

five asylums is increasing year by year. The total number of inmates has been:—

1887.....	3,553
1888.....	3,803
1889.....	3,953
1890.....	4,137

being an increase of 634 patients or 18 per cent. during the last four years. At the same time it is some satisfaction to know that for urgent immediate needs at any rate we have the required accommodation; and yet, judging from the past, recognising the overwhelming importance from a medical standpoint of having ample accommodation in advance, so that the patients may at the earliest possible moment be placed under the best scientific treatment, we must expect that our duty to the public will require us at an early date to erect more of these asylum cottages. Especially is this the case when we remember that for different reasons it may soon become impossible for us to occupy any longer the present Toronto Asylum. We have not lost sight of the urgent need there is for closest economy, careful regard being had to efficiency, in the management of these institutions. We all recognise at the same time the full force of the truism that aside from all questions of humanity or sympathy the most humane and intelligent care of the insane is the most economical to the State. It is the opinion of experts that, since insanity can in a great many cases be cured by humane and skilful treatment, the proportion of the insane to the population can be materially reduced.

A Comparison With the States.

In the last report of the State Commission in Lunacy of the State of New York it is strongly contended that the number of the insane in that State is steadily decreasing, and that the decrease is to be accounted for by intelligent treatment and superior medical supervision. I have at hand a statement showing the per capita cost of caring for patients in 78 asylums similar to ours in the United States. The annual cost per patient in our asylums for the year ending 1890 was \$151 74, or less than \$2 54 per week. Only in one of these 78 institutions in the United States is the per capita cost less than in ours, while it very much exceeds ours in all the rest. The weekly per capita cost of the State hospitals at Utica, Middletown, Poughkeepsie and Buffalo (and these correspond to our asylums) is as follows:— Utica State Hospital, \$1 33; Middletown, \$6 03; Poughkeepsie, \$5 08; Buffalo, \$4 72; being an average of \$5 29, or more than double the weekly per capita cost in our asylums. I have another statement showing the cost per patient in ten important idiot asylums in the United States and England the average yearly cost in them being \$211. The average cost at the Orillia Asylum last year was \$139 76.

The Unexpended Balances.

The unexpended balance on account of the appropriation for public institutions is due to the fact that the Mimico cottages were not finished, while there was also a general decrease under the different headings of the estimates taken. Further the coal contracts in several of the institutions were not completed. The over expenditure under the head of charges on Crown lands of \$3,022 was caused by explorations and surveys incident to the timber sale of October last. The only other over-expenditure calling for remark is that appearing under the head of education, the amount being \$7,445. Three services account for this, namely:—Departmental examinations, mechanics' institutes, and payments to superannuated teachers.

Mechanics' Institutes.

It is especially gratifying to know that increased attention is being paid to the valuable work done by our Mechanics' Institutes. While we had 139 of these institutes in 1887, we had 159 in 1888, 179 in 1889, and 215 in 1890, an increase in their number during the last Parliament of 76 or 54 per cent. The amounts granted to these institutes were, during those years, as follows:—1887, \$26,107; 1888, \$23,890; 1889, \$31,423; 1890, \$38,242. The amounts paid to superannuated teachers during last Parliament were:—1887, \$53,295; 1888, \$53,290; 1889, \$60,365; 1890, \$62,105.

Railway Aid Certificates.

So much, sir, as regards our ordinary expenditure under the Supply Bill. Outside of this we spent \$83,654 in purchasing drainage and tile debentures, \$300,881 to retire maturing railway aid certificates and annuities, and \$142,102 on our new Parliament buildings, making a total expenditure for the year of \$3,836,082. I expect to place in the hands of hon. members during the session a statement showing the amounts payable each year to meet the certificates issued in aid of railways as well as to meet the annuities. From this statement it will appear that while our expenditure for these purposes this year will exceed that of last year by about \$3,000, it will be \$115,557 less in 1892 and so remain until 1896, when it will again decrease to the extent of \$5,008, and thereafter be considerably diminished from year to year. After 1903 the only certificates remaining unpaid will be those of the Port Arthur, Duluth & Western Railway, the particulars of which are well-known to the House. (Hear, hear.)

The Arbitration on Disputed Accounts.

Allusion was made in the speech from the throne at the opening of the session to the fact that a conference had recently been held between the Government here and representatives of the Governments at Ottawa and Quebec, with the result that definite arrangements were made for an arbitration which would settle inter alia the long-disputed accounts. Session after session my predecessor was compelled to express his regret that he was unable to announce that satisfactory progress had been made in this direction. The Attorney-General has introduced a bill relating to the proposed arbitration. A similar bill, a copy of which I have at hand, was passed last session by the Government of Quebec. We must all rejoice to know that these long standing differences of account accumulating since the date of Confederation will in all probability be settled at a very early day and through the desirable medium of friendly arbitration. A brief resume of some of the main points of dispute with a recital of the progress made from time to time towards their adjustment may not prove wholly uninteresting to the House. Under section 112 of the British North America Act, Ontario and Quebec became conjointly liable to Canada for the amount by which the debt of the Province of Canada exceeded at the date of the Union the sum of \$62,500,000, and the Provinces were to pay to Canada interest at the rate of 5 per cent. per annum on this excess of debt. Section 113 of the same act declared certain assets to be the property of Ontario and Quebec conjointly. Section 142 provided for the division and adjustment of the debts, credits, liabilities, properties and assets of Upper and Lower Canada by means of arbitration. An arbitration was held and on the 3rd day of September, 1870, an award signed by two only of the three arbitrators was made. This award was for various reasons submitted to the Judicial Committee of the Privy Council, and it was not confirmed until the 26th of March, 1878. Nearly eight years therefore elapsed between the date when the award was made and the date of its confirmation by the Privy Council. Pending the proceedings on the arbitration and until the award was sanctioned the Dominion Government continued to pay and receive moneys on account of the late Province of Canada and assumed in a general way, as has been said, the position of bankers and paymasters for the two Provinces. In the public accounts of the Dominion accounts were opened up in which the payments made to the Provinces were charged and the revenues received in their behalf credited to them. These accounts included, of course, the payments of the different amounts paid from time to time to the Provinces by way of subsidies. In the meantime and prior to the confirmation of the award, the Parliament of Canada, deeming it desirable to relieve Ontario and Quebec from payment of the excess of their joint debt above the \$62,500,000 which Canada assumed at Confederation, passed the act of 1873 (35 Vic. ch. 30) which relieved the Provinces from this excess of debt, amounting to \$10,506,088. We must remember that the Provinces were chargeable in their account with Canada year by year with interest at the rate of 5 per cent. per annum on this excess of debt.

Grants and Subsidies to the Provinces.

Still another section of the B.N.A. Act provides for the payment of specific grants yearly to meet purposes of legislation, as well as subsidies to the amount of 80 cents per head of the population as ascertained by the census of 1861, by Canada to the two Provinces. These grants and subsidies were to be paid half yearly in advance to the Provinces, but the Government of Canada exercised its right year by year to deduct therefrom various sums chargeable as interest on the sum of \$10,500,000, this being the amount by which the debt of Canada exceeded at the date of Confederation the sum of \$62,500,000. Because of this there was withheld from our subsidy year by year up to 1874 (that being the first year in which the full benefit of the remission under the act of 1873 was felt) the large sum of \$291,666 entered up against us in the Dominion ledgers as interest on excess of debt. Although the result of the award was made known to the two Provinces in May, 1878, no meeting of representatives of the three Governments took place until November, 1882, the long delay being partly due to the fact that a change of Government had taken place in the Dominion, and both Federal and Provincial elections had occurred in the meantime. This first conference, as it is called, held in Ottawa in November, 1882, led to important results. The Treasurers of Ontario and Quebec, Messrs. Wood and Wurtele, discussed in presence of Mr. Courteney, then as now the Deputy Minister of Finance at Ottawa, the manner in which the accounts should be made up and the principle on which interest should be charged. No accounts had been prepared for them. The Dominion ledgers, containing the current accounts since July 1, 1867, were the only accounts extant. The following memorandum without prejudice was thereupon prepared and signed by the Treasurers:—

"MEMORANDUM WITHOUT PREJUDICE.

"The Treasurers of the Provinces of Ontario and Quebec having met to discuss the subject of a settlement of accounts between the two Provinces and the Dominion, are of opinion that before proceeding thereto it is expedient that a statement of accounts between the Dominion and each of the two Provinces should