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SPEECH

OF THE

HON. R. ^{Richard} HARCOURT, (1849-)

TREASURER OF THE PROVINCE OF ONTARIO,

DELIVERED ON THE TWENTY-EIGHTH DAY OF FEBRUARY,

1895,

IN THE LEGISLATIVE ASSEMBLY OF THE PROVINCE OF
ONTARIO, ON MOVING THE HOUSE INTO
COMMITTEE OF SUPPLY.

TORONTO :

WARWICK BROS. & RUTTER, PRINTERS, &C., 68 AND 70 FRONT ST. WEST.
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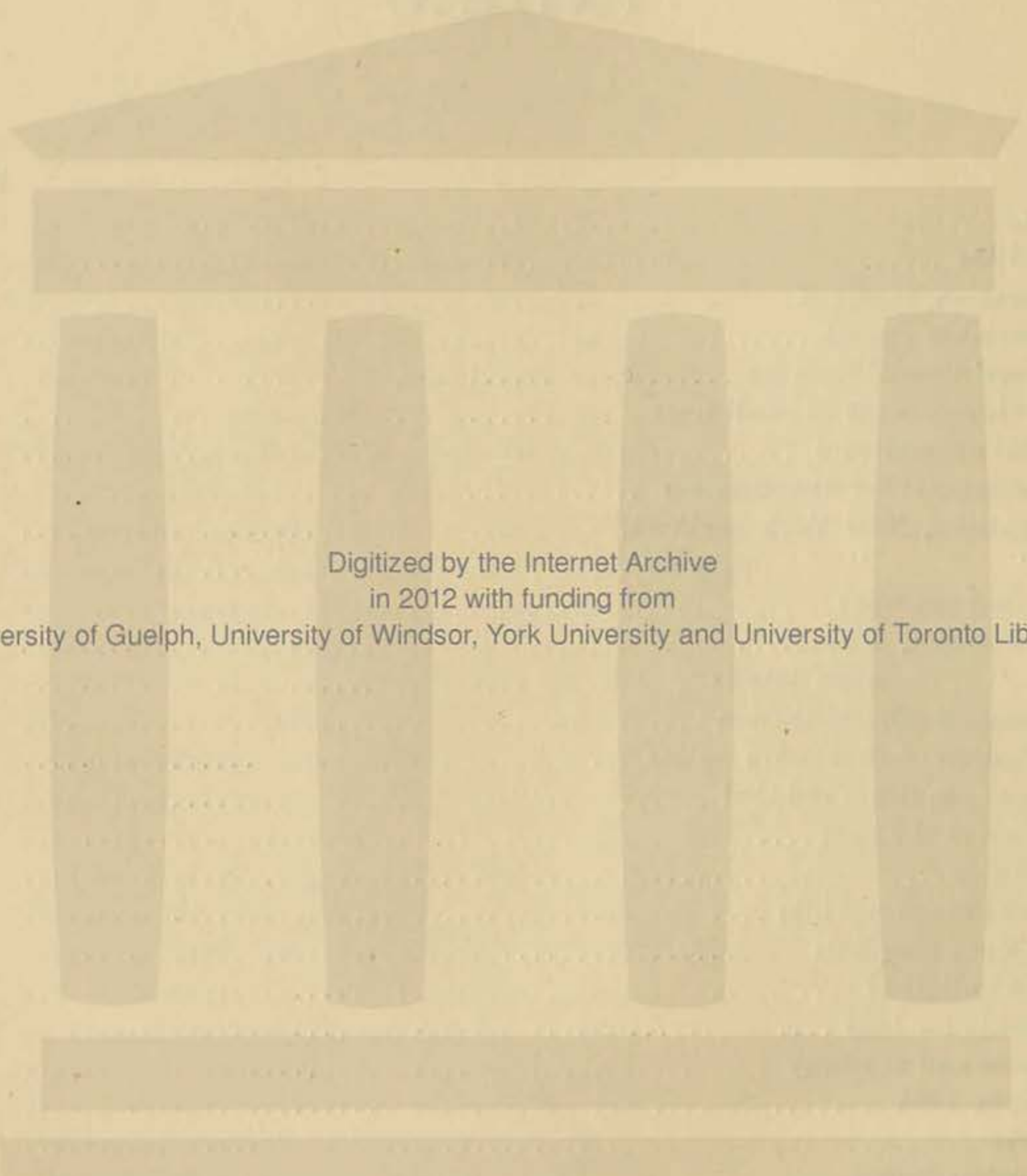
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FINANCIAL STATEMENT

OF

HON. R. HARCOURT

LEGISLATIVE ASSEMBLY,

TORONTO, 28th February, 1895.

Mr. Speaker,—In addressing for the first time the newly-elected Members of the House at the opening session of a new Parliament on financial topics, I have only a word or two to say of a preliminary character.

I promise that my Statement will be brief, and my earnest aim is to make it both clear and adequate. Moreover, Sir, it will in no sense be a partisan statement, and I will take great care, as heretofore, that it shall be absolutely faithful to essential fact.

RECEIPTS, 1894.

SUBSIDY	\$1,116,872 80	
SPECIFIC GRANT	80,000 00	
	—————	\$1,196,872 80
INTEREST ON CAPITAL HELD, AND DEBTS DUE BY THE DOMINION TO ONTARIO	310,020 96	
INTEREST ON INVESTMENTS	52,791 97	
	—————	362,812 93

CROWN LANDS DEPARTMENT :—

Crown Lands	\$39,086 27	
Railway Lands.....	950 73	
Clergy Lands	4,675 05	
Common School Lands.....	14,594 81	
Grammar School Lands	1,845 20	
Rent <i>re</i> Lands	12,640 09	
Woods and Forests.....	980,497 40	
Fishing Licenses.....	384 00	
Cullers' Fees.....	273 25	
Casual Fees	406 43	
Refunds	2,179 47	
	<hr/>	\$1,057,532 70
ALGOMA TAXES.....		2,108 62
LAW STAMPS..		84,097 50
LICENSES		277,330 14
EDUCATION DEPARTMENT		48,696 75

PUBLIC INSTITUTIONS' REVENUE :—

Toronto Lunatic Asylum.....	37,223 76	
Mimico ".....	2,103 63	
London ".....	10,589 83	
Hamilton ".....	9,890 83	
Kingston ".....	3,860 20	
Orillia ".....	2,787 06	
Reformatory for Females.....	3,221 89	
" Boys	585 75	
Deaf and Dumb Institute.....	105 65	
Institution for the Blind	7 03	
	<hr/>	70,375 63

CASUAL REVENUE :—

Provincial Secretary's Department	12,172 35	
Provincial Registrar's Branch.....	116 00	
Registrar-General's Branch.....	182 00	
Fines, etc.....	4,915 49	
Division Court Fees	6,293 35	
Insurance Companies' Fees—Ontario Act	755 00	
Insurance Companies' Fees—Insurance Corpor- ation Act	13,840 70	
Surrogate Courts' Surplus Fees.....	3,376 20	
Public Officers' Surplus Fees (55 Vict., Cap. 17).	9,821 78	
Offices of Local Masters	1,620 09	
Shooting and Fishing Licenses (Fishing Licenses, additional \$384.00. See Crown Lands Depart- ment)	1,525 00	
Official Gazette	9,857 06	
Private Bills.	4,306 25	
Statutes	647 23	

Consolidated Rules of Practice	\$ 96 80	
Sale of B. N. A. Acts.....	1,677 44	
Incidentals	117 95	
Dundas and Waterloo Road Debentures.....	1,800 00	
Insurance Companies' Assessments <i>re</i> expenditure for Insurance Branch... ..	2,999 99	
Removal of Patients to Asylums	5,219 92	
Succession Duties	150,754 04	
	<hr/>	\$232,094 64
TORONTO LUNATIC ASYLUM. Sale of Lands.....		6,000 00
MERCER REFORMATORY—CAPITAL ACCOUNT. Refund <i>re</i> Expenditure		40 00
DRAINAGE WORKS ASSESSMENTS		12,987 13
		<hr/>
		3,350,948 66
DRAINAGE DEBENTURES		40,661 44
“ TILE		7,531 71
BREWERS' LICENSES, (R.S.O. Cap. 194, sec. 51).....		54,020 88
		<hr/>
		\$3,453,162 69

By glancing at the schedules in their hands, honorable members will notice that our actual receipts during 1894 exceed our estimated receipts by the considerable sum of \$306,290. We estimated that we would receive during the year \$3,146,872. We did receive \$3,453,162.

In our estimates of the year's receipts we do not include moneys paid in by the municipalities on account of the sums they have borrowed from the Province for drainage purposes and for which we take their debentures. We received from the Crown Lands Department in 1894 \$1,057,532, and this sum is \$141,532 in excess of our estimate. The main source of this large receipt is, of course, the item of woods and forests, which realized last year \$980,497. In my last statement I somewhat fully explained the second item of the schedule of receipts, that of interest on the large sums held in trust for us by the Dominion, and therefore I need not again comment on it now.

LIQUOR LICENSE RECEIPTS.

Our liquor license receipts, it will be noticed, make up a large item, being second in importance only to our Crown Land revenue. Honorable gentlemen will remember that under subsection 9 of the 92nd section of the B. N. A. Act the Legislature of each of

the Provinces may exclusively make laws in relation to "shop, saloon, tavern, auctioneer and other licenses in order to the raising of a revenue for provincial, local or municipal purposes." This important source of revenue has for a few years past been gradually declining. In 1889 the whole Province was under license, the Scott Act having been repealed in every county in which it had been enacted. In that year and in the following year, 1890, our receipts were at high tide and rose to the highest point ever reached before or since. Year by year since 1890 there has been a gradual diminution. Our receipts for the last four years, for example, have been as follows: 1889, \$308,200; 1891, \$300,604; 1892, \$297,644; 1893, \$289,821.

In the same years respectively, we returned to the municipalities \$294,968, \$289,487, \$289,976 and \$282,474. In each case I am following the license year, which ends on the 30th of April. The key to this gradual diminution of revenue is, of course, apparent when we glance at the number of licenses issued during the years. In 1890 we issued 3,523 licenses; in 1891, 3,414 licenses; in 1892, 3,369 licenses, and in 1893, 3,276 licenses, a reduction of 247 licenses in the four years.

The diminution in the number of licenses and the falling revenue being coincident, we are all agreed, for manifest reasons, that in neither of these facts is there any occasion for regret. The reduction in the number of licenses is still more striking if we make a comparison by decades. For example, while we issued in 1873 6,185 licenses, in 1883 only 4,201 licenses, and in 1893 only 3,276 licenses. In 1873 we had one license for every 262 of our population, while in 1893 we had one license for every 645 of our population. This reduction in the number of licenses has, moreover, been general throughout the whole Province.

We have, all told, 808 municipalities—cities, towns, villages and townships. In 194 of them, almost a fourth of the whole number, no license of any kind was taken out during our last license year. The number of municipalities under local option by-laws is only thirteen, and in one of these the by-law applies to shop licenses only.

The number of licenses affected by local option is only 39, and of these 36 are tavern and three are shop licenses. No local option by-law has been passed since the 1st January, 1894.

COMMITMENTS FOR DRUNKENNESS.

Simultaneously with a steady reduction in the number of licenses issued, and with the falling revenue, to which I have already alluded, during the last few years we have had a very noticeable reduction in the number of commitments for drunkenness in the Province. There has been a steady reduction year by year since 1888 in the number of such commitments. While in 1888 the number was 4,799, last year it fell to 2,274. The number last year was less than that of the previous year by 378. In 1884 the commitments in round numbers were one for every 400 of our population, in 1894 one to every 900.

The contrast between Ontario and Quebec in the matter of liquor licenses, whether viewed financially or otherwise, is very striking. This Province received from licenses last year \$277,330, and returned as well to the municipalities \$282,474. Quebec received last year \$567,480, and retained all of it for provincial uses, returning not a dollar to the municipalities. In the city of Toronto there are issued 150 licenses, or one for every 1,208 of its population. In Montreal there are 621 licenses, or one for every 349 of its population.

In the Province of Quebec liquor licenses are issued to clubs, steamboats, dining cars, druggists and others. We have none of these.

BREWERS' AGENTS' LICENSES.

In another class of receipts placed with the miscellaneous items honorable gentlemen will notice that we have received from brewers the considerable sum of \$54,595, and of this receipt I may at this point most appropriately say a word or two by way of explanation. This sum is made up of payments made by brewers during the last four years to the credit of the license fund in their several localities. In 1891 this amounted to \$1,604 ; in 1892, \$18,025 ; in

1893, \$18,291 ; in 1894, \$18,000. During the last year I gave instructions to call these payments in and have them deposited to credit of a special account. One of our inspectors in the eastern part of the Province was the first to call upon a brewer's agent doing business in his inspectorate to take out a license.

The right on the part of a province to require a brewer's agent to take out a license had been for the first time asserted in Montreal, the point in question having been raised in the case of *Molson v. Lambe*. This case and the principle it involved, of course, excited comment in our own Province. Prior to this time I am informed that our License Department, while not recognizing the point as by any means settled, regarded the decision of our own Courts in the case of *The Queen v. Severn* as not favoring our right to exact a license from brewers' agents. The question, however, having been raised in this way, some of our brewers came to the License Department and asked for brewers' licenses, deeming doubtless that it would be better for them to obtain such a license than to take out a number of licenses for their agents.

They made this request in pursuance of subsection 2 of section 51 of the License Act. Their request was, after some consideration, acceded to, and formal notice was sent to all our brewers requiring them to take out a license. They have all complied with the terms of our notice, but have paid the fees, as would be expected, under protest. Our first receipt of this kind was in the license year 1891-2.

The constitutional question thus raised is now in the form of a special case before our Courts. We have placed, as I have said, these brewers' license fees to the credit of a special account, which is drawing interest. Each licensee has paid at the rate of \$250 a year, and of this amount, if the constitutional question is settled in favor of the Province, \$100 will belong wholly to the Province and the remaining \$150 will be divided between the Province and the municipality, two-thirds of it going to the municipality.

SUCCESSION DUTIES.

We have largely exceeded our estimates of receipts by way of succession duties. The estimate for the year was \$70,000; the annual receipts was \$150,754. It has been said over and over again that the common experience has been that forecasts concerning the yield of this kind of revenue are seldom fulfilled. Our very moderate estimate of a year ago made fulfilment easy.

Honorable gentlemen will remember that the Act which provides this source of revenue was assented to in April, 1892, and that under one of its clauses the duties are not ordinarily payable until eighteen months after the death of the deceased. Keeping this in mind, I may fairly say, as has been said of a similar statute, that our Act is not even yet in full bearing, and that I may confidently predict materially larger returns in the near future.

In 1892 we received by way of succession duties \$758; in 1893, \$45,507, and in 1894, \$150,754. Under the Act, I ask the House to remember that all our receipts from this source are allocated to a fund which is set apart to assist in defraying our large and growing expenditure on asylums for the insane, schools for deaf mutes and for the blind, as well as hospitals and other charities. As an illustration, we spent last year under the head of Hospitals and Charities \$182,692. This is the largest sum we ever paid in any one year for this purpose. The largest sum previously paid in any one year was \$167,000. The increase in these charity grants over 1893 was mainly due to the fact that four new hospitals were added to our list in 1893. These four new hospitals received in 1894 grants to the amount of \$8,114.

We averaged for this service during the last five years \$158,58 a year.

I will not be at all surprised if our receipts by way of succession duties in 1895 will fully meet all our expenditures for hospitals and charities. I am certain, Sir, that during the next two or three years the receipt from the one source can be set off against the expenditure on the other.

As was generally anticipated by honorable members on both sides of this House, the Act I am now discussing has been almost universally approved of.

It seems right and just that accumulated wealth should in this way assume a larger share than formerly of the public burdens. To even measurably accomplish this result has indeed long been the object of social and economic reformers in other lands. We did not fear that our moderate Act, with its small exactions, would discourage accumulation. With its low scale of duties, its provisions—inasmuch as all estates not exceeding \$10,000 in value were completely exempt—in the great majority of cases affect only very large estates.

THE ENGLISH ACT OF 1894.

At the same time, I repeat, our Act cannot be said to even aim, to use a phrase of some economists, at penalizing large fortunes. The economic principles underlying this class of legislation were much discussed in England about a year ago, when the Finance Act of 1894 was under consideration. This Act, which attracted so much attention at the time, and elicited such warm discussion, deals of course both with the excise and customs duties, as well as with the income tax and estate duties. These latter duties are so important that they alone, roughly speaking, represent an annual receipt of £10,000,000, and this large receipt will, it is expected, be increased 25 per cent. by the legislation of 1894. By the English Act of 1894 the death duties were remodelled and simplified; inequalities were removed, important exemptions done away with, and all this led, of course, to considerable discussion in the press and in Parliament.

The most important changes made were these: there had been no fewer than five kinds of duties. These have been merged into two. The one class now called "estate duties" reaches all property of whatever kind, including, of course, realty and settled personalty, the amount depending on the aggregate amount of the property passing at death. Prior to 1894 this kind of duty had been limited

to personalty, and the exemption of realty, therefore, had been much complained of. The second class consists of legacy and succession duties, and its amount depends upon the extent of the interest acquired by each individual, and varies according to his relationship to the deceased. The application of the principle of graduation, to which I may again refer, to estate duties is also considered a great reform.

I particularly wish to point out, Mr. Speaker, that in the thorough discussion in England of this very important Finance Act of 1894 it is very noticeable that no party or leader ever even questioned the propriety or the fairness of meeting the incessant demands of an ever increasing public outlay by making further and still further calls upon accumulated wealth.

This, perhaps, need not surprise us when we remember that all writers on political economy and finance are agreed that the true principle of sound taxation is relative ability to pay, or equality of sacrifice ; that, in other words, all taxation should be proportionate to the ability to bear it by those on whom it is imposed. I may here well quote the words of the Chancellor of the Exchequer, who last session, in speaking of his remodelled and simplified estate duties, said : "The governing principle is this : Upon the devolution of property of all descriptions, the State takes its share first, before any of the successors in title or the beneficiaries. The reason upon which this is founded is plain. The title of the State to a share in accumulated property of the deceased is an anterior title to that of the interest to be taken by those who are to share in it. The State has the first title upon the estate, and those who take afterwards have a subsequent and a subordinate title. Nature gives a man no power over his earthly goods beyond the term of his life. The right of a dead hand to dispose of his property is a pure creation of the law, and the State has the right to prescribe the conditions and the limitations under which that power shall be exercised." The promoter of the English Finance Act of 1894 expressed his belief that, as a result of his remodelling the estate duties, there would be an ultimate increase of revenue from that source of from £3,000,000 to £4,000,000.

THE PRINCIPLE OF GRADUATION.

This increase is largely due to the adoption of the principle of graduation, or to the extension of that principle. Under this principle large properties will not only pay more but also more in proportion to their size. In certain cases under the new English Act the rates, compared with those formerly existing, will be doubled. The scale now obtaining in England ranges from 1 per cent. on an estate of more than £100 to 8 per cent. on an estate of more than £1,000,000. For example, an estate of £1,000 pays into the English Treasury £20, while an estate exceeding £1,000,000 pays a duty of £80,000.

I mention these facts to show that recent discussions in the English Parliament support and justify the principle of our legislation, and that the recently revised legislation there is plainly in the direction of extending, and not of limiting, the application of this principle. The system of graduation has also a place in the legislation of several of the colonies. In Victoria, for example, an estate of £10,000 pays 4 per cent., whereas 10 per cent. is exacted in the case of estates exceeding £100,000.

There were some, I confess, who feared that our statute was calculated to drive capital out of the Province. These fears have, I am pleased to say, in no sense been justified. As to this point, one might well ask that the country should be named which, in this particular regard, is likely to continue to offer for all time to come greater advantages to capitalists than our own. The collection of our duties thus far has been made not only without difficulty, but also without remonstrance or complaint. It has involved no unjust or inquisitorial prying, as some theorists feared it would, into the ways and means of our citizens. In nine cases out of ten, I may say, the collection has been so simple and easy a matter that I might almost call it automatic.

The Province of Quebec received last year by way of succession duties \$149,823. The State of Pennsylvania received as collateral inheritance taxes for the year ending November 30, 1894, \$869,178. For the year ending September 30, 1894, the succession taxes paid into the Treasury of New York State amounted to \$1,685,594, or

nearly one-tenth of the total receipts from all sources of the State during their last fiscal year. The average receipts of New York State from this source for the eight years prior to last year during which the law has been in operation, has been \$1,165,426. New York State, therefore, has been for nine years receiving as large a sum from succession duties as our Province receives by way of subsidy from the Dominion. During 1893 in that State four estates alone paid duties to the amount of \$1,096,036. Their estimate for 1895 is a total receipt of \$2,000,000 from this source. In the other States of the Union in which this means of raising a revenue exists the results are equally satisfactory.

During 1894 the number of estates in this Province for which probates or letters of administration were issued was 4,815, of which only 89, or one out of every 53, were liable to succession duty. Twenty-one out of the 89 were reported from the county of York. In 20 out of 45 counties and districts not a single estate in 1894 came within the Act. Of the \$150,754 received during 1894 the County of York contributed \$48,788 ; Perth, \$20,421 ; Carleton, \$14,968 ; Frontenac, \$11,652, and Brant, \$10,332. The largest contribution from a single estate came from the County of Perth, the amount of duty paid being \$12,500, the deceased being an unmarried man. I particularly call the attention of my Hon. friend from Northumberland to this last statement. (Laughter.)

THE YEAR'S EXPENDITURE.

I will now briefly refer to the expenditure side of the accounts of 1894.

EXPENDITURE, 1894.

Civil Government	\$ 240,474 10
Legislation	142,362 22
Administration of Justice	418,746 63
Education	684,559 80
Public Institutions Maintenance	756,983 92
Immigration	8,140 94
Agriculture	181,064 71
Hospitals and Charities	182,692 51
Repairs and Maintenance	71,548 00

Public Buildings	\$205,194 21	
Public Works	28,582 36	
Colonization Roads	116,879 78	
Charges Crown Lands	111,15 35	
Refunds	21,142 36	
Miscellaneous	204,849 86	
	<hr/>	
	3,374,379 75	
Drainage Debentures	19,051 77	
“ (Title).....	25,800 00	
Railway Aid Certificates	147,515 24	
Annuity “	74,200 00	
Brockville Asylum	197,829 82	
Land Improvement Fund (Special).....	562 17	
Stationery purchased	\$16,686 12	
“ distributed	13,519 64	
	<hr/>	
	3,166 48	
	<hr/>	
		\$3,842,505 23

Civil Government cost us a little less than last year, and Legislation a little more. We spent more than we did in 1893 for Education, for Agriculture, for Administration of Justice, for Hospitals and Charities and for Colonization Roads. We spent, aside from the Brockville Asylum, for the erection of which special provision was made by an Act of the Legislature, \$116,000 less for Public Buildings than we did in 1893. We expect to spend still less for Public Buildings during the current year, since our wants for the time being have been almost fully met. Our expenditure for Agriculture and Arts, viz., \$181,064, exceeded that of any previous year by \$11,500. Our educational expenditures were \$22,000 higher than ever before. We spent considerably more than ever previously for Administration of Justice. I have already alluded to the increased expenditure on Hospitals and Charities. Under each of these four very important heads, therefore, viz., Education, Agriculture, Administration of Justice and Hospitals and Charities, our expenditures were higher than ever before, and this means, of course, an increased measure of relief of local burdens.

Our total expenditures for the year were, however, considerably less than those of last year, and were kept well within our estimate. In connection with the Bureau of Mines, to mention one of our comparatively new and increasing branches of expenditure, we spent last

year \$15,266. We hope that the seed thus sown, though it may be on a small scale, will ultimately bring a rich harvest to our people. Too much attention cannot be paid to our mining interests. The immediate outlook, due solely to the present widespread financial depression, may not be hopeful. At the same time we cannot afford to look idly upon the splendid possibilities of our mining territory. Its admittedly enormous wealth, owing to hard times and want of capital, has as yet only been nibbled at, and with the advent of better times our mining districts must, beyond any doubt, attract capitalists and witness an era of marked prosperity.

CAPITAL ACCOUNT EXPENDITURE.

One-sixth of all the expenditures, of whatever kind, of this Province since Confederation has been incurred for the maintenance of our public institutions.

At the same time the expenditure on capital account, in enlarging existing buildings and erecting new ones, has been enormous. If we add the two together, maintenance charges on the one hand and capital account on the other, we find that almost a fourth of all our expenditure, since Confederation, has been incurred in this one direction. During the last few years, for example, we spent in erecting and equipping new asylums at Mimico, Orillia and Brockville, \$1,356,997. We spent last year, in completing the Brockville Asylum, \$197,830. It was commenced in 1891 and was completed only two or three months ago, at a total cost to the Province of \$317,595. It consists of what is called the main building and six cottages, and provides almost perfect accommodation for 600 patients. The number of inmates reported to me a few days ago was 150. The main building alone will accommodate 185 patients. We have now in the Province excellent accommodation for 4,586 insane. We have within a few years provided additional accommodation for 1,700 patients. At the end of 1894 there were 4,441 inmates in our seven asylums. We believe that we will now have adequate accommodation for all our afflicted for several years to come without incurring any further expenditure on new buildings.

Our public institutions cost us last year for maintenance alone the large sum of \$756,984. We are all agreed that we should care for our insane, as well as for the deaf, dumb, blind and idiotic in our midst, in the most generous and humane way possible, and that it should be our constant duty to lighten as best we can the grievous burden of their terrible affliction. It is further a matter of just pride on the part of our people that this very important public duty has in no sense been neglected.

PUBLIC BUILDINGS.

Our public buildings, while not as expensive or as ornate as those in other countries, are second to none in any country in the matter of general usefulness and adaptability to the public need. Our medical superintendents and physicians are skilled specialists and alienists, and keep well apace with the many and marked advances and improvements which medical science from time to time unfolds. Our trained nurses and attendants and other officials compare favorably in point of usefulness and fitness with those in similar institutions elsewhere.

But it is not, Mr. Speaker, with considerations such as these that the House on this occasion is first of all concerned. I will be asked rather as to whether these institutions, admittedly excellent as they are in all regards, are maintained at as low a cost as possible, or whether we could not in some way or another, while maintaining their high efficiency, appreciably reduce our expenditures. For some years past I have given some attention to this question, and I assert most earnestly that the extreme desirability of effecting a saving, even a small saving, wherever possible, of reducing expenses of every nature to the very lowest limit practicable, and of securing the strictest economy generally to which constant vigilance could attain, has never been lost sight of. And the results, as we have them from time to time, comparatively and otherwise, fully support the statement I have made. It must be always borne in mind that eminent physicians and physiologists are agreed that a most important part of the treatment of the insane relates to what they call

general nutrition, that the inmates of asylums require a greater amount and a better variety and quality of food than are usually supplied to the inmates of other public institutions, that an abundant supply of nutritious food contributes largely to the cure of the insane, and that, therefore, true economy demands the purchase of good, pure and unadulterated food.

NEW YORK STATE ASYLUMS.

A comparison with the results in the neighboring State of New York may be useful, and, I hope, not uninteresting. Prior to Sept. 30th, 1893, the insane of that State were provided for by a county tax. What is called the State-care Act became law in April, 1890, although it did not go into effect until October, 1893. Under the provisions of this Act all the expenditures for the care of lunatics are met by direct State taxation, and it has been the means as well of transferring all the insane, about 2,200 in number, who were being cared for in a most unsatisfactory way in fifty-seven county poor-houses, to the well-equipped and carefully-managed State Hospitals. The State Legislature under the new Act grants a general appropriation for the entire support of State Hospitals. The State Commission in Lunacy, which was organized in 1889, recommended a tax of one-third of a mill, and it has been found that this rate, levied upon the taxable real and personal property of the State, together with the amount received from paying patients, suffices for the maintenance of the eight State Hospitals. The sum realized by this tax amounts to nearly \$1,400,000 a year, which, to quote the Act, is devoted to "the care, medical treatment, maintenance and transportation of the insane poor to State Hospitals, the payment of officers' [salaries, the payment of employees' wages, and ordinary and incidental repairs in State Hospitals."

For these charitable objects, then, a person having taxable real or personal property in New York State, assessed for, say, \$3,000, pays \$1 a year to the county treasurer of his county, the County Treasurers sending these taxes to the Treasurer of the State. The annual State appropriation is expended upon minutely detailed

monthly estimates prepared by the hospital stewards, under the direction of the superintendents, and sent to the State Commission in Lunacy for revision and approval. Two very populous and important counties, namely, New York and King's, are as yet, however, exempt from the provisions of the State-care Act. It is expected, however, that these counties will at an early day be also brought within its provisions. The Lunacy Commission earnestly recommends that the asylums in these exempted counties be transferred to the State, and thus made part of the State Hospital system.

We have, then, in New York State, first the State Hospital system, which prevails in all its counties save two; secondly, the exempted counties' system, with its six asylums, limited to the two counties I have named, and in the third place a licensed private asylum system. In the licensed private asylums of the State, seventeen in number, there are, all told, less than 1,000 patients. The State Hospitals, on the other hand, register nearly 9,000. My comparisons will be with the eight State Hospitals which, under the State-care Act, are maintained by a direct State tax. Our neighbors in New York State, I may say, parenthetically, call these institutions for the insane "hospitals," and not "asylums," regarding them as institutions for the care and cure of the sick rather than merely for the safe confinement of the insane. Similarly, they call the attendants "nurses," and not "guards," and I confess I prefer the change of nomenclature. Each hospital is under the control of a board of ten managers, consisting of men who have displayed zeal and activity in philanthropic work. The managers, who are appointed by the Governor of the State, subject to confirmation by the Senate, for terms of three years, receive for their services nothing save their actual expenses. The State is divided into districts. The eight hospitals to which I will refer are known as the Utica State Hospital, the Hudson River State Hospital, the Buffalo State Hospital, the Middletown State Hospital, the Willard State Hospital, the Binghamton State Hospital, the Rochester State Hospital, and the St. Lawrence State Hospital.

A COMPARISON INSTITUTED.

Let us compare, then, the asylum expenditures in New York State with similar expenditures in this Province. What is the average cost per inmate there and here? A comparison for the last three years will be fair and valuable. Take the years 1892, 1893 and 1894 :—

Average cost per inmate per year :—

	6 Asylums. Ont.	8 Asylums. N. Y.
Year ending Sept. 30, '92	\$137 16	\$206 25
“ “ ‘93	135 71	241 94
“ “ ‘94	127 22	184 77

In both cases, in what we call cost per inmate, there is included officers' salaries, ordinary repairs, and every other item of expense which may be properly charged to maintenance account. In New York State the bursars, under the direction of the superintendents, prepare with minutest detail monthly estimates before the supplies are bought, and these estimates are sent to the State Commission for revision and approval. They earnestly try to keep down the cost of supplies, and yet the comparison is greatly in our favor. Do not these figures prove conclusively that great care is exercised in regard to our asylum expenditure? Further, the following examples will illustrate the great difference in the salaries paid in New York State compared with ours. The Superintendent of State Prisons in New York State receives \$6,000 a year, his assistant \$4,000, the Secretary of the State Board of Charities \$3,500, and the agent for discharged convicts \$2,500. The officers holding corresponding positions in this Province, viz., Messrs. Christie, Chamberlin, Noxon and English, receive \$2,600, \$2,500, \$2,400 and \$1,200 respectively. The work which is done here for \$8,700 a year costs there \$16,000 a year. The Superintendents in New York State asylums receive from \$4,000 to \$5,000 a year, and their first assistants from \$1,800 to \$3,000 a year. The Superintendent of the Middletown State Hospital receives \$4,500 a year, and his assistant \$3,000 a year. The Superintendent of the St. Lawrence State Hospital receives \$5,000 a year. Our Medical Superintendents at Toronto, London, Kingston and Hamilton receive \$2,000 a year, and their assistants \$1,100 a year.

The Superintendents in New York State and here have a free house, and their perquisites otherwise are similar. Furthermore, the State of New York, in connection with their prisons and asylums, has another staff of well-paid officials in addition to medical superintendents and inspectors. The State Commission in Lunacy appointed several years ago, consisting of three Commissioners, a Secretary and a clerk, costs the State in salaries alone \$16,800 a year. The Secretary receives a salary of \$3,500 a year. This Commission, has, without doubt, rendered valuable service to the State. We have no officials such as these. Our institutions are not over-officed. There is a physician employed in the State Hospitals of New York for every 153 patients ; in our asylums we have a physician for every 241 patients. The annual per capita cost for medical service there is \$14.34 ; here it is \$5.33. They have one attendant for every seven patients ; we have one for every fourteen patients. The annual per capita cost for employees there is \$70.63 ; here it is \$32.17.

ECONOMICAL AND EFFICIENT ADMINISTRATION.

Viewed by comparison or otherwise, our financial administration has been such as to command and retain the confidence of the people. The machinery of government, for instance, elsewhere is more complex and is run at far greater cost and with less regard to sound economy. Take, for example, the adjoining Province of Quebec, the adjoining State of New York, or the Dominion itself of which we form a part. I will give hurriedly a few illustrations and comparisons. In the great spending Department of Public Works, for instance, we all recognize that, without great vigilance and constant caution there will always be leakage, waste, plunder and extravagance. Our opponents are ready at all times to admit that our late lamented Commissioner of Public Works administered his Department for more than twenty years with marked success, and that during his long tenure of office not a single instance can be pointed to revealing the slightest departure, even to the extent of a hairbreadth, from strict, sound business principles, or a single case in which there resulted any loss however trifling, to the Province.

Do we, Sir, fully appreciate how fortunate we have been in this regard? Our neighbours have been less fortunate. Take an illustration. The new Capitol at Albany has cost \$21,468,306 up to the end of last year, and the expenditure on capital account is still going briskly on. On construction account \$528,000 was spent in 1891, \$826,000 in 1892, \$803,000 in 1893, and \$741,000 in 1894. In the last four years alone there has been spent upon it twice as much as the total cost of our new buildings. The Governor of the State recently said in his message at Albany: "I call your especial attention to the question of the completion of the new Capitol. In 1890 work was recommenced on this great edifice, after a cessation of several years. The commissioner of the new Capitol then estimated that the building could be completed for something less than \$2,300,000. About \$18,400,000 had then already been expended upon it. The Legislature finally concluded to finish the structure, and make an appropriation for that purpose. Succeeding Legislatures have taken measures in the same direction, with the result that appropriations aggregating more than \$3,000,000 have been made since the estimate above mentioned. The people are thoroughly tired of this seemingly endless drain upon the Treasury. It is time decisive steps be taken to prosecute this work to a close in the very near future, and within a reasonable limit of expenditure." The Commissioner whose duty it is to superintend the construction of the new Capitol receives \$7,000 a year.

A STRIKING COMPARISON.

Other instances nearer home, but equally striking, in which an utter disregard of plain, old-fashioned, sound business principles has resulted in great loss to the Government, will readily suggest themselves to honorable members. I need not here mention them. Again, the machinery of our administration is simpler and less costly by far than that of our neighbors. I will give, by way of illustration, the sal-

aries paid to some leading officials in New York State and the salaries we pay to corresponding officials:—

	N.Y.	Ontario.
State Engineer.....	\$5,000	\$2,500
Deputy State Engineer.....	4,000	2,100
First Clerk.....	3,500	1,400
Factory Inspector.....	3,000	1,000
Assistant Factory Inspector.....	2,500	1,000
Secretary Board of Health.....	4,700	2,000
Assistant Secretary Board of Health.....	2,700	1,100
First Clerk.....	1,800	720
Mining Inspector.....	3,000	2,500
Secretary Forest Commission.....	2,500	1,500
Forest Warden.....	2,500	800
Assistant Forest Warden.....	2,000	600
Superintendent of Insurance.....	7,000	2,800
Two Deputies.....	9,000	*1,800
Four Deputy Attorneys-General, each.....	4,000	3,000
Deputy Superintendent of Education.....	4,000	2,300
Deputy Treasurer.....	4,000	2,300

*Two Clerks.

CIVIL GOVERNMENT EXPENDITURES.

That the machinery of Government alike at Ottawa and Quebec is both more complicated and costly than ours, is too well known to call for details. The Speaker of the House of Commons at Ottawa receives \$4,000, and he has a Deputy who receives \$2,000. Quebec pays its Speaker \$3,000, and we pay you, Sir, \$1,500.

The Clerk of the House at Ottawa receives \$3,400, at Quebec \$2,400, and we pay \$1,800. The Sergeant-at-Arms at Ottawa receives \$2,400, at Quebec \$1,600, and we pay \$600. The Law Clerk at Ottawa receives \$3,200, while we pay one-quarter of that.

Mr. WHITNEY—He does not do the same work.

Hon. Mr. HARCOURT—I must remind the House that our Law Clerk receives just one-fourth of what is paid to the Law Clerk at Ottawa, and that our law officers have for not a few years been kept unusually busy through our being engaged in resisting attempted encroachments upon our rights from the Dominion and contending for the rights of the Province. The Province is fortunate in having had its Law Department so ably managed as to protect the Province

from all assaults and to secure to it the full enjoyment of its rights. In the discharge of these important duties will anyone say that our officials in the Attorney-General's Department should not receive reasonable salaries?

Quebec has its Legislative Council and 23 members, and in this way duplicates the machinery of Government. This luxury, which costs Quebec \$38,000 a year we have been content to deny ourselves. Quebec pays her Members an indemnity of \$800; we pay but \$600. The sessional indemnity at Ottawa is \$1,000.

If we compare in detail the salaries of the officials and clerks at Ottawa and Quebec with ours, the result is the same. Our nearest neighbors in New York State, whose circumstances and needs resemble ours in so many regards, are rapidly increasing their expenditures. The ordinary expenses of their State Government, for example, largely due, it is said, to the creation of commissions, has within the last twelve years increased to the extent of upwards of a million of dollars a year. The average annual per capita cost of maintaining the State Government during the three years ending September 30, 1882, was \$1.24, while the cost for the three years ending September 30th, 1894, was \$2.06. It has been nearly doubled in twelve years. Their population has increased 28 per cent. since 1880, while their average expenditures have increased 112 per cent.

According to a recent statement of Premier Taillon, the net debt of Quebec is \$21,342,854, and it is steadily increasing. The annual outlay in Quebec for interest charges alone for the year ending June 30th, 1894, was \$1,437,932. Out of every \$3 spent by the Province of Quebec last year \$1 was set aside to meet interest and interest charges on the public debt of the Province. Quebec pays each year to meet the interest on its debt \$450,000 more than it spends on agriculture, education and administration of justice all combined. During the last five years the yearly recurring deficits in Quebec have aggregated \$4,822,486, or an average of \$964,497 a year. The net debt of the Dominion, as of date June 30, 1894, was \$246,183,000. It this day amounts to very little, if any, less than \$250,000,000.

During the previous year there had been added to it \$4,502,000. It has been increasing at the rate of more than \$6,500,000 per year for the last sixteen years. The annual expenditures of the Dominion exceed \$37,500,000. They amounted to only \$23,500,000 in 1878. They have increased at the rate of \$880,000 a year during the last sixteen years. For interest charges alone the Dominion paid last year \$10,212,000, and this sum exceeded the payment of the previous year by \$406,000.

GROSS EXPENDITURE REDUCED.

During last Parliament, although we were increasing our grants year by year for Education, Agriculture, Hospitals and Charities, and spent as well large sums in the erection of the Brockville Asylum, we were still able to reduce materially each year our total expenditures. I particularly ask honorable gentlemen to notice the considerable decrease year by year in the gross expenditures of last Parliament. Our total expenditures in 1891 were \$4,158,459; 1892, \$4,068,257; 1893, \$3,907,145; 1894, \$3,839,338.

Further, we spent last year for all purposes \$57,000 less than we did in 1890. Or take all our operations, of whatever kind, during last Parliament, and we have the gratifying result that our total receipts for the four years exceeded our total expenditures by \$373,389. And this, sir, is the more gratifying when we remember that during these four years we had heavy special expenditures, such as \$160,000 given to assist in rebuilding Toronto University, \$703,301 paid out to retire railway aid certificates, and \$981,464 spent on these new buildings and the Brockville Asylum.

SOME DETAILS OF EXPENDITURE.

Our total expenditures for the four years were \$15,973,199, and our total receipts \$16,346,588.

The nearer we can adhere to the old-fashioned ideas of economy, the fundamental principle of which is to make the income of the year meet the expenses of the year, the better for the Province. The present very satisfactory and sound financial position of the

Province is mainly due to the constancy and fortitude with which this principle has been followed. The increased expenditure under the head of Legislation may be referred to by our critics. I ask honorable gentlemen to remember that the volume of our business has been rapidly growing, that we print more reports, that they are more voluminous than formerly, and that we distribute larger editions of them. The cost of printing Bills during each session has been increasing. We spent \$1,600 more on the Legislative Library in 1894 than we did in 1890. Our printing and binding cost us in 1890 \$19,793, and in 1894 \$34,950. It is for the House to say whether we should limit the number of the reports we send out each year. There is a growing demand for them, especially for those relating to agriculture. The Minister of Agriculture will, I am sure, be reluctant to limit the number. The Journals of the House cost us \$661 more in 1894 than in 1890, the Statutes \$864 more, and the insurance reports \$1,836 more. We published 31,910 more reports for the departments in 1894 than we did in 1893, and 21,480 more reports for the Legislative Assembly. The increased cost in the one case was \$4,443, and in the other \$1,339. We began the year with a credit balance at our bankers of \$1,000,016. Our total receipts for the year were \$3,453,162. Our total ordinary expenditures under the Supply Bill were \$3,374,379, and our special expenditures outside of the Supply Bill, such as to retire railway certificates, for construction of Brockville Asylum, drainage loans, etc., \$468,125, so that at the close of the year we had on hand a cash credit balance of \$610,674. Of this amount we had \$342,095 on special deposit, bearing interest in our banks, and \$268,578 at current or operative account.

DISPUTED ACCOUNTS.

Honorable gentlemen will remember that proceedings are pending under the Arbitration Acts of 1891 for the settlement of what we have been accustomed to call the "disputed accounts" between the Dominion and the Provinces of Ontario and Quebec, as well as between these two Provinces. The first subject which occupied the attention of the Arbitrators was the question respecting the allow-

ance of interest on these accounts, and other questions incident to the taking of the accounts. These matters were argued at Ottawa in June, 1893, the argument being continued for six days. The same matters were further argued at Quebec during the following month for five days. There was then an adjournment to Toronto, where the argument was concluded on the 14th and 15th of the following September.

The Arbitrators published their first award on November 2nd, 1893, paragraph 8 of which decides "that the question as to whether or not the Dominion shall be allowed simple interest at the rate of five per cent. per annum on any balance that may be found from time to time existing in its favor, in the separate accounts of Ontario and Quebec, be reserved for further argument." The final argument on this matter took place at Ottawa on January 11th and 12th, 1894. The Arbitrators published their second award on August 31st, 1894. The Dominion was not satisfied with some of the findings in the first award, and has appealed to the Supreme Court. This appeal was argued before the Supreme Court at Ottawa on the 9th, 10th and 12th of November, 1894, and now stands for judgment. The Dominion, amongst other claims, has filed claims against Ontario and Quebec jointly, and against Ontario alone for unpaid Indian annuities in respect of the Robinson Treaties of 1850.

Another claim preferred by the Dominion against Ontario, relates to certain immigration expenditures in respect of the years 1878, 1879 and 1880.

The Province of Ontario, on the other hand, filed a claim against the Dominion and Quebec for the recovery of a balance on the Upper Canada Municipalities Fund. These matters were argued at great length at Ottawa in November, 1894.

RESULT OF THE ARBITRATION.

A few days ago, namely, on the 13th of February last, an award was made disposing of these three matters. The claim under the Indian Treaties was considered under three heads, one of which concerned Ontario and Quebec jointly, the other two Ontario only. The award makes the Provinces liable, provided that the payments

can be made without incurring loss. The largest part of the claim was for interest on arrears, and in two heads of the claim out of three, all interest was totally disallowed, while in the third interest was allowed. In this latter case Chancellor Boyd dissented, and held that interest should not be allowed. The argument thus far has dealt with the question of legal liability only, and the award still leaves it open to have the accounts taken as to the number of Indians entitled and as to the nature of the items of expenditure to be considered, in order to arrive at a balance of what could be paid to the Indians from the sales of lands without incurring loss. According to examinations, made it appears that the expenditures were in excess of the collections, and if so there is no fund whereby the arrears can be paid. We also dispute the large increase in the number of Indians for whom a claim is preferred, and believe that a scrutiny will materially diminish the number which the Dominion recognizes as entitled to annuities. The award of the 13th of February, to which I have been hurriedly referring, disposes of the other two matters above mentioned, namely, the immigration claim and the Municipality Fund claim. These did not involve very large amounts. In both of them the award is in favor of the Province.

These matters are still in controversy and before the Courts, and I merely allude to them in order to inform the House that real progress is at last being made, and that all parties concerned are striving in every way possible to bring about a speedy, an amicable and a satisfactory settlement of all existing difficulties.

A COMFORTABLE SURPLUS.

I now ask honorable gentlemen to glance for a moment at our schedule of Assets and Liabilities.

ASSETS OF THE PROVINCE.

1.—DIRECT INVESTMENTS :—

Drainage, 5 per cent. debentures invested 31st December, 1894	\$213,054 97	
Tile, 5 per cent. debentures invested 31st December, 1894	122,800 15	
Drainage Works—Municipal amounts..	143,567 66	
Other debentures, etc.....	4,801 00.	
	<hr/>	484,223 78

2.—CAPITAL HELD AND DEBTS DUE BY THE
DOMINION TO ONTARIO, BEARING
INTEREST :—

U. C. Grammar School Fund (2 Vict. Cap. 10)	\$ 312,769 04	
U. C. Building Fund (18 Sect., Act 1854)	1,472,391 41	
Land Improvement Fund (see Award) ..	124,685 18	
The Capital under Act 1884 (Award '93)	2,848,289 52	
Less estimated balance due the Dominion	2,000,000 00	
	<u>848,289 52</u>	
		2,758,135 15

COMMON SCHOOL FUND :—

Collections by Dominion	1,520,950 24	
Collections by Ontario, paid over to the Dominion in 1889 and 1890, after deducting Land Improvement Fund and 6 per cent. for collections	936,729 10	
	<u>2,457,679 34</u>	

Ontario's share according to population, 1891	1,441,882 90	
	<u>4,200,018 05</u>	

3.—BANK BALANCES :—

Special Accounts	342,095 85	
Current Accounts	268,578 29	
	<u>610,674 14</u>	
		<u>5,294,915 97</u>

LIABILITIES OF THE PROVINCE AT PRESENT PAYABLE.

1.—BALANCE DUE TO MUNICIPALITIES <i>re</i> SUR- PLUS DISTRIBUTION	\$1,291 30
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2.—LAND IMPROVEMENT FUND :—

Balance due to Municipalities under 45 Vict. Cap. 3 and 49 Vict. Cap. 6...	\$3,256 57	
Balance due to Municipalities under 54 Vict. Cap. 9	2,771 64	
	<u>6,028 21</u>	

3.—QUEBEC'S SHARE OF COLLECTIONS BY ONT-
ARIO ON ACCOUNT OF COMMON SCHOOL
LANDS IN 1890-91-92-93-94 :—

Collections on lands sold between the 11th June, 1853, and 6th March, 1861	45,162 45	
Less 6 per cent. cost of management	2,709 75	
	<u>42,452 70</u>	
Less one quarter for Land Improvement Fund	10,613 17	
	<u>31,839 53</u>	

Collections on lands sold since 6th March, 1861	\$11,829 76	
Less 6 per cent. cost of management....	709 78	
	<hr/>	11,119 98
		<hr/>
		42,959 51
Quebec's proportion according to population, 1891		17,755 82
		<hr/>
Total.....		25,075 33
		<hr/>
Surplus of Assets after deducting Liabilities presently payable..	\$5,269,840 60	
	<hr/>	

We have had this question so frequently under discussion that a word or two only will now suffice. As to our assets, it must be remembered that we do not include in the schedule several most valuable assets which indisputably belong to the Province. The uncollected balances due us on account of sales of Crown Lands aggregate a large amount and constitute a valuable asset. The site of the old Parliament buildings, worth certainly more than half a million of dollars, which the Legislature authorized us to sell and apply the proceeds towards the erection of these new buildings, is another very valuable asset. Our untold forest wealth and our public buildings represent other assets. Every Bank and every other commercial corporation the world over includes assets such as these in presenting their balance sheet to the directorate..

In part two of the schedule of assets it will be noticed that, having the arbitration proceedings, to which I have alluded, in view, I give \$2,000,000 as the approximate balance which may be found to be due to the Dominion on the open accounts. This figure is, I believe, an excessive estimate. It is at best only an estimate. The present liabilities, referred to in the schedule, amount to only \$25,000. All told, deducting present liabilities from the partial list of cash assets which appear on the schedule, we had at the end of last year a comfortable surplus of \$5,269,840. (Loud Applause). We have also railway liabilities, the payment of which is spread over a period of 40 years to come. We do not treat them as a present liability. We treat them in precisely the same way as the Dominion Government and the Governments of the other Provinces treat exactly similar liabilities.

PROSPECTS FOR 1895.

A word as to our prospects for the present year. We estimate that we will receive \$3,149,372.

ESTIMATED RECEIPTS, 1895.

Subsidy	\$1,196,872 80
Interest on Capital held, and Debts due by the Dominion to Ontario	\$300,000 00
Interest on Investments	50,000 00
	<hr/> 350,000 00

CROWN LANDS DEPARTMENTS :—

Crown Lands	55,000 00
Clergy Lands	5,000 00
Common School Lands	12,000 00
Grammar School Lands	3,000 00
Woods and Forests	750,000 00
	<hr/> 825,000 00

PUBLIC INSTITUTIONS :—

Toronto Lunatic Asylum	40,000 00
London "	12,000 00
Kingston "	5,500 00
Hamilton "	13,000 00
Mimico "	3,000 00
Orillia Asylum for Idiots ..	3,000 00
Reformatory for Females	3,500 00
" Boys	500 00
	<hr/> 80,500 00
Education Department	50,000 00
Casual Revenue	80,000 00
Succession Duty	175,000 00
Licenses	280,000 00
Law stamps	85,000 00
Algoma Taxes	3,000 00
Assessments, Drainage Works	15,000 00
" Insurance Companies	3,000 00
" Removal of Patients	6,000 00
	<hr/>
Total	3,149,372 80
	<hr/>

Our revenue expectations have been more than fulfilled each year, and we have no reason to fear that 1895 will prove an exception.

The actual receipts of last year exceeded the estimate by \$306,290. We expect \$825,000 from Crown Lands. Liquor license receipts are put at \$280,000. We hope to receive \$175,000 from succession duties.

We estimate our expenditures for 1895 at \$3,401,905. This is \$14,000 less than last year's estimate, and \$328,636 of it is on capital account, and not for current expenditure. We have always kept our expenditures well within the amount authorized by the House. As I have already said, our total expenditures have been decreasing year by year for several years past. We hope to be able to keep the expenditures of 1895 at a lower figure even than those of 1894. We commenced the year with a credit balance of \$610,674 in our banks, and we have every reason to believe that the year's operations will prove completely satisfactory to the House and the country.

A GLIMPSE AT THE PAST.

This is, Mr. Speaker, the twenty-eighth Session of the Legislature of this Province. Seven Parliaments, more or less eventful, have run their course, and we have now entered upon the first Session of our eighth Parliament. The record of each successive Parliament is one of highly satisfactory progress. A fair review of our Parliamentary history will, to the impartial observer I am proud to say, disclose an uninterrupted series of administrative and legislative successes. In reviewing the very able and lucid statements of my predecessors, I fail to find that any one of them ever took a gloomy view of our financial situation, present or prospective. Timely words of caution, it is true, have been over and over again uttered, with the view of securing the assistance of the House in the curtailment of expenditures wherever possible. Honorable members during each Parliament, nay, during every Session of each Parliament, have been earnestly reminded that no inconsiderable part of the public expenditures lay well within the control of House itself, and the House has, therefore, been asked to carefully limit this class of expenditures so far as this could be done without detriment to efficient service.

PROGRESS AND ECONOMY.

What, in brief, Sir, has been the guiding principle of our admittedly successful financial administration? Our clearly-defined policy, approved of so frequently and emphatically by the electors, has invariably been to aim at meeting in every quarter the rapidly-growing demands of the most populous, the most progressive and the most important Province in the Dominion. These demands have been met, in part at least, as I have shown, by large and increasing yearly grants to many and varied public services. Recognizing, for example, that we had a large, new and promising territory in Northern and Western Ontario to open up and develop, we have asked the Legislature from time to time to further this work with liberal grants of money, and by doing so to bring home to the new settlers some, at least, of the many advantages which the older parts of the Province so richly enjoy.

Large subventions to railways, generous grants to schools, liberal votes in aid of agriculture and mining, new asylums and other public buildings, which are justly the pride of the Province, costing in the aggregate millions of dollars, while supplying urgent, immediate needs, have, of course, greatly added to our gross expenditures. Session after Session the Legislature has, without a dissenting voice, without a word of protest or complaint, agreed in all these particulars to add largely to our yearly burdens. No interest, educational, agricultural, mercantile or otherwise, has in any way been neglected. No class or section of our people has been overlooked. No class or section has been unduly favored. In granting our appropriations the question is never asked as to who can be humored, who defied, or who manipulated. The general interest of the whole community, and it alone, has on every occasion outweighed all other considerations. These increasing expenditures are unavoidable. New expenditures of the nature I have named represent new assets of indisputable value.

AN ENVIABLE RECORD.

Time and again during each Session prominent members of the Opposition, as well as deputations from all parts of the Province,

and representing both political parties, have earnestly asked for increased grants and suggested that we should assume new responsibilities.

Growth, expansion, development, call for and require an ever-increasing measure of aid from the public chest. As population increases, as our new and rich northland develops, as settlers from year to year enter upon and occupy portions of the Province hitherto unsettled, demands for new and increased grants must be expected. These demands are inexorable, and a progressive Government and Legislature dare not refuse them. Moreover, this new Parliament will, I venture to say, in its desire to reach still higher ground and to further promote the betterment of the condition of all our people, wherever situate, confirm and adopt, if not extend in this behalf, the policy of preceding Parliaments. As to these matters, we are by no means alone in our experience. It is the common experience of all progressive countries. Progress, expansion and development have been won and secured in only one way the world over, and that is the way I have briefly indicated.

We are, at the same time, fortunately for ourselves, almost alone in being able to claim and to prove that all our expenditures have been justifiable, that they have been one and all solely and exclusively in the public interest, that they have been kept well within our resources, and, further, that, after having spent millions of money on railways, public buildings, public works and other important public services, our position, financially, is admittedly exceptionally strong and enviable. At the same time, I confidently predict, Sir, that this Parliament will insist, as its predecessors have rigidly and uniformly insisted, that there shall be no waste of public moneys, that the most rigid economy, in things great and small alike, shall be enforced, that public funds shall never be diverted, under any delusive pretext or pretence whatever, so as directly or indirectly to corruptly enrich favored individuals, but that to the last cent the Province shall continue to receive a full, fair and ample equivalent for every dollar of its appropriations.

I move, Mr. Speaker, that you do now leave the chair.

STATEMENT shewing amounts payable annually for Certificates, issued by the Treasurer of the Province of Ontario, for "Aid to Railways" and "Annuities."

Year.	Railway Aid Certificates.	Annuities.	Year.	Railway Aid Certificates.	Annuities.
	\$ c.	\$ c.		\$ c.	\$ c.
			<i>Forward..</i>	1,098,872 24	1,484,000 00
1895.....	156,610 04	74,200 00	1915.....	25,185 60	74,200 00
1896.....	151,601 84	74,200 00	1916.....	25,185 60	74,200 00
1897.....	131,049 98	74,200 00	1917.....	25,185 60	74,200 00
1898.....	102,536 98	74,200 00	1918.....	25,185 60	74,200 00
1899.....	88,104 59	74,200 00	1919.....	25,185 60	74,200 00
1900.....	82,031 58	74,200 00	1920.....	25,185 60	74,200 00
1901.....	50,226 17	74,200 00	1921.....	25,185 60	74,200 00
1902.....	34,068 57	74,200 00	1922.....	25,185 60	74,200 00
1903.....	25,600 89	74,200 00	1923.....	25,185 60	74,200 00
1904.....	25,185 60	74,200 00	1924.....	25,185 60	67,500 00
1905.....	25,185 60	74,200 00	1925.....	25,185 60	53,800 00
1906.....	25,185 60	74,200 00	1926.....	25,185 60	40,650 00
1907.....	25,185 60	74,200 00	1927.....	25,185 60	28,250 00
1908.....	25,185 60	74,200 00	1928.....	25,185 60	22,000 00
1909.....	25,185 60	74,200 00	1929.....	25,185 60	22,000 00
1910.....	25,185 60	74,200 00	1930.....	24,486 00	22,000 00
1911.....	25,185 60	74,200 00	1931.....	20,988 00	15,000 00
1912.....	25,185 60	74,200 00	1932.....	13,992 00	4,000 00
1913.....	25,185 60	74,200 00	1933.....	11,193 60
1914.....	25,185 60	74,200 00	1934.....	9,094 80
<i>Forward....</i>	1,098,872 24	1,484,000 00	<i>Totals....</i>	1,556,410 64	2,427,000 00

Note.—Present value of Railway Certificates—(interest $2\frac{1}{8}$ per cent. half-yearly) \$1,269,545 39
 Present value of Annuities—(interest $2\frac{1}{8}$ per cent. half-yearly) 1,301,473 75

C. H. SPROULE,
 Provincial Auditor.

PROVINCIAL AUDITOR'S OFFICE,
 TORONTO, February 20th, 1895.

1 Ontario Treasury Dept. (a.e.)
1 Ontario - Finance and Taxation