

the improvidence of the Government. The taxation thus imposed was direct taxation, pure and simple. Moreover, the Government had struck a blow at municipalities by confining them to the assessment of the plant of corporations as "scrap iron," a proceeding which was never intended by the Legislature.

The City of Toronto, Mr. Marter said, had lost \$56,149 by this judgment. This was exceptional legislation, which was unfair to the people. Mr. Marter complained that while the Government had granted millions to railways, yet the railway lands could not be taxed by the municipalities any heavier than as farm lands.

Mr. Marter denied that the Opposition were highly distressed over the report of the financial commission. On the contrary, he declared they were highly pleased with it, so far as it went. He thought the commission should not have been appointed until the arbitrations now pending with the Province of Quebec and the Dominion of Canada are completed, which might altogether change the situation. Mr. Marter said that there had never been any question with the Opposition as to whether there was a credit balance as between their assets or liabilities. (Ministerial members, "Hear, hear.") What the Opposition contended was that their administration had been a failure. The Government put forward to the country statements not true. They had been spending more money than they received from the Province, yet their balance sheet continually showed a balance on hand. He calculated that the Government had thereby gone behind \$1,994,964. Referring to the lumber question, Mr. Marter advocated the appointment of a commission to ascertain the forest wealth of the Province, and promised the co-operation of the Opposition.

Statements Disagreed.

Adverting to the report of the financial commission, Mr. Marter declared that it disagreed with the statement given by Hon. Mr. Harcourt as Provincial Treasurer in 1897. He said that for the thirty years covered in both statements the figures of receipts agreed in sixteen years and disagreed in fourteen years, while in regard to expenditures, the statements agreed in twenty years and disagreed in ten years. According to Mr. Harcourt's statement, the receipts up to 1897 were \$89,365,700, while, according to the commission, they were \$92,661,530, or a difference of \$3,295,829. Mr. Harcourt's statement of the expenditures had been \$89,039,561, while the commission put it at \$92,434,538, or a difference of \$3,394,976. "Were we not justified, then," Mr. Marter exclaimed, "in believing the books of the Province were not kept properly?" He contended that the Government had gone behind \$27,147,000. The Government had used its officials in all lines of work for the purpose of keeping themselves in power, and with their majority of but seven were kept in power solely by their own votes. (Opposition applause.)

Scored Mr. Marter.

Mr. German complained that the Opposition had offered nothing new, but

had advanced the same old charges, unsustained by evidence, which the speaker had heard ever since he had been in Parliament. The charges had been fought out again and again, and the people had expressed disbelief in them at the polls. Mr. Marter had denounced the Government for passing the scrap iron law, which, he said, had robbed the municipalities of tremendous sums. How did the facts stand so far as Mr. Marter was concerned? That gentleman introduced a bill containing a clause to tax street railways, electric railways, etc., as going concerns. Having introduced the measure, however, Mr. Marter deliberately let it die, and was assisted in this work by the gentlemen on the Opposition benches. Prior to February, 1899, it had always been held, and was so interpreted by the Judges of Ontario, that street railway, electric, telephone and other companies must be assessed under what was called the scrap iron assessment. The Government's revenue bill provided that these companies should continue to be assessable as they were on February 1, 1899. If the Opposition were sincere they would have moved to strike out this clause from the revenue bill, but instead of that they moved the six-months' hoist to the whole bill.

"Personally," said Mr. German. "I am in favor of these institutions being taxed as going concerns, and if the hon. gentleman will move to place such an enactment on the statute book I will help to carry it. Furthermore, I will go to the Municipal Committee and try to do something to get it carried, and not sit down and let the bill die." (Ministerial applause.)

Mr. Marter had said that Toronto lost enormous sums by this legislation. In ten years, from 1889, the City of Toronto had received in direct benefits from the Government no less than \$11,096,000. Thus Toronto could stand a slight loss—if it sustained any, which he denied—owing to the revenue bill. But if some cities were losers, the rural municipalities were the gainers. He had heard of no complaint from the mercantile corporations affected. Mr. German skilfully answered Opposition criticisms of the Government's financial administration, and cordially endorsed the Government's forward policy.

Live Stock Deteriorating.

Mr. Crawford (West Toronto) drew attention to a problem in agriculture. He said our live stock had deteriorated very much. This matter was sadly neglected, and we had lost the position we had gained for them in the British markets. It, perhaps, was more the place of the Dominion Minister of Agriculture, but he thought this Government should bestir themselves, and at least seek action at Ottawa. The Government should arrange that stock should be imported here to keep up the quality. The decline was due to the Government's inaction.

Hon. Mr. Dryden pointed out that more cattle had been imported in one year since the Laurier Government came into power than in five years previously.

Mr. Crawford quoted Mr. Hodson as showing the deterioration in quality. The exports of cattle from Montreal fell