

consists of payments made to the Treasury Department by the municipalities to reimburse the Province for the expenses incurred in the removal and conveyance of persons from the gaols to our insane asylums and reformatories.

Liquor License Fees.

We received last year from liquor licenses \$312,007, and this is the largest sum ever received in one year by the Province from this source. Our estimated receipt was \$300,000. It may be interesting to the House to dwell upon this branch of our revenue for a few minutes. As honorable gentlemen know, the license year ends on the 1st of May. Our receipts from liquor licenses for

1886-7 were.....	\$216,455
1887-8 "	201,642
1888-9 "	232,511
1889-90 "	307,281

The number of licenses granted during these years respectively were:—2,000, 1,885, 2,485 and 3,609. The Scott Act was in force in 9 districts in 1885-6, in 25 districts in 1886-7 and in 1887-8, in 17 districts in 1888-9, while in the last year, that is in 1889-90, our license laws were in force in the whole Province. The operations of the Scott Act then, together with the legislation of 1886 under which a considerable increase in the license fees resulted to the Province, fully account for the considerable variation in our license revenues from year to year. It is worthy of remark that although there was no part of the Province under the Scott Act in 1881-2, the total number of licenses issued during that year was 4,163, while last year (1889-90) the total number was only 3,609, a decrease of 554 licenses in eight years.

A Timely Explanation.

Hon. members may have noticed that some municipalities have recently passed resolutions complaining that the Government has appropriated for Provincial purposes an unjust share of the license fees. An examination of the question will convince every one that there is no good ground whatever for this complaint. While it is true, as I have said, that the Provincial revenue has been increasing for the reasons given, it is equally true that the municipal revenue has shared in pari passu this improvement. If we take the last four years for example, we find that the payments to the municipalities have been from license revenue:—

In 1886-7.....	\$153,714
In 1887-8.....	156,979
In 1888-9.....	190,297
And in 1889-90.....	297,353

It will thus be seen that while the increase of the Provincial revenue during these four years amounted to 42 per cent., that of the revenue of the municipalities amounted to 93½ per cent. The municipalities then have not only shared in the increase; their percentage of the increase these four years has been more than twice as large as that of the Province.

Let me remind the House that in the absence of municipal by-laws increasing them the total statutory fees to be collected for retail licenses are, for cities, according to their population, \$250 or \$200; for towns, \$150; for incorporated villages, \$120, and for townships, \$90. Municipal Councils may, however, by by-laws and without taking a vote of the electors, add to these statutory fees a maximum amount of \$100 in cities, \$120 in towns, and \$140 in incorporated villages and townships. Of the 29 municipalities which have sent in the resolutions of complaint to which I have referred, only four have passed by-laws exacting this maximum amount; six of them have not availed themselves of the right to pass the by-law, and the remaining nineteen have by their by-laws added various amounts, all of them considerably and the majority of them much under this maximum. All of the revenue accruing under these by-laws, we must remember, reverts to the municipalities. These 29 petitioning municipalities if they were to pass by-laws exacting this maximum increase would add to their license receipts in the aggregate in a single year the large sum of \$12,750. They neglect to take advantage of the provisions of the law passed for their special benefit, and yet they complain that the Province appropriates to itself an unjust share of the revenue from licenses.

But further, sir, any municipality may impose still larger license fees, in addition to those already alluded to, by obtaining the assent of the electors to a by-law submitted to them for this special purpose. The extra fee obtained by means of such by-law is shared equally between the Province and the municipality.

In the Province of Quebec under the act of last session, being an act to amend the Quebec license law, no Municipal Council is allowed to levy from holders of licenses any tax, impost or duty exceeding \$50 in any year, while the tariff of duties on licenses for Provincial purposes under the same law as applicable to the cities of Montreal and Quebec is very much higher than our Ontario tariff. More than half of the total number of licenses, hotel, retail and shop, in all the Province of Quebec are issued in the Cities of Montreal and Quebec. In Quebec then the municipalities derive no revenue from liquor licenses save through the medium of their own by-laws, while in this Province in the first instance a very considerable amount of revenue, namely, two-thirds of the fee imposed, expenses having been first de-

ducted, is handed over to the municipalities without their doing anything, with the power reserved to them to make large additions to it by passing by-laws for that purpose. The municipalities are receiving increased revenues, while the Province defrays the whole cost of regulating the traffic and of prosecuting for illicit sale. Under the local option clauses of our last statute amending our license laws, seventeen elections have been held. Local option has won the day in fifteen out of these seventeen elections. These elections occurred, however, in municipalities in which there were but few licenses. The result so far affects only 35 licenses.

Sale of Asylum Lands.

The item of \$32,976 under the head of Toronto Lunatic Asylum sale of lands represents the value of certain mortgages taken as part payment on the occasion of the sale of a portion of the asylum lands in 1887, for the purpose of procuring funds with which to erect cottages at Mimico.

Mr. Meredith—Does that mean that the mortgages were put in the market and sold?

Mr. Harcourt—They were sold at their face value without commission or any charge of that kind.

There are now seven of these cottages completed, and we have expended upon them up to the close of last year \$343,993. At the end of last year there were 170 inmates cared for in these cottages. The erection of another cottage is contemplated, and altogether they will accommodate 440 patients. On the one hand the Province has sold at a high price some of the land adjoining the old asylum, which was by far too valuable to retain for mere gardening purposes, and in its place it will have an asset of great value in the shape of these eight asylum cottages at Mimico, of modern design, well equipped and in every way perfectly adapted to meet the purposes for which they were designed. There was an urgent demand for increased accommodation; the time for selling the land was fortunately chosen, and every one must admit that the difficulty to this extent has been most happily solved in the way I have indicated.

Thus far, briefly sir, I have explained, as fully as would seem to be necessary, the revenue side of our finances for the past year. Let me repeat that while our total estimated receipts for 1890 were \$3,337,222, our actual receipts (not including drainage debentures for which we do not estimate) have been \$3,381,969, and that therefore on the year's transactions our total receipts have exceeded the estimate of \$44,747

The Expenditures.

I will now consider the expenditure of 1890, which has been as follows:—

In the first place we will compare the actual expenditure of last year with the estimated expenditure to which the House last session gave its assent. The gross total of the appropriations for 1890 was \$3,545,593, while our actual ordinary expenditure has been \$3,367,443, so that of the money voted last year there remained unexpended the sum of \$178,149. Our ordinary receipts, as I have already stated, amounted to \$3,381,969, so that for the year just closed our ordinary receipts have exceeded our ordinary expenditures by \$14,526. The largest unexpended amount concerns the appropriation for public buildings, as to which it is evident that unforeseen circumstances may at any time occur which would retard the completion of contemplated works. There remained unexpended last year of the sum voted for public buildings \$104,661. This is in part explained by the fact that the works at the London, Hamilton and Orillia asylums and also at the Mimico cottages are not yet completed. The School of Practical Science in some respects has not yet been fully equipped, and the sum of \$3,000 voted for Government house was not required. Re-votes for some of these unexpended items will, I presume, be taken. The sum actually expended for public buildings was \$453,133, an amount larger than that spent in any previous year, except the years 1873 and 1885. On the Orillia Asylum alone we spent last year \$104,477, and at the close of the year it contained 311 inmates. We spent on public works \$16,577 less than was voted. Some of the contemplated works were not proceeded with, for example the Ottawa River bridge; other works are not yet completed, and for these re-votes will be taken.

Public Institutions.

We expended \$33,526 less than our estimate upon public institutions maintenance. Our actual expenditure last year for this service reached the very large sum of \$769,656 being \$40,746 more than was ever expended under this head during any previous year in the history of the Province. This expenditure is growing rapidly year by year:—

1887.....	\$650,744
1888.....	721,602
1889.....	728,909
1890.....	769,656

being an increase of \$118,912, or more than 18 per cent. in the course of a single Parliament. It will be noticed that the efficient management of these public institutions, which on all sides are admitted to be highly creditable to the Province, requires us to spend each year more than 64 per cent. of the annual subsidy we receive from the Dominion Government, and that this one service exhausts more than one-fifth of the total expenditure under our Supply Bill. I regret that I am compelled to announce that the number of patients in our