

Public Institutions:—	
Toronto Lunatic Asylum..	33,000 00
London ..	10,000 00
Kingston ..	4,000 00
Hamilton ..	5,000 00
Orillia ..	2,000 00
Reformatory for Females..	4,000 00
Boys.....	600 00
Central Prison.....	65,000 00
Deaf and Dumb Institute..	200 00
	123,800 00
Education Department.....	25,000 00
Casual revenue.....	35,000 00
Licenses.....	195,000 00
Law stamps.....	66,000 00
Algoma taxes.....	5,000 00
Drainage assessment.....	24,000 00
Municipal loan fund.....	4,850 00
Insurance companies' assessments.....	3,000 00
Assessment of counties re removal of lunatics.....	6,000 00
Total.....	\$3,403,233 99

We have some additional receipts, but we will also have additional capital expenditure. There will be railway certificates and annuities certificates, making in all \$300,182. It will be noticed that in this estimate I have not taken credit for any proceeds of annuities. It will be recollected that when I introduced this scheme I stated that the Government would take the power, if they received an increased subsidy or otherwise had important additions to the revenue, to pay the certificates in cash, but in any case to replace them, as they fell due, with new ones. That statement was received with ironical cries of "Hear, hear!" from the other side of the House. But the unexpected sometimes happens. We are going to pay those annuities and we are still going to have a surplus of \$114,336 over and above all our expenditure, with the exception of that on the new Parliament buildings, and to meet that expenditure we have an amount not received from the mortgage referred to of \$27,842. We have also cash in the bank, \$573,246, less the bonds which we do not propose to touch, \$320,423, or a net balance of \$252,823. We have thus altogether \$395,007 available to meet the expenditure on the Parliament buildings. (Cheers.) It may be, however, that additional sums for various services will be required under the supplementary estimates. But, taking the experience of past years, we may look for an unexpected balance on public buildings that will almost, if not quite, meet the amounts in the supplementary estimates. We have endeavored in these estimates not to overestimate the receipts or underestimate the expenditure, and we hope in 1888, as in 1886 and 1887, by the exercise of that care, prudence and economy which has been the governing principle of the Administration, to be able at the close of the year to show that the expenditure has been kept well within the appropriations

and that we have not needed to take advantage to the full of the sums which the generous confidence of the House will have placed at our disposal. Mr. Speaker, I move that you do now leave the chair. (Loud and prolonged cheers.)

Mr. H. E. CLARKE, in reply, said he didn't know where they could look for a better example of a gentleman who could make much out of nothing than the honorable Treasurer in making his annual Budget speech. There was very little in the facts presented, and so a flight into the realms of fancy on the part of the Treasurer might be pardoned. It was the old story of lauding the Province of Ontario, and the Ontario Government particularly, although, of course, it would not do to say anything against this banner Province. Occasionally the honorable gentleman's remarks were varied by an attack on the Dominion Government, but after all he was compelled to come down to the receipts, the assets and liabilities of the Province. There had been sold \$300,000 worth of bonds at 4 per cent., which was a direct loss of \$5,180. He proceeded to take the leading services of the Government and show the increase since 1871. In civil government the expenditure was 56 per cent., and in 1886 it was 64 per cent. In legislation the expenditure between '71 and '81 was \$104,203, or 140 per cent. In '86 this expenditure was down to 90 per cent. There had been a fearful increase in expenditure for public institutions and maintenance. In '71 the expenditure was \$380,230, or 220 per cent. In '86 it was 255 per cent. This year the estimates called for over \$703,000, or nearly three-quarters of a million dollars, an increase of 310 per cent. For education the percentage in 1871 was 43, in 1886 it was 61 per cent., and this year the estimates called for 65 per cent. For agriculture and arts the increase had been from 40 per cent. in 1871 to 77 per cent. this year. From this subject Mr. Clarke proceeded to the timber resources of the Province and complimented the Government on their careful husbanding of the limits. He urged that still more should be done to preserve to the people of Ontario the immense products of the Province, and asked that the extent, character and value of the timber limits should be ascertained for the information of the House. Mr. Clarke then returned to the bookkeeping of the hon. Treasurer, and

said that while the statement of receipts and expenditure was clear and reliable, the same could not be said of the statement of assets and liabilities.

It being six o'clock, the Speaker left the chair.

After recess Mr. CLARKE resumed the debate on the Budget. He proceeded to show that the Province was carrying large liabilities, and that these liabilities found no place in the statement. He did not condemn the financial scheme, because he voted for it some years ago, but he did complain that the honorable gentleman was trying to hide the Provincial debt. He complained of the sale of bonds bearing 6 per cent., and charged the Government with squandering the people's money. So much for the liabilities; he would now turn to the assets, where some faults might also be found. Railway certificates ought to have been capitalised from the beginning and ought to have appeared as a debt carried by the Province. Capitalised at 4 per cent. it meant some six millions, and that should have appeared. Three millions that has no existence should never have appeared among the assets. The \$1,300,000 obtained from the sale of timber gave the honorable gentleman an opportunity to speak in high-sounding words and to point proudly to a surplus. He then returned to the subsidies, which he claimed should be capitalised as well as the interest. There was danger ahead; the Provincial debt was going up by leaps and bounds—a progressive debt with a stationary revenue, and that revenue rapidly disappearing with the disappearance of the forests, was a poor future for the Province, and he predicted that there would come a time when the people of Ontario would realise the extravagance of the present Administration and the fact that the boasted surplus was largely paper.

Mr. G. B. SMITH said it might seem presumptuous on his part to follow the "coming Finance Minister," who was so able to prove that the Provincial surplus was a deficit, and who dealt so lightly with millions of dollars. The hon. gentlemen of the Opposition wailed about the patrimony of the country being given away and the debt growing enormous. He also complained that the Government had increased the expenditure on public institutions, but such arguments would not weigh with the people of Toronto, still less with the people in the country, in relief of whose taxes a part of the Provincial expenditure was applied. The Government always used the public money for the public good. It was this that had always secured them favor with the people and had sent them back with ever-increasing majorities. If the kind of Government were to prevail here that prevailed at Ottawa, the result would be that all the public institutions would have to be supported out of the local rates. But there was no likelihood that the Opposition would come to power or that the surplus was going to disappear; rather it would continue to increase year by year. If the timber limits had not been sold, as complained of by the honorable gentlemen of the Opposition, there would have been no railways, and the country in many places would not yet be opened up. This was a poor policy for a future Finance Minister, and it would not take well throughout the country. He then refuted the arguments of Mr. Clarke that railway subsidies should be capitalised, and gave as a precedent the custom of the Dominion Government.

Mr. T. D. CRAIG claimed that it was not from the ranks of the Opposition that the statement of the country going to destruction proceeded. He thought the loss of fees to the Government under the Canada Temperance Act was amply compensated for at election times. The surplus of some six millions was pleasant to look at and it was a pity to disturb it, but there should be put under it \$2,862,000 for railway annuities, and when several other large liabilities were added there would be a great dwindling of the surplus. It would almost melt away.

Mr. PHELPS said that the Opposition ought to specify the portions of the Treasurer's statement which they considered to be inaccurate, and not content themselves with vague insinuations. He entreated the Opposition to be more fair minded in their criticism and not make misleading speeches that would go out to the people of Ontario regarding the financial position of the Province. If the Opposition at Ottawa pursued the tactics of the Opposition of Ontario, he would not hesitate to withdraw his support from it. Since he had been in the House the only policy of the Opposition was an attempt to prove to the country through the gallery that the Government was corrupt. (Laughter.)

The House went into Committee of Supply at 9.20 and passed several items.

The House adjourned at 9.30.

NOTICES OF MOTION.

Mr. Morin—Thursday next—Order of the House for a return showing the name of the several applicants for grants from the Crown of the water lots in front of lots 5, 6, 7 and 8 in the first concession of the Township of Bertie, fronting on Niagara River, the names of all parties to whom patents therefor issued, the dates of such patents and the consideration paid in each case.

Mr. Meredith—Friday next—Address for copies of all Orders in Council for the payment of gratuities to any officer of the Treasury Department in the year 1885, and of all recommendations or reports on which such Orders in Council were based.

Mr. Clancy—Inquiry of Ministry—Whether copies of certain resolutions passed by this House on 22nd April, 1837, were sent to the Right Honorable William Ewart Gladstone, M.P., and Mr. Charles Stewart Parnell, M.P., or either of them, as directed by this House. Whether any acknowledgment has been made of the receipt of said copies by the gentlemen to whom they were directed to be sent or either of them, and if so what are the contents of such reply or replies.