

3. OTHER DEBTS DUE TO THE PROVINCE :—		
Balance re Municipal Loan Fund Debts.....		\$49,891 32
" re Mortgages, Mechanics' Institutes, Toronto and Land at Orillia Asylum.....	7,905 08	
" re Mimico Lots.....	6,996 25	
		\$64,792 65
4. BANK BALANCES :—		
Current Accounts.....	\$156,315 05	
Special Deposits.....	71,579 75	
		\$227,894 80
Total.....		\$7,135,000 31
LIABILITIES OF THE PROVINCE AT PRESENT PAYABLE.		
1. Balance Due to Municipalities re Surplus Distribution.....	\$1,845 97	
2. Balance Due to Municipalities re Land Improvement Fund, (balance of \$124,685 18, see Award).....	3,994 81	
3. Quebec Share of Common Fund made up as follows :—		
Collections on account of Lands sold between 14th June, 1853, and 6th March, 1861.....	\$854,872 20	
Less 6 per cent. cost of Management....	\$51,292 33	
Less one quarter for Land Improvement Fund.....	213,718 05	265,010 38
		\$589,861 82
Collections on sales made since 6th March, 1861....	\$305,324 58	
Less 6 per cent. cost of Management.	18,319 47	
		\$287,005 11
		\$876,866 93
Quebec's proportion according to population of 1881.....	363,069 24	
Total.....		\$368,910 02
Surplus of Assets after deducting Liabilities presently payable.....		\$6,766,090 29

Hon. gentlemen will see that there is a considerable reduction under the heading, "Balance re Municipal Loan Fund Debts," from the estimate of last year. That estimate was placed at \$86,976, while the asset this year is only \$49,891. In the first place some \$2,647 have been paid in by the township of Hope, and then an arrangement has been made with the town of Cobourg to allow a reduction of their debt, and though it has not been finally consummated, I thought I would be justified in making the fact known, and that it would be only fair to place the reduced amount we expect to receive. The arrangement is that they shall issue new debentures to take the place of the old, and we have agreed to allow them the interest that has accrued as a rebate. We are to receive from them some \$40,000 instead of \$80,000, making a reduction of some \$40,000. I expect to be in a position to lay the whole matter before the House before the close of the session. From the statement I have made, it will be seen that our total assets are \$7,135,031, and our total liabilities \$368,910, leaving a surplus of assets, after deducting liabilities presently payable, of \$6,766,091. (Cheers.)

**INCREASES UNAVOIDABLE.**

Now, we have had frequently before, in fact it has been the burden of the criticism made by hon. gentlemen opposite against the financial administration of the Government, that the increase in expenditure is going on from year to year. That charge has been made over and over again in various ways, and I intend, for the purpose of showing how these increases must take place from year to year, to bring before the House the various increases in expenditure that have become, as it were, an annual charge on our revenue from 1872 to the present time. I will briefly recite the different items, and I do not think hon. gentlemen will be able to put their finger upon one item that they can say is not necessary to the proper administration of the public service, that ought not to have been undertaken, and that is not of material interest to the Province. In 1872 the School of Practical Science came first into operation, involving an expenditure amounting to an annual charge of \$6,000. I think I may say that the increasing popularity of that institution shows that it was a wise move on the part of the Government to establish it, and that it was

an expenditure that could not have been avoided. Then in the same year was adopted the policy of insuring our public buildings. Now the question of insuring the buildings of the Government is one that may fairly be open to question, and I am bound to say that there may be differences of opinion in reference to it, but at any rate that policy has been pursued, and the item has now become an annual charge. We have derived considerable sums from the insurance of buildings which have been destroyed during that time. That involves an annual charge of about \$11,000 upon the public revenue. In the same year we also established an asylum for the blind at Brantford, involving an annual expenditure of \$34,500. Then, in 1873, was introduced the system of the inspection of Division Courts. I am aware that considerable opposition was shown at the time to the creation of that office, but that opposition was, I think, directed mainly to the individual then appointed, and of late years I think there has been no great amount of criticism displayed. Then, in 1874, the first expenditure appeared, in connection with the Agricultural College, involving an annual expenditure of about \$36,000. There has been a great deal of criticism in connection with that college; criticism that, I am sorry to say, has, I think, been rather of a hostile spirit than with a view of making the institution a success, but whatever may have been the object of that criticism I think no one will now say that an institution of that kind designed to educate farmers in a more advanced system of agriculture, is not a necessity and should not be maintained. Then in the same year, 1874, we assumed the duty of maintaining the Central Prison, which entailed an unavoidable expenditure of \$30,000. Then, in consequence of annoyances and extortions suffered by visitors to Niagara Falls, an expenditure of \$7,500 for frontier police was entailed. In 1876 the Court reporters were appointed, upon the recommendation of the judges. This caused an annual expenditure of \$11,500, and I think to-day one acquainted with the business done in the Courts will say that it has been an expenditure that has greatly facilitated the speedy administration of justice. The establishment of this system of reporting has secured to the different localities a saving of expense in witnesses' fees and jurors' fees fully commensurate with the expenditure of \$11,500. In the same year there was the new charge of the revision of the voters' lists, causing an annual expenditure of \$2,000. In 1877 we undertook to pay the expenses in connection with the judges for grouped counties in order to facilitate the administration of justice and assist the over-burdened county judges, and this necessitated an annual expenditure of \$2,000. During the same year we established the County Model Schools and Teachers' Institutes, entailing a charge of \$10,000 a year. In 1878, in accordance with the strongly expressed wish of the people that some more stringent regulations in regard to the liquor traffic should be adopted, the management of the license system was taken out of the control of the municipalities, and a new department—the license branch—was established, making a new annual charge of \$5,800. In 1880 we had the Mercer Reformatory opened, as a result of the praiseworthy desire of the Government to reclaim fallen women. The cost of the building was paid out of the Mercer estate, but its maintenance formed an annual charge on the Province of \$30,000. In 1881 a new charge was created by the commutation fees of surrogate judges and local masters. The annual expenditure thus made necessary was \$19,000. On the other hand our revenue was increased by an amount about equivalent to this, derived from the sale of stamps.

**THE BOARD OF HEALTH.**

Then in 1882 the Board of Health was established, and I think the occurrences of last year need only be mentioned in order to show the necessity for that step. It was felt that the people in the different localities were not strongly enough impressed with the necessity for preventive sanitary measures, and it was thought advisable that a Board should be appointed to stir up the local authorities to take greater interest in the matter. I may illustrate the usefulness of this Board by mentioning the outbreak of smallpox which took place in the township of Hungerford last year. The outbreak was of a serious character, and had gained great headway before it was brought to the notice of the Provincial Board. But when the energies of that Board were enlisted the disease was stamped out in a very short time. The importance of the functions of the Board will appear all the more clearly when we recollect the unfortunate position in which Montreal was placed last year, and the large expenditure incurred both by that