31,000	775,596	727,697	1,503,293
Kingston & Pembroke.....	438,000	.....	438,000	530,535	1,078,535
London, Huron, & Bruce.....	311,500	.....	311,500	263,839	575,339
London & Port Stanley.....	559,400	.....	529,400	.....	559,400
Lake Simcoe Junction.....	100,000	.....	100,000	53,000	153,000
Midland.....	144,870	49,000	122,870	7,297	144,870
Northern.....	631,980	.....	631,930	207,534	839,464
Prince Edward County.....	93,500	22,000	93,000	155,243	248,743
Peterborough & Port Hope.....	1,100,000	.....	942,000	155,520	1,100,000
Toronto, Grey, & Bruce, C P R.....	533,000	.....	916,000	461,364	1,449,364
Toronto & Nipissing.....	326,500	158,000	344,501	105,212	491,712
Victoria.....	139,000	72,000	136,000	537,317	723,317
Wellington, Grey, & Bruce.....	682,000	41,999	634,002	241,276	933,276
Welland.....	190,000	.....	97,000	.....	190,000
Whitby, Port Perry, & Lindsay.....	222,000	47,993	222,000	129,790	351,790
Hamilton & Lake Erie.....	.....	93,000	.....	65,639	65,639
P. A. Landing.....	.....	.....	.....	75,747	75,747
North Grey.....	.....	.....	.....	41,040	41,040
Port Dover & Lake Huron.....	.....	.....	.....	126,000	126,000
N. Simcoe.....	.....	.....	.....	144,241	144,241
Brantford, N., & P. B.....	.....	.....	.....	123,553	123,553
Belleville & N. Hastings.....	.....	.....	.....	114,206	114,206
Erie & Huron.....	.....	.....	.....	123,334	123,334
Total	\$13,961,846	\$ 1,336,997	\$12,624,849	\$6,630,085	\$20,591,952

Hr. WHITE—Essex did not aid the Credit Valley. Three municipalities gave \$15,000 each to the Canada Southern.

Hon. A. M. ROSS—This information is taken from the Sessional Papers of the Dominion for 1882. Now I come to the

ESTIMATED RECEIPTS

for the current year, which I will read to the House.

[The statement appeared in detail in yesterday's GLOBE.]

Referring to the subsidy of \$1,196,872 80, he said:—In this of course is included the full interest upon new capital added from last year.

Mr. CARNEGIE—I understand you expect \$115,000 from Crown lands?

Hon. A. M. ROSS—This is the amount given me by the Commissioner of Crown Lands. We expect to do better, but we have taken \$95,000 less than what we expected last year. We hope some measure of relief will come to our industries by the interposition of a kind Providence.

Mr. MEREDITH—It will certainly not be through the hon. gentleman and his friends.

Hon. A. M. ROSS—Certainly not, we have never claimed within our power. The hon. gentleman and his friends have claimed that it was within the power of legislation, and they have failed to prove it. (Hear, hear.) Hon. gentlemen will notice a considerable reduction in the amount we expect to derive from licenses. Last year we estimated \$200,000, and received \$211,000. This year we only estimate to receive \$168,000. This is caused by the adoption of the Scott Act in a number of counties in the Province. I may mention that the estimated reduction in those counties amounts to \$23,000. You may see in the estimates the sum of \$2,000 regarding the Agricultural and Arts Association. Twice last Session a settlement has been made whereby we have agreed to accept from the Association the sum of \$2,000, and also guaranteeing ten years' free use of their rooms—now occupied by the Bureau of Industries and the Provincial Board of Health. The total estimated receipts are \$2,585,148 90. It will be seen by hon. gentlemen that this estimate does not cover our estimated expenditure.

EXPENDITURE AND RECEIPTS.

With regard to the relations of expenditure to receipts I may say that we have a growing population, and every year there are new demands

made upon us. We have thought it best in case of a deficiency of revenue to meet the expenditure, to take it out of the available surplus rather than increase the burdens of the people. There will this year be a slight excess of expenditure over receipts. Last year I took the ground that our revenue, so far as the amount received from the Dominion Parliament, ought to receive an increased subsidy as our population increased, and our consequent expenditure increased. Last session the Dominion Parliament granted Quebec a sum of \$2,396,000 upon the plea that they had given aid to the construction of a line of railway which had been declared to be for Dominion interests. During the summer Manitoba sent a deputation to Ottawa seeking an increased sub-

sidy, and also during the last four weeks we have seen that they were putting forward additional claims. Then there are provinces indebted to the Dominion Government. The province of New Brunswick drew the subsidy for 1885 in 1884. So the other Provinces from time to time are going to the Dominion Government on specious pleas, and seeking additional grants, and it is time that Ontario should be going forward in order that we should be placed on a proper basis. The basis of confederation has not been found to be a satisfactory one, as the fact that almost all the Provinces have put forward claims to special grants proves. But the system of making special grants by the Dominion Parliament is very pernicious in its effects, and results in the Province concerned

BEING CARELESS AND EXTRAVAGANT

in their expenditures. It would appear that they think they have nothing to do if they get into debt and embarrassed but to go to the Dominion Government for a grant. I propose that the subsidy to the Provinces should be increased as the population increases. This is the only fair and equitable basis, and would be reasonable for all. As it is now, the Dominion gets all the advantage arising from the increased population, while we are getting none, only having to provide for the increased expenditure consequent on an increased population. This Province provides a large sum for settling emigrants, and as this increases the population who must have clothing and other articles upon which Customs and excise duties are levied, the Dominion Government benefits by the increase, while the Provinces does not. The Province is also called on for increased expenditures on account of schools, hospitals, charities, etc., and it is time that the Province looked the matter in the face, and make arrangements for the increased revenue needed. The total revenue derived from the four Provinces at 1867 was \$13,677,928, and of that there was apportioned to these four Provinces \$2,753,966, or a little less than one-fifth went to the Provinces and four-fifths to the Dominion. Now from these four Provinces the Dominion Government received revenues in 1884 \$31,871,961, and they gave in subsidies \$3,606,672, or a little over one-ninth the total revenue. It was considered an equitable division that on Confederation the Provinces should receive one-fifth the total amount of revenue on Confederation, yet last year they only received one-ninth, though they are compelled to provide for the increased expenditure. If the amount granted to the Provinces had increased in the same propor-

DERIVED FROM THE FOUR PROVINCES

tion as the amount derived from them the sum would have been \$5,950,000 instead of \$3,606,672. Looking at the amount received from Customs and excise the result is that the amount

in 1867 from Customs and excise was \$11,580,968, while in 1884 it was \$23,911,745, an increase of \$12,330,777, or nearly 120 per cent. It may be said that these years don't properly represent the proportion, but by taking the average of the first three and the last three years of Confederation I find that the sums received from Ontario and

Quebec for 1867 8 9 and 1881 2 3 were \$9,774,987 and \$21,345,789, or an increase of \$11,570,802.

Mr. MEREDITH—That is Mr. Norquay's argument.

Hon. A. M. ROSS—That is a good argument. If it is in the interests of Manitoba and Quebec it is in the interests of Ontario.

Mr. MEREDITH—Who is going to lose if all are to gain?

Hon. A. M. ROSS—It only shows that we are justified in making a move. Every other Province has got allowances and Ontario is the only Province which has not got it.

Mr. CARNEGIE—In 1885?

Hon. A. M. ROSS—This Province then got what every other Province got. Whether we calculate the gross amount received by the Dominion from the Provinces or only the amount of tax per head. In 1867 the tax per head for customs and excise was \$3.74, and in 1884 it was \$5.86, and the whole of this large increase the Dominion Government absorbed, for there was no addition given to the Provinces generally except what addition was given in 1873. So I say that it is only right that the subsidy should be increased every ten years, as I am satisfied that if the present financial basis is to be continued the Provinces will not submit. The Provinces

cannot provide for an increased expenditure with a stationary revenue.

Mr. MEREDITH—How do the United States manage?

Hon. A. M. ROSS—By levying direct taxes. If they treat us all alike as the States are all treated alike, I would not grumble, but the present system of exceptional grants leads to pernicious extravagance.

Mr. MEREDITH—You don't agree with Mr. Blake, who proposes to abolish subsidies?

Hon. A. M. ROSS—I don't care if they do take the subsidies away and leave us to direct taxation, if they treat us all alike. But I don't think that was Mr. Blake's proposition. I believe his proposal was to take the subsidies away, and that certain revenues now collected by the Dominion should be collected by the Provinces. Not content with refusing us the increased subsidy, however, they have endeavoured to take away revenue we collected long before and also since Confederation.

Mr. MEREDITH—No, no.

Hon. A. M. ROSS—What is the McCarthy Act?

Mr. MEREDITH—That does not take any revenue.

Hon. A. M. ROSS—It does take away revenue, the revenue arising from vessel licenses and wholesale licenses. So far, however, the Provincial Government of Ontario has provided for all its expenditures, and yet has a surplus enabling us to meet any extra demands. But this has been done by economy and good Government, and if we are in a better position than some of the other Provinces it is not right that that should be cast up as a reason why grants should be given to the other Provinces and not to us. What has been the result of this? Have we not seen that when the proposition was made to the Dominion Government that the Province of Ontario should receive equal justice with the Province of Quebec in the matter of returning to it a portion of railway aid granted by the Province? Did we find, Sir, the representatives of our Province generally supporting that proposition? No Sir, we find it voted down by the voices of the representatives of the Province of Ontario. I say that it is time that the people of this Province should insist and take a firm stand in regards to this matter. If they do, I am satisfied that they will be successful in securing equal rights with the other provinces, and I am satisfied that they will insist upon a more equitable and permanent basis of confederation both financially and constitutionally which will give to the Province of Ontario those rights which under the present administration at Ottawa so unfairly denied to us. Mr. Speaker I now beg to move that you do leave the chair.

Mr. CREIGHTON commenced by congratulating Mr. Ross on his financial statement and also expressed pleasure that the Hon. Treasurer was at last taking to heart the promptings of the Opposition for a long time past, in reference to the management of the Public Accounts. He contended that the municipalities had not received fair treatment at the hands of the Government, who acknowledged the justice of their claim but failed to grant it. He charged the Hon. Treasurer with making over-estimates on outlays of the Government for the purpose of devoting the excess to some object that they were evidently trying to conceal. He said the Treasurer had always been flaunting a statement that there was a large surplus in his hands, and claimed that in so doing a system of concealment had been carried on; by including in his list of assets money owing for twenty years past, but at the same time he failed to include the liabilities