

cording to our present population it represents only 57 cents per head. If we were to receive 80 cents based on the last census our subsidy would be increased by about \$575,000 a year. An increase of population adds to our expenditure, to our cost of Government, while on the contrary it brings, because of the increased consumption of dutiable goods, additional revenue to the Federal treasury. Our receipts from Crown lands exceeded our estimate by the considerable sum of \$59,682. From woods and forests branch alone we received \$22,619 more than our estimate. The Commissioner was compelled during the year to sell some partially burnt timber tracts, and the House will be pleased to learn that, largely due no doubt to prudent advertising and consequent keen competition, he received unexpectedly good prices for them. These sales, however, do not in any way affect last year's receipts, since the first payment to be made on their account will be made during the latter part of this year, the custom of the department being not to exact payment until the timber is cut or sold. Some general remarks as to this very important source of revenue may interest the House. Since 1872, the year when our honored leader became Premier, the gross receipts from the Crown Lands Department have amounted to \$17,253,250, or an average for the twenty years, including 1891, of \$862,662 per year. The largest sum received during any one year was received in 1872, the amount being \$1,437,372; the smallest receipt, viz., \$445,278, was that of the year 1878. Occasionally it has been argued that we have been wasting our patrimony and squandering our capital, and that we sell timber limits in order to get funds to meet extravagant expenditures. No details are ever given as to the alleged extravagance, and it is admitted that as settlement advances sales of timber must from time to time be made. While it is contended that our capital should be kept intact, it is admitted that all interest received may be expended for the ordinary requirements of government. The fact that it would be utterly impossible to continue to give our large customary grants to education, agriculture, asylum maintenance, etc., without drawing upon Crown land receipts is conveniently overlooked. I will briefly show how these Crown Lands Department receipts have been expended. The gross receipts from sales of Crown lands, one branch of the Crown Lands Department, since 1872 amount to \$3,582,176, of which sum \$1,114,406 is made up of accruals of interest. The total receipts from woods and forests during the same period amounted to \$13,671,074.

Of this sum \$855,083 represents ground rents, which we all admit may, like interest receipts, properly be spent year by year in assisting to meet our ordinary expenditures. From the gross receipts we should deduct the expenses of management in the Crown Lands Office, including salaries and contingencies, and these for the twenty years amount to \$1,018,348. Refunds amounting to \$364,802 must also be deducted. These represent moneys paid into the Crown Lands Department on account of sales which have not been completed. We should also deduct what we call charges on Crown lands, which include costs of surveys, fire-ranging, inspection, forest-ranging, collection of dues, etc., and these aggregate for the same period \$1,693,368. The net receipts then are from Crown lands sales \$2,467,770 and from woods and forests \$9,739,373, or taken together the total net receipts from the Crown Lands Department from 1872 to 1891 amount to \$12,207,143.

HOW THE MONEY WAS INVESTED.

Let us now notice to what uses this large sum has been devoted. During the same period, that is from 1872 to 1891, we have spent on

Public buildings.....	\$ 5,096,293
Railways.....	5,655,478
Public works.....	2,324,811
And on Colonisation roads.....	2,146,792

Making in all.....\$15,223,374

We have therefore invested during this period of twenty years in public buildings,

railways, public works and colonisation roads \$3,016,231 more than the amount we have received from the Crown Lands Department from sales of land and timber. That public buildings and railways are valuable permanent assets, greatly assisting the growth and development of the Province, no one will pretend to question. The same may be said of our public works and colonisation roads. The end of the whole matter therefore is that we have substituted for a portion of the assets we have in lands and timber other assets more valuable and more productive. There has been no diminution or waste of assets; one class of assets, indispensable and the most valuable of all conceivable assets, has been substituted for another. We have public buildings, schools, colleges and asylums scattered all over the Province, of which any country might well be proud.

Enlightened public opinion has demanded from time to time, and will ever continue to demand, capital expenditures such as these. Better far to spend a portion of our assets in much-needed permanent public improvements than to allow them to lie dormant in forests and in mines. Who, for example, would suggest that the Province would now be better off if we had not erected expensive agricultural college buildings at Guelph and normal school buildings at Ottawa, and if we had in their place a few more square miles of timber? We received from education \$5,766 more than our estimate, the revenue under this head including the fees paid by the pupils attending the Toronto and Ottawa Model Schools, the students attending the School of Practical Science, and by the candidates attending the teachers' examinations. From Algoma taxes we received \$156 more than our estimate, and from what is called casual revenue, the various items of which are named in the schedule of receipts, \$3,514 less than our estimate. The dull times, the partial collapse in real estate, materially affect the volume of transactions in the Land Titles Office in Toronto, the fees in which are paid by stamps, and this largely accounts for the falling off in the receipts from law stamps.

ANNUITIES.

A word of explanation may be permitted as to the item of receipts appearing under the head of "Annuities." It will be remembered that in 1884 this House passed an act authorising the Lieutenant-Governor in Council to direct the issue of terminable annuities, the term not to exceed 40 years, the rate of interest not to exceed 5 per cent., for the purpose of retiring any outstanding railway aid certificates, or any certificates which might thereafter be issued in aid of any railway under the authority of this Legislature. The then Treasurer stated that it was not expected that we would be compelled each year to issue these annuities, and the fact is that during three recent years, viz., 1888, 1889 and 1890, we have met the maturing railway aid certificates out of the year's receipts. Last year, having several very large exceptional expenditures to provide for, in order to meet the railway certificates falling due we issued annuities to the amount of \$14,000 per annum. We advertised in the usual way for tenders for them, and we accepted the offer of the Imperial Bank of Canada, it being the most favorable and covering the whole issue. The amount realised by their sale, as appears by the schedule of receipts, was \$269,000, that is to say, we received \$1,921 43 for every \$100 of annuity. The purchaser realises on his investment interest at the rate of a little less than 4½ per cent. per annum. When we bear in mind that the money market in the leading commercial centres was during last year greatly disturbed, that old banking houses of highest standing and widest influence tottered to their fall, that because of this capital was unusually timid, enterprise was checked and the difficulties surrounding the negotiation of large transactions materially increased, it will be apparent to every one that we have disposed of last year's issue of annuities on most