

less a tax was imposed to raise the amount it was proposed to give. The Premier had not given any real idea of the actual state of the finances. He had said that the Province had a surplus of nearly \$200,000 over the expenditure, but he had not shown how this was brought about. From the statement of receipts certain amounts should be deducted, the first being \$636,000, the balance on bonus of timber sales in 1899. The second was \$7,000 of a balance on common school land, which was really due to the Dominion Government, while \$24,000 had been received on capital account for drainage debentures, and could not possibly be accounted as ordinary revenue. (Opposition applause.) Here was a total of \$677,000 which should be deducted, leaving a revenue available for ordinary expenditure of \$3,515,000. The total expenditure, however, was given at \$4,003,729.37, from which it was fair to deduct \$62,000 refund on account of asylum mortgages, the cost of the London Normal School, the Cobourg Asylum, the Patriotic Fund, northern exploration and Ottawa Fire Fund, a total of, say, \$200,000. This would leave the ordinary expenditure at \$3,803,000. The Province's expenditure was thus \$288,000 behind its ordinary receipts. The Premier and Treasurer had also admitted that next year there would be a deficit.

Figured Out a Big Deficit.

It was estimated that the receipts would be \$3,795,000 and the expenditure he (Col. Matheson) thought, counting supplementary estimates at \$75,000, railway certificate payments at \$87,000, and annuities at \$102,000, would be about \$4,047,000, and unless there was another timber sale the Province would run behind next year to the amount of \$251,000. But there was to be a timber sale by public tender, he had been informed.

Mr. Ross—The highest or lowest tender for the timber limits need not be accepted, and there will be no sale unless the department considers it desirable. By the time set for tenders the Government will be in possession of information regarding the value of the limits, and can act accordingly.

Colonel Matheson thought it would be unfair to ask men to pay travelling expenses and then find that the limits were not going to be sold.

The Premier replied that it frequently happened that sales were postponed.

Col. Matheson, continuing, said that the assets claimed by the Government included the \$636,000 of the cash bonus for timber sales which he had previously mentioned. He then discussed the statement of liabilities, claiming that the figures as presented were misleading. For instance, the balance of account current with the Dominion from Confederation to date, including common school funds and other transfers, capitalization of Crown bounty under tribal treaties assumed by the Dominion Government, was stated to be \$1,815,848.89. He had asked the Premier if that amount included the \$300,000 awarded against the Province last year for education, and had been answered, "I assume that it does." He wanted to know where else they could

apply for information on these points if it were not to the Finance Minister, and what reliance could be placed on his information. (Opposition applause.)

In the public accounts of the Dominion Government he found that the sum of \$1,815,848.89, mentioned as due to the Federal Government, was stated as the final adjustment made in 1892, and the Provincial Treasurer had omitted to state the amount of interest that had accrued.

The Premier said that the Dominion Government had received the amount of interest due to within a few thousand dollars.

Colonel Matheson, resuming, said that the whole statement of assets and liabilities was misleading from beginning to end. The report of the Royal Commission had nothing to say regarding a surplus, simply giving assets and liabilities, but if they had deducted one from another they would have found no assets available to pay the debts. He asked if the common or high school funds, the railway annuities or the land improvement funds were available for this purpose. As a matter of fact the Province had nearly \$5,000,000 of debts, and against this an actual cash balance of about \$1,000,000.

Not a Dollar to Spend.

He then referred to the proposed expenditure of \$1,000,000 on colonization roads, which, he declared, meant taxation. The Province had not got a dollar to spend in that way, and that was the evil of giving the people false ideas, which only led to extravagance, and claims that should not be paid from the Provincial finances. Continuing, Col. Matheson referred to the item of \$8,000 paid for the West Elgin Commission. "What reason," he asked, "is there for this Government existing when at the foundation of it lies the fact that they sit there through and by the alteration of votes that were cast?" (Opposition applause and Government laughter.) The commission's report was the most disgraceful ever made. It was useless to talk of finances when the men who sat in power handling the resources of the Province wilfully deprived electors of their rights and changed the results of the ballots cast. (Opposition applause.)

Referring to the development of new Ontario, Col. Matheson said that the Government were simply giving the country away. He had not a word to say against Mr. Clergue. That gentle-

man's business was to get all he could, and considering that the country was being given to him, he could not have fallen into better hands than those of the Government. (Opposition applause.) He contended that in the case of the Algoma Central Railway, for instance, far too much in the way of land grants had been given without adequate return. He then referred to some of the legislation of last session, and in particular protested against a bill which, he said, had been rushed through at the last moment, and which, he contended, gave to insurance and loan companies the power of loaning money on stock in other companies of a similar nature. The effect of this was to throw the control of many com-