

straight loan at 3 per cent. would sell at par, there being no question as to the security offered. There is no question that the Province could raise revenue equal to the expenditure at any time, and could sell its securities at par, whereas under the present system the Province sells at 3 1-4 per cent. By issuing railway certificates at 3 1-2 per cent. discount when the money could be borrowed at 3 per cent. a larger subsidy than \$3,000 per mile was given.

The Timber Question.

With respect to the timber question Mr. Matheson said that in 1894 over three hundred million feet of logs were exported in the shape of logs, principally by Americans. Hon. members on the Opposition side, however, had no objection to foreigners investing their money in this country, but believed they should not enjoy any advantage over our own people. But these Americans in '94 brought in their own men and provisions. He estimated that the workmen of this Province lost from \$600,000 to \$900,000 that year in wages, owing to the failure of the Government of the Province to compel the sawing of these logs in Canada. This meant that if such a regulation had been in force, the capacity of the saw mills of the country might have been doubled. The men who had gone to Washington and secured the imposition of a \$2 duty on lumber entering the United States had come to Toronto to protest against the imposition of a restriction upon the exportation of logs. These men should not come here unless their hands were clean. He prefaced his remarks on the educational system by acknowledging the magnitude of the subject and admitting that what he would say would be merely in the way of suggestion. He enumerated some of the evils of the system, which he declared to be terrorism, favoritism in the exaction of fees and inefficient education. He condemned the political control of the University, the result of which he said would be that in a few years the Legislature would be voting the institution not \$7,000, the sum granted last year, but many times \$7,000. The idea underlying the School of Pedagogy for the training of specialists at Hamilton he declared to be wrong. The system was a sham. He proposed that the honor men of the Universities should be the specialists in subjects, provided they take a course under a professor in pedagogy. Many thousands of dollars were needlessly taken out of the people by reason of the excessive cost of school text books. The practice of having pay examinations in the High Schools, he said, was productive not of true education but of cramming. He held that education did not go far enough in the Public Schools. The range of studies could be materially enlarged with great advantage to the people. Col. Matheson then turned to the question of better terms. He recalled the interprovincial conference at Quebec, held in 1887, at which Sir Oliver Mowat and Mr. Ross were present. The Premier and his supporters were pledged to endeavor to secure for Ontario an increased subsidy from the Dominion. Col. Matheson called upon the members of the House to resist the movement for an increase in the Provincial subsidies, because the

burden would fall principally upon Ontario, which pays five-eighths of the Federal revenue. If the proposal were carried out by the Government's friends at Ottawa, Ontario would pay \$10,000,000 and Quebec and the Maritime Provinces

\$7,000,000. At Quebec Sir Oliver and his colleagues had agreed that Ontario should get 91 1-2 cents per head of population, while Quebec was to get 95 cents per head. They had also agreed that when the population of Ontario exceeded 2,500,000 the subsidy in respect to the excess population should only be 60 cents a head. He hoped that no representative of Ontario would ever agree to any such terms. He repeated what he had previously said, that the Government had been going behind to the extent of \$400,000 a year during the past three years, and that the present year promised a deficit of a quarter of a million dollars.

The Minister of Education.

When Mr. Ross arose to reply to the criticism of Col. Matheson there was much Ministerial applause, which was repeated again and again during the progress of his speech. The Minister of Education brought out some of the salient points of the budget speech delivered by the Treasurer yesterday. That speech, he said, indicated a cheerful and buoyant outlook for the Province, so far as its finances are concerned. The Treasurer had proved very conclusively that Ontario stood to-day in as good a financial position as it ever occupied since Confederation. It was a speech that would sustain the credit of the Province in the markets of the world, and would give a more buoyant feeling to business men, indicative of that wave of prosperity that, according to Mr. Gurney, the President of the Board of Trade, the country has entered upon, and which is likely to continue in its present happy flow for at least the next three years. He was glad that whatever doctrine of blue ruin was to be preached or proclaimed, it need not be proclaimed on the Liberal side of the House. It remained for the Opposition to say that the Province was drifting on some financial crisis. From these statements one would almost think that Ontario after 25 years of Liberal rule was in as dolorous a condition as was Quebec after twenty years of Tory Government. The fact that the Treasurer was able to state that the expenditure has decreased nearly half a million since 1891 was an indication that Ontario had not an extravagant Government and that it was not drifting towards deficits. The fact that the Province was able to borrow money for 3 1-4 per cent. as against 4 1-2 per cent. in 1884 showed that the management of the finances had not been so bad as represented by the Opposition. If the Government had been extravagant how was it that Ontario's credit was so good?

Living Within Their Means.

The next thing that had been made perfectly clear by the Treasurer was that the Government was living within its revenue. The receipts of the Government for 30 years had been \$89,365,000, and the expenditures \$99,131,000, leaving a balance of \$234,000, showing