

THE LEGISLATURE.

MR. WATERS' PROPOSITION TO ADVANCE MONEY TO FARMERS.

Considering the Question of Fees for High School Pupils—The Anatomy Bill Discussed—The New Counties Bill Withdrawn—Boilers and Engineers—A Heavy Day's Work.

MARCH 13TH, 1889.

The House got through a good deal of business to-day, disposing of several motions of good long standing on the order paper. It was Government day, but the Government allowed the private members to occupy a good share of the sitting.

FIRST READINGS.

The following bills were introduced and read a first time:—

To amend the Public Health Act—Mr. Gibson (Hamilton).

To amend the Liquor License Act—Mr. Gibson (Hamilton).

THE INACCURATE EMPIRE.

Mr. Ostrom rose to explain that he had been misreported in The Empire of that morning in his remarks on the Attorney-General's bill for the administration of justice in certain cases. He explained what he had been reported to have said and then what he had actually said.

THE NEW COUNTIES BILL.

The resumption of the debate on the motion for the second reading of the bill respecting the formation of new counties was first on the list of Government orders. It was a question whether there would be a brisk and lively debate or whether there would be none at all. The question was soon solved by Mr. Harvey moving for the discharge of the order. In doing so he commented upon the difficulty of preparing a bill that should commend itself to the House, and the apparent impossibility, by means of a general bill, of submitting a scheme that would meet the approval of the different localities interested.

Mr. Creighton thought the Commissioner of Crown Lands was taking undue advantage of the absence of the Minister of Education, who, he said, should at least have been given the opportunity of attending as chief mourner at the funeral of the bill.

Mr. Waters said that the bill had affected his constituency a good deal from quite opposite points of view. At the same time he would have voted for the second reading of the bill under certain conditions, the chief of which was that more than a bare majority would be required to justify the division of a county under the provisions of the bill. However, as the Government was not going on with the bill, it was useless to discuss it.

The order was then discharged.

THIRD READINGS.

Mr. Field's bill to enable the Town of Cobourg to aid the Cobourg, Blairton and Marmora, or the Cobourg, Northumberland & Pacific railway, or other railroad, was read a third time after it had been amended, on motion of Mr. Gibson (Hamilton), so as to make it read "to aid certain railways."

The Attorney-General's bill to enforce orders under the Act respecting masters and servants, was read a third time.

Mr. Meredith's bill respecting the London Street Railway Company was also read a third time.

SECOND READING.

Mr. Gibson moved the second reading of the bill to amend the Division Courts Act and briefly explained it. The motion was carried without discussion.

LOANS TO FARMERS.

MR. WATERS' SCHEME TO ENABLE THE GOVERNMENT TO LEND MONEY.

Mr. Waters moved as follows:—

That in the opinion of this House the time has come when the Government of this Province should submit a measure for the approval of this Assembly, having for its object the procuring of money from the capitalists of Great Britain upon the security of Provincial bonds or otherwise bearing interest at 3½ or 4 per cent. Said money to be advanced to the farmers of this Province to enable them to pay off existing mortgages at a very slight advance over first cost and not more than would cover the necessary expense of such loans; the farms to be the security for the money advanced, and the same to be repaid in such manner as may be devised.

Mr. Waters called the attention of the House to the Trade and Navigation Returns to show the importance of agriculture to the Province, it being a well-known fact

that agricultural products formed three-fourths of the exports of Ontario. It is found that there are loan companies that charge exorbitant rates of interest, and if their dividends were examined it would be found that the farmers are paying at least 7 per cent. for the money borrowed by them for legitimate improvements on their farms. Returns show that rentals only amount to 4 per cent., and if money is at the rate of 7 per cent. how can the farmer prosper under such circumstances? The speaker did not anticipate that if the Government were to borrow money on the lines of his motion there would be more difficulty, or even as much as that which resulted from the municipal loan fund. Cheap money, he maintained, would be the means of getting an influx of farmers to the Province. Farmers in past years were paying, in many cases, 11 per cent. for their money, but that being at a time when high prices prevailed, the agricultural industry might not suffer under such adverse circumstances; but now, with reduced prices for cereals, the position of the farmer was not at all an enviable one. If a change does not take place thousands of farmers will leave the Province for other districts where they may make a better living. If the Government were to carry out the principle embodied in the motion, farmers would be able to wipe out an indebtedness of \$2,000 in eighteen years by paying 4 per cent. interest. By a judicious lending of the money the Government would be guarded against any difficulties in the line of collecting the sums lent. He felt satisfied there was no measure that would give such satisfaction to the farmers as that which would enable them to get their money at a cheap rate of interest. The loans could be made on the same principle as the present municipal loans in the case of drainage debentures, etc., and the scheme could be made absolutely safe by making a rule not to lend more than fifty or sixty per cent. of the value of the farms borrowing. He had noticed that since he had put this motion on the paper the Council of Prince Edward County had determined to petition the Legislature in favor of such a scheme. He concluded by remarking that he had nothing to say against the loan societies, but he did not see why the Government could not go to Great Britain or anywhere else and get money at a rate that would enable them to lend it to farmers at a good deal lower rate than that now obtaining.

The hon. Treasurer, in replying, said he was willing to admit the good intentions of the mover of the resolution. His desire was that the farmer should be enabled to borrow money at low rates. The question was whether his object would be achieved by means of the present scheme. Mr. Waters had himself admitted that there might be objections raised against his scheme. He admitted that there might be a return of some of the difficulties connected with the old municipal loan fund. Those difficulties would, in fact, return with ten-fold force. Under that fund the Government had dealt with municipalities and were more at liberty to deal with these and other corporations than they would be to deal with individual farmers. Imagine the Government calling in a mortgage for money loaned a farmer, and compelled to put his farm in the hands of the sheriff. Mr. Waters' scheme would place the loaning power of the Province practically in the hands of the Government, because they could naturally compete successfully with other parties loaning money. Would the Government be wise to take up the whole business of loaning money on real estate? The old municipal loan fund was for the purpose of enabling improvements of great public benefit to be undertaken—cases in which the Government could very freely come in and assist the municipalities. The scheme under which the Government at present lent money to municipalities on drainage debentures also was calculated to promote public interests. The importance of drainage was recognised by every farmer, and the Government felt that they were doing good work in enabling municipalities to place money for this purpose in the hands of farmers. But would it be a great public benefit for the Government to encourage farmers to go into debt, as they would do were they to accede to this proposition? By reducing the rate of interest they would be encouraging farmers to borrow more money. There was another thing to be considered. It was to be doubted very much if the scheme in question would, after all, very much reduce the rate of interest paid by farmers. Mr. Waters had referred to the societies who are doing the bulk of the business of lending

money on real estate. These societies borrowed money at four per cent. on their bonds and debentures in the English market. Money borrowed at four per cent. in England would cost four and a half per cent. here. Then there was the cost of management of loaning this money and collecting interest. They must allow at least one per cent. for these expenses, and that brought the money up to a cost of five and a half per cent., which would be the lowest at which it could be loaned to the farmers. Now the rates asked at present were from six to six and a half per cent., so that the loan companies were only making a profit at present of from a half to one and one and a half per cent. Therefore, were the Province inclined to go into the suggested scheme, the difference to the farmers that should accept the aid of it would after all be very inconsiderable. But he did not believe that Ontario or any other Province that attempted to borrow one or two hundred millions of dollars on such a scheme as this would get the money at four per cent. Altogether the scheme was not nearly as favorable in its details as the hon. gentleman had suggested. As to the ten to twelve per cent. dividends which Mr. Waters said some of the loan companies were paying, the treasurer pointed out that when money was dear these companies made large profits and accumulated large reserves. These reserves, in some cases as large as the capital itself, now go out on loan, and have to be taken into consideration when the dividend is spoken of. Their effect is to reduce the actual dividends paid to the shareholders in these companies to about 6 per cent. He doubted if some of them paid as much as 6 per cent. He thought the farmers themselves would hardly approve of such a scheme as that suggested by Mr. Waters, and pointed out that at the last meeting of the Farmers' Institute it had been received with little favor. The House should be very chary of expressing an approval of such a scheme.

Mr. Blyth intended at an earlier part of the session to put a notice on the order paper the very opposite of that given by the member for North Middlesex. So far as he knew the feeling of the farmers, he would say that they were not favorable to the scheme proposed by Mr. Waters. He asked, however, the Treasurer to inaugurate such a policy as would give municipalities a fund where they might invest their moneys with safety. There was no reason why the Government should not borrow money from the municipalities instead of going to England. Such a course would save townships especially from serious losses.

Mr. Gibson (Huron) chaffed Mr. Blyth with leading the House to believe that the farmers of this country were suffering from a plethora of money. (Laughter.) He then went on to state that the proposition of the member for North Middlesex would lead to a municipal loan fund middle tenfold. In a meeting held in his constituency lately he told his followers the course he intended to pursue, believing that no Government should be given such a power as would be granted if Mr. Waters' motion were endorsed by the House; and if he would not even trust a Reform Government with such powers, much less could he trust the Conservatives in such a matter.

Mr. Waters regretted the Government did not give the matter that consideration which he gave during the last twelve months. As to the Farmers' Institute, he knew how those things were worked there. If he did not he might have more confidence in what they did there. He moved the discharge of the order.

SURVEYS IN KENNEBEC.

Mr. Miller moved for an address for a return of copies of all correspondence and Orders in Council relating to the re-survey of the Township of Kennebec, in the County of Frontenac. Also, of all correspondence between all members and officers of the Government and L. D. Williams or any one on his behalf in reference to the sale to him of lot No. 11 in the 4th concession of Kennebec, or as to issue of a patent therefor. Also, copies of all correspondence relating to the timber license granted for the land or the rights of the limit holder thereunder. After a few remarks from the mover and certain satisfactory explanations from Mr. Hardy, the motion was allowed to pass.

WOMAN SUFFRAGE.

The House did not seem to show much sympathy for the following motion offered by Mr. Garson:—

That in the opinion of this House it is expedient to extend to married women, possessed of the necessary property or income qualification, the right of voting at municipal elections.

There were numerous cries of "withdraw" and calls for "yeas and nays," es-