

council and by it confirmed in 1878. The intervening years since 1870 sever- difficulties in the way of a settlement have been removed. All parties are, I think, now determined to hasten a settle- ment. I can assure the house that the government will continue to do all in its power to facilitate the arbitration. Our case, and we all agree that it is one of momentous importance, is very safe in the hands of the attorney-general.

We began the year with a credit bank balance of \$19,818. Our total receipts for the year were \$4,662,921, and our total expenditures \$4,068,951, so that at the close of the year we had on hand a cash balance of \$613,787. Of this amount we had \$550,000 on special deposit in our banks and \$63,787 deposited on a current account. In our statement of assets, as heretofore, we do not include, as we well might do, the value of the site of the old parliament buildings, which the legislature authorized us to sell in anticipation of the construction of these new buildings. Nor do we include large sums due us as unpaid balances on crown lands. We do not include various other valuable assets, such as numerous and expensive public buildings which we possess and which commercial corporations such as banks, loan and insurance companies always include in their statements of assets. This being kept in view hon. members will, I am sure, notice with pleasure the fact that our surplus at the end of 1892 amounted to \$5,758.

THE COMING YEAR.

A few general words as to the anticipated operations of this present year and I will close.

As hon. members will notice, our estimated expenditure for the year is \$3,559,185. I can promise that our actual expenditure will, as in former years, be kept well within this estimate. For agriculture, education and hospitals and charities we ask larger grants than heretofore. Increases in these services seem to be automatic and necessary.

We estimate, on the other hand, that we will receive during this year \$4,030,572, an amount largely in excess of last year's estimate, as well as of the estimate of 1891. I am confident that actual results will prove it to be a careful and moderate estimate. We expect therefore to be able to provide, out of the ordinary receipts of the year, for all our ordinary expenditures, and in addition thereto retire the maturing railway certificates and annuities and still have a comfortable surplus on the year's transactions.

THE ATTORNEY-GENERAL.

In October, 1872, the attorney-general took office, and from that date until now he has with untiring energy and unprecedented success devoted himself to the faithful discharge of the many and important duties of his high office. No other premier, whether in England or in any of the colonies, has served the people as premier so many consecutive years. Nor has the career of any other premier been marked with more valuable or distinguished services. The past twenty years have been replete with change, progress and development, and from time to time we have been confronted with problems of such momentous importance to the province that upon their satisfactory solution its welfare in a great degree depended. These problems have for the most part been satisfactorily solved. Contests in courts of law affecting most vitally and at different points our dearest interests have been forced upon us and verdict after verdict in these important issues must be placed to the credit of the attorney-general. At one time he is called upon to resist an attempt to withhold from the province one-half of its territory, at another time to repel an attack made against its legislative rights and at all times the cause for which he pleads wins the victory. The line, so difficult of demarcation, separating and distinguishing the respective spheres of jurisdiction of the federal and provincial governments, has in some important particulars, at any rate, been well defined, and in this work in critical junctures of affairs his special tact and ability have been frequently displayed. The legislation of the province these twenty years has, under his firm guidance, been prudent, opportune and progressive; the administration of its affairs has been honest, efficient and sympathetic. A premiership of such long duration, marked with such bright characteristics, is surely deserving of special comment.

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

Mr. Harcourt concluded his speech at five minutes to 6 amid loud applause.

MR. CLANCY REPLIES.

Mr. Clancy commenced his reply to Mr. Harcourt upon the resumption of the house at 7.30. Mr. Clancy started out by saying that Mr. Harcourt had very adroitly skated over thin ice during the delivery of his budget speech. He said that the increase in expenditure of public money under the present government was wholly out of proportion to the increase under the Sandfield Macdonald administration and utterly unjustifiable. Mr. Harcourt had congratulated the commissioner of crown lands on the time that he had chosen for the purpose of the timber sale which was held last year. Those who had paid even the very slightest attention to the progress of affairs, the rapidity with which the timber resources of this country were disappearing, the advance in the price of timber in consequence of the rate at which the supply was decreasing, would agree that Mr. Hardy had required no great foresight to choose a time for an advantageous sale. Buyers could be readily found, simply because the advancement that had been made in the price of timber in this country was enormous. The prices realized with the ground rents and dues showed that the government did not appreciate the value of the timber of the province. In this province, as in no other country in the world, the government had made a use of the power placed in their hands which was open to censure. They had surrendered the right to say when the province should have a timber sale or what control the province should have over its own timber. For the 5,000 square miles of timber sold in 1872 the paltry sum of \$118 a mile, or slightly over half a million dollars, was received. If we had these limits to-day, instead of receiving slightly over half a million dollars the province would have received \$18,222,000 for the same timber. Mr. Harcourt had said that the affairs of the country had been carried on with foresight and economy and that every transaction had been of such a character

as invited the closest scrutiny. It had been said repeatedly from the opposition side of the house, and he thought that the statement could be verified, that the province had been drawing upon its capital to an alarming extent. It must be remembered that not an acre of timber sold could ever be replaced. He would give the sums that had been thus drawn from capital. In 1883, nine years ago, the receipts from crown lands were \$640,305 and in 1892 \$2,226,833, or an increased draft on capital of over 250 per cent. Yet Mr. Harcourt with his usual vigor and eloquence had endeavored to convince us that the revenue had been stationary and that the affairs of the province had been conducted with economy. Perhaps there was no better index of the enormous expenditure of the province than the receipts of money from licenses. From 1875 to 1883 the receipts from licenses were \$804,051, while for the nine years following they were \$2,223,771, or \$1,424,720 more during the latter period. Hon. gentlemen opposite had professed a great solicitude for the municipalities. The government had taken from the municipalities since 1883 the enormous sum of \$2,223,771. By comparing the license receipts in 1883 with 1892 it would be seen that they had increased from \$94,640 in the former year to \$294,574 in the latter, or more than 200 per cent. There was nothing to-day that was giving more dissatisfaction throughout the province than the system of taking large sums of money from the municipalities and then paying it back to them. The government was not only taking from the municipalities that which belonged to them, but they were placing a set of offensive officials over their heads. These had constituted a grinding tyranny in the country. No man who expected to gain a livelihood in the liquor business dared express his convictions.

The expenditure under the supply bill, he said, was, in 1873, \$2,460,000, and in 1883 \$2,548,000, or an increase of \$87,000. His side of the house would not be disposed to complain if the expenditure had been at all proportionate to former years. They would be prepared for some natural increase. That was to be expected, but when they came to examine the enormous expenditure since 1883, it was appalling to notice the difference. The expenditure under supply in 1883 was \$2,548,000. In 1892 it had grown to \$3,411,000, an increase during these years of 34 per cent. as against an increase during the years 1873 to 1883 of only 21-2 per cent. This did not include statutory expenditures for which the government was also in a large measure responsible. The gross expenditure was entirely under their control, and this was nine years ago \$2,887,000, while it was now up to the enormous sum of \$4,680,000, an increase of 40 per cent.