

increasing as rapidly as theirs, or that we were as rapidly piling up debt, we would, I think, be forced to admit that a good case of extravagance had been made out against us. Let us see how their expenditure for civil government stands. In 1870 it was \$750,874; in 1888 it was \$1,258,618, an increase of \$507,744, or 67 per cent., against Ontario's 10 1/2 per cent. Now, hon. gentlemen will hardly claim that the increase of the population of the whole Dominion has been greater relatively than the population of Ontario, and the figures I have quoted show that the increase in expenditure for civil government in the Dominion has been about three times as great as the increase in population, while the increase in Ontario is considerably less than the increase in population. Then again, we can gauge our expenditure as a further test by similar expenditure in the neighboring Province of Quebec. That Province has been mainly under Conservative management, and we find that civil government has increased from \$135,106 in 1873 to \$193,504 in 1888, or 43 per cent. When a Government does not increase its expenses for administration such as those embraced under civil government in a greater degree than the increase in the population of the country under its administration it cannot be truthfully charged with being unnecessarily extravagant. I suppose municipal government may be considered the most economical government by public bodies, because municipal expenditure is so closely and continuously under the eye of the public. Yet a glance at the municipal statistics will show that municipal taxation, expenditure and debt has increased far more rapidly than Provincial expenditure. Municipal taxation in Ontario has increased from \$5,606,779 in 1872 to \$9,295,011 in 1887. The rate of taxation per head of the population has increased from \$3 86 in 1872 to \$5 05 in 1887. The total municipal expenditure has increased in the same period from \$6,349,312 to \$21,849,828, and municipal debts or liabilities from \$13,595,587 to \$37,650,537.

PROPOSED EXPENDITURE.

Coming to the question of proposed expenditure for 1890, the hon. gentleman said that, as copies of the estimates were in the hands of members and of the press, he would only briefly refer to one or two of them. They had to provide for an increase of 297 of an asylum population, and that involved an expenditure of something upward of \$7,585, which they had to take into account this year. Then an increase would be noticed in connection with the Central Prison industries. That would be more fully discussed again, but he might say now that as they were growing they had to provide for additional supervision and expenses of foremen. Then they had taken up one or two new industries. They were going to manufacture blankets for the public institutions—(applause)—and all the iron bedsteads necessary for these, and in that way they had to lay in a certain amount of material which would consequently entail an increased expenditure, which would, however, come back again from the different institutions. Then there were sums to provide for additional cottages at Mimico and for the completion of the Orillia Asylum. He did not think there was anything further he needed to refer to in connection with the expenditure. Their estimated expenditure altogether was \$3,420,054.

ESTIMATED RECEIPTS, 1890.

Subsidy.....		\$1,196,372 80
Interest on capital held and debts due by the Dominion to Ontario..	256,000 00	
Interest on investments	60,000 00	
		316,000 00
Crown Lands Department—		
Crown lands.....	85,000 00	
Clergy lands.....	5,000 00	
Common School lands	10,000 00	
Woods and forests....	1,000,000 00	
		1,100,000 00
Public Institutions—		
Toronto Lunatic Asylum.....	38,000 00	
London Lunatic Asylum.....	10,000 00	
Kingston Lunatic Asylum.....	3,500 00	
Hamilton Lunatic Asylum.....	8,000 00	
Orillia Lunatic Asylum.....	2,000 00	
Reformatory for females.....	4,000 00	
Reformatory for boys	700 00	
Central Prison.....	65,000 00	
Deaf and Dumb Institution.....	150 00	
		131,350 00
Education Department.....	35,000 00	
Casual revenue.....	46,000 00	
Licenses.....	300,000 00	
Law stamps.....	85,000 00	
Algebra taxes.....	2,000 00	
From Insurance Companies re fire at London Asylum.....	17,000 00	
Drainage assessment.....	17,000 00	
Toronto Asylum lands.....	83,000 00	
Insurance Companies' assessments	3,000 00	
Assessment of Counties re removal of lunatics.....	6,000 00	
		\$3,337,222 80

Then coming to the question of how they were going to provide for that expenditure. From interest they estimated they would receive \$316,000; from Crown Lands \$1,100,000—the same amount as last year; from Public Institutions \$131,350, which was larger than they had last year. From the Education Department they estimated the same amount as received last year—\$35,000. Then from licenses they estimated only \$300,000. They might have estimated, perhaps, \$500,000, because license fees would come in from counties which had formerly been under the Scott Act; but, as he saw the Temperance people were agitating to reduce the number of licenses in different places, the smaller estimate was put in to be safe, provided that contingency should happen. Altogether the estimate of revenue from these and various other sources was \$3,337,222 80. Then they had in the banks credit balances

of \$517,261 67; or they had with what cash there was on hand and with what they expected to receive during the year sufficient to make up \$3,854,484 47. To take from that their estimated expenditure, it would leave a balance of \$434,430. But, as he had mentioned before, there were certain expenditures outside the Supply Bills. They had railway certificates, \$247,932, and annuities, \$52,200, or in those two items together \$300,132. That would still leave a balance in the banks of \$134,248 unappropriated. But they had expenditure to provide for on the Parliament buildings. He wished to call attention to this. Every year during the past four years their estimated receipts had exceeded their expenditure, on an average, by \$194,372. That is, that, taking their increased receipts and their reduced expenditure every year, they had been in a better position at the end of the year than they had estimated at the start. In 1886 their receipts exceeded their expenditures by \$360,088; in 1887, by \$576,144; in 1888, by \$206,578, and in 1889, by \$345,723. Therefore he could say that their estimates of receipts were not exaggerated and their estimates of expenditures were not unduly curtailed. Therefore he thought the cash they had on hand and all the receipts they estimated would meet all the expenditures under the Supply Bill. Now, it never had been expected that the Parliament Buildings would be constructed almost entirely out of annual revenue, and yet so far they had been built, with the exception of what they had received from the sale of a portion of the lands set apart for that purpose, out of the annual revenue—(hear, hear, and cheers)—and they were still holding thirty acres of the property originally set apart to be used for that purpose which was steadily increasing in value every year, and he did not think he was too sanguine in believing that those lands, with the amount they were deriving from annual revenue, would complete the Parliament buildings without drawing a dollar from the surplus. (Great cheers.)

Now, Mr. Speaker, said Mr. Ross in conclusion, I may, I think, fairly claim that the statement I have been privileged to present to the House is one eminently satisfactory. The only thing that may cast a shadow over the otherwise gratifying exhibit is that Ontario's satisfactory financial position when contrasted with that of other Provinces may now, as in the past, give rise to the belief in those other Provinces that Ontario, in financial arrangements, has profited more by Confederation than they. Yet nothing could be more fallacious. Ontario's more satisfactory position, as has been frequently pointed out, is due, firstly, to the fact that the people of Ontario, under our comprehensive municipal system, have cheerfully borne a share of the burdens of self-government which the people of other Provinces have thrown almost entirely upon the Provincial treasury; and, secondly, to the more careful and economical administration of her affairs, and I think that at the close of the sixth Parliament, five of which have been under the administration of the Reform party, the Government can confidently leave it to the intelligent people of Ontario to say that in entrusting the management of their financial

affairs to the Mowat Government that Government has administered the trust judiciously, economically and honestly.

I move, Mr. Speaker, that you do now leave the chair.

MR. H. E. CLARKE.

Mr. H. E. Clarke, on rising to reply, was warmly applauded by his friends. He at once accused the Treasurer of leaving the Province in blissful ignorance of the true state of its finances. He went on to say that the income is from \$2,000,000 to \$4,000,000 a year, part of which is fixed and certain and part fluctuating, but the truth is, he said, that our expenditure exceeds income by from \$50,000 to \$400,000 per year.

Oh! Oh! from Ministerial benches. Mr. Clarke then entered upon an argument and calculations to show that the Treasurer had no surplus to boast of. He maintained that the expenditure in 1883 exceeded the revenue by \$400,000. The Treasurer did not at that time know how to make a surplus grow in spite of an over expenditure. (Laughter). In 1886 the expenditure was \$1,000,000 over the income, but the Treasurer still claimed a surplus. Mr. Clarke proceeded to tell the House that the expenditure from 1882 to 1886 amounted to \$12,322,747, and the income to \$11,415,076, thus leaving a total deficit for these years of \$907,671. He claimed that there should be added to this the sums borrowed, viz., \$655,694, which would raise the deficit to \$1,563,365. In this way Mr. Clarke went on to roll up deficits, warning the Treasurer that it was wrong to hide them. He fixed the total deficit in 1887 at \$1,933,862, but when he came to 1888 he admitted the receipts exceeded the expenditure, and so he reduced the deficit to \$1,882,689. The favorable state of affairs in 1883 he attributed to successful Crown Land sales.

Mr. Clarke then left off figures to say that he was not a pessimist. He would not say that the Province was going to the dogs, because he had unbounded faith in it. Turning to deficits again, he said that he discovered these, in the public accounts especially, an item under annuities amounting to \$844,712, which was paid by borrowed money. He remembered when he was a boy (Mr. Hardy—a kid)—(laughter), how his teeth watered on entering a grocer's store and looking up at sugar loaves on the shelf, he was disappointed in finding out they were wooden. (Laughter.) In the same way the Treasurer kept on his shelf wooden surpluses. (Opposition laughter.) He charged that the \$4,000,000 surplus left by John Sandfield Macdonald vanished with the advent of gentlemen opposite to power. It was sometimes said by occupants of the Treasury benches, "If we have no surplus where do we get our interest." Mr. Clarke explained that the interest was received from the Dominion subsidy, a statement which caused a general laugh. He maintained that the trust funds in the hands of the Dominion Government are not assets, on the ground that when they were realised they would have to pay them out to those for whom the trusts was created.