

into the common school fund the collections we have made from 1890 to 1896 inclusive. Leaving out of consideration our future railway obligations, the present value of which is shown in the public accounts, it will be seen that our surplus of assets at the end of the year over all our liabilities amounted to \$4,988,079.

Now that the elections are over, Mr. Speaker—nearly over, I mean—I know that my hon. friends opposite, without a single exception, placing the high financial credit of the Province above all considerations of mere party advantage, will receive this very favorable announcement with unfeigned pleasure and delight.

The Future.

Thus far, Mr. Speaker, I have been referring to the past year and to our present position. As to the current year, as to our estimates for this year, and as to our hopes of being able to supplement our revenues to a considerable extent. Our expenditure estimates for the year, it will be seen by a reference to the schedule in the hands of hon. members, amounted to \$3,409,567. These estimates have been carefully framed, with a view to curtailment wherever possible.

We estimate that our receipts for the year will reach \$3,201,987. This amount I expect to receive from the usual ordinary sources of revenue of previous years.

I hope that we will be able to supplement this amount, to the extent of any deficiency which may arise owing to reduced Crown lands receipts, from sources to be indicated in a day or two, when a measure for this specific purpose will be introduced. I estimate that we will receive \$803,000 from Crown lands. This is about \$150,000 less than our average receipt since Confederation. Hon. gentlemen will notice that my estimate as to other sources of revenue does not vary much from that of last year.

Our actual receipts last year, it will be remembered, exceeded my estimate by \$334,000.

A mere glance at our cash balance at the close of each year, say for six years past, proves that we have provided very deliberately and very satisfactorily for the needs of each succeeding year. We have provided not only for ordinary every-day needs, but for extraordinary and special needs as well.

Sound Financial Policy.

We had at the close of 1893 no less than \$1,000,016 of a credit cash balance. At the close of the following year it was reduced to \$610,674. But in 1894 we spent on public buildings alone \$403,023. Of this sum we spent \$197,829 on the Brockville Asylum cottages, and on other buildings \$205,194.

We had the cash in the banks, the buildings were needed, and as individuals or private corporations would do under like circumstances, we drew on our cash reserves, erected the needed buildings and thus met a pressing public want and at the same time added to our permanent assets. And so on from year to year we drew on our cash reserve to meet this or that pressing pub-

lic need. We invest, to use other words, some of our cash in hand in meeting this or that much-needed Provincial want. At the close of 1897 we had a credit cash balance of \$605,850, and at the end of last year it was reduced to \$450,021. The credit cash balance from time to time varies, but we invariably have new permanent assets in its stead.

At this point, it being 6 o'clock, the Speaker left the chair.

Ontario's Interests Paramount.

After recess Hon. Mr. Harcourt resumed his speech. Taking up the thread of his argument where he left off, he said:—

This last-named credit cash balance of \$450,000, with our average ordinary revenues, would more than meet our wants for the current year, 1899.

We have, therefore, up to the present time had no occasion for looking about us in order to provide for increased revenues. We are now face to face, however, for the first time, with revenue conditions such as heretofore have not existed in the history of the Province. Next to our Dominion subsidy our main source of revenue is that from our Crown lands and forests. Our much-debated policy touching the lumber question has met with universal approval. Rather than even think of receding from the safe vantage ground we occupy, that of preserving for our own people the cutting of our logs, we prefer to face the possibility of a largely decreased revenue from our timber and make provision for meeting the deficiency in some other way. Our Crown lands revenues this year may be considerably below the normal or average yield. To meet this year's expenditures we would, keeping in mind the fact that we have a cash balance of \$450,000 on which to draw, need to receive at least the average yearly yield of Crown lands revenue.

A Statesmanlike Policy.

The present existing conditions surrounding our lumber trade, with our restrictions as to manufacture, make it impossible for us to expect this average yield, and therefore, Mr. Speaker, as announced in the speech from the throne, we propose introducing legislation this session which will, we believe, appreciably increase our revenues. We could have readily lessened our expenditures by curtailing the grants we have given from year to year in relief of the municipalities. For example, our grants for education and agriculture in 1898 exceeded those of 1893 by \$110,594. By keeping these two grants alone at the level of 1893, and not increasing them year by year as we have done, we would have saved in five years \$322,498, but the saving would have been at the expense of the school boards and agricultural societies of the Province. And there have been similar increases in our grants for other services. Had these grants remained stationary, we would have had three or four times as large a credit cash balance as we had at the close of last year. Our policy is not to increase the amount of cash we have on hand, but to relieve as best we can the municipalities of the Province. We do this