

on account of drainage debentures \$30,000 more than had been paid out in investments on new drainage debentures. On account of these, therefore, there was a reduction to be made in the estimated receipts for 1902 of \$257,000. Deducting this, they had ordinary receipts \$4,035,000. Then, allowing for any expenditures upon new buildings, such as \$21,000 for the new infirmary at London, \$15,800 for the Agricultural College new buildings, and \$3,500 for the School of Science—deducting these, they had ordinary expenditures for the year 1902 of \$4,272,000. There was thus a deficit for 1902 between ordinary receipts and ordinary expenditures of \$239,000. This was notwithstanding that we had had special taxes. These new taxes amounted to \$350,000 or \$400,000 a year.

Last year they had received from the Dominion Government no interest on the Province's trust funds in the hands of the Dominion. These funds amounted to \$3,400,000. We owed a debt to the Dominion, and so they refused to pay any interest on these funds. The Dominion did not pay us an increased subsidy.

Estimated Deficit \$450,000.

The ordinary expenditures of 1902 exceeded those of 1901 by \$263,000. In the estimates for 1903 there was a deficit. The estimated receipts for 1903 were \$4,537,000. Supplementary expenditures would be at least \$100,000, and in other ways the expenditures would amount to \$4,852,000. The estimated revenue was \$4,403,000, leaving a deficit of \$450,000. Deducting expenditure on capital account, we had a deficit expected in 1903 of \$170,000. Mr. Matheson pointed out that during the last ten years the expenditure of the Province increased by \$810,000, and said that we could not go on from year to year increasing our expenditures in this way. In the face of this, too, we had our Premier going to Ottawa to urge the Dominion to make a raid upon the Province. Ontario paid one-half of the revenue of the Dominion, and yet the Premier asked the Dominion Government to give us only \$780,000 of the \$2,160,000 increased subsidy to the Provinces.

The Surplus.

The statement brought down by the Premier showed a surplus of assets over liabilities of \$1,939,000. This was \$5,000 or \$6,000 less than it was last year. There was a misleading idea in the Premier's statement that all the claims between the Province and the Dominion were finally settled, whereas there was a claim under treaty number three, wherein the Dominion asserted that the Province owed them \$475,000, with interest to date from March of last year.

Mr. Ross interrupted to say that he had a statement from the Dominion Solicitor that the open account of the respective Governments of the Province and of the Dominion was accepted at \$1,807,986. This included everything up to December, 1902, except treaty number three.

Mr. Whitney—That might amount to \$1,000,000 or more.

Mr. Ross—But it has to be settled by the courts, and would settle down probably to a few thousand dollars.

Mr. Matheson, continuing, said that we owed the Dominion Government \$6,572,000, and our only assets were the drainage debentures, \$190,000; bank deposits, \$1,227,000, and cash in hand, \$180,000, a total of \$1,606,000. Taking that from the debt, this Province owed \$4,966,000, over every dollar of assets it had to pay that debt.

Pulp and Power.

Mr. Matheson laid stress upon the possible arrival of hard times. It was time to begin economy, and not to go on increasing our indebtedness year by year. We should not go ahead now as if we had money to burn. He believed that on the pulp deals, as he called them, we might have obtained at least \$1,500,000 for something which the Government frittered away. He gave as an instance of the Government's extravagance the alleged sale of a timber

limit, in the name of one Shannon for Capt. Sullivan, at \$250, which was resold for \$9,000. The man who originally held the license on that limit was one Darius Cameron, who paid \$10 for his license. Mr. Matheson said, in reply to Mr. Davis.

Mr. Davis said that the question in connection with this subject was on the order paper on Monday, and he had seen the leader of the Opposition and explained that the answer could not be brought down until Wednesday, and he had accepted the explanation as satisfactory.

Mr. Whitney replied that he had not accepted the explanation as satisfactory, but had merely said that he understood the reason.

Mr. Davis replied that he was surprised at Mr. Whitney's statement. The information would be brought down on Wednesday, and would be fully as complete as would be required by the hon. member for South Lanark.

Continuing, Mr. Matheson criticized the Government for granting powers to companies to develop power at Niagara Falls. They had given three companies powers, and now no more companies could go in and obtain equally advantageous sites without much larger outlays.

Mr. Ross stated that the Chairman of the commission asserted that there were other sites available besides those given, and capable of being as cheaply operated, and that information would be brought down in the report of the Park Commissioners to be laid on the table in a few days.

Mr. Matheson agreed to leave that point until the report was brought down. He asserted, however, that the Province should develop the power itself in the interests of the people of the Province. The Government was afraid to spend a comparatively small amount of money on developing Niagara power, and yet were not afraid to go ahead with great expenditures on railways in new Ontario.

Debate Concluded.

Mr. Whitney, following Mr. Matheson, said that he did not propose to debate the motion any further, in view of the fact that the House had already been in session the better part of two months. He would, therefore, be content with the opportunity of debating the various questions that would arise in committee.

Mr. Ross considered the step a most satisfactory one, and the House went into supply, with Mr. W. C. Caldwell in the chair.

Estimates in Supply.

The estimates under the department of civic government, amounting to \$326,443, were passed in committee with very little discussion. They included the various branches of the Lieutenant-Governor's office, Attorney-General's Department, Education, Crown Lands, Public Works, Treasury and Provincial Secretary's Departments, inspection of public institutions, license branch and audit of justice accounts, Registrar-General's branch, Board of Health, Department of Agriculture, insurance and neglected children's branches and the miscellaneous. The committee then rose and asked leave to sit again.

Under the consideration of the Provincial Secretary's department Mr. Stratton explained that a system of grading clerks had been adopted, making three grades, first, second and junior, and arranging for promotions at the rate of \$50 a year. The salaries ranged from \$600 to \$1,500.

Criticizing Smallpox Inspection.

Dr. Willoughby took occasion under the head of the Board of Health estimates to criticize the system of smallpox inspection. He thought that the danger from smallpox was being greatly magnified throughout Ontario. Many cases were reported as smallpox that were not smallpox. This was injuring the Province. He could instance several cases. In his own riding the inspector had failed to come back when asked to do so, after having quarantined a case that was not smallpox.

Mr. Stratton replied that in many

cases the fault was with the local physicians, who did not properly diagnose the case.

Dr. Jessop (Lincoln) took up the case for the local physicians, declaring that they were as competent to Judge of smallpox as Dr. Bryce. He asked whether all the young men who were sent to take charge of smallpox cases were duly qualified physicians.

Mr. Stratton replied that he did not say that the local physicians were incompetent, but that they had on the records instances where local physicians had reported cases that were smallpox as chickenpox and vice versa. The practice was not to send out experienced men to take charge of the cases. That could not possibly be done. They sent out medical students who were able to go out on small salaries and give their time and experience to the treatment of cases that had already been diagnosed as smallpox.

Mr. S. Clarke (West Northumberland) also spoke briefly, defending the inspectors.

The House adjourned at 10.05.

Notices.

Mr. Powell—Respecting the employment and wages of females and day laborers. To amend the street railway act. To amend the municipal act. To amend the municipal act.

Dr. Barr—To amend the municipal act.

Mr. Murphy—To amend the municipal act. To amend the assessment act.

Mr. Downey—To amend the municipal act.

Mr. Pettypiece—To amend the municipal act. To amend the municipal act.

Mr. Little—Inquiry of Ministry: Why has the Township of Tecumseh, Cardwell, only received the sum of \$63.34 from the license fund for the year 1902, the amount collected from hotel licenses for that year being \$270?

Mr. Hoyle—Order of the House for a return showing the number of young boys and girls committed to the county jails in the years 1900, 1901, 1902 respectively.

Mr. Lucas—To amend the municipal act.

Mr. Hanna—To amend the municipal act. To amend the drainage act. To amend the workman's compensation for injuries act.

Mr. Sutherland—Inquiry of Ministry: (1) What are the regulations or standard of road required by the Public Works Department (as called for by clause 6 of the act for the improvement of public highways), to be complied with in order to enable municipalities to obtain their proportion of the sum set apart for the improvement of public highways? (2) Is it the intention of the Ministry to extend the time in which County Councils may avail themselves of the provisions of the act for the improvement of highways?