

be if there is a fair settlement of the arbitration question, and it is requisite, for the present at least, that we should confine our expenditure within our means, from year to year, living within our annual income and not going beyond it. (Hear! hear!)

Upon anything like a fair settlement of the matters in issue between us and Ontario it will be found that what I stated on a former occasion is correct, that we can in any one year pay in full all arrears of interest to the Dominion Government, if any such arrears there be, without in any way embarrassing the Provincial public business, or rendering taxation necessary.

Taking into account, therefore, Mr. Speaker the large amount of public works of a permanent character for the past five years out of annual revenue, the amount in the hands of the Dominion Government, on account of interest, on our public debt, also paid out of annual revenue, we have no cause for despondency as to our future financial prospects, but on the contrary good reason to take courage.

Another point, Mr. Speaker, to consider, is whether we have reason to apprehend any serious diminution of our annual revenue in future. Our Dominion subsidy is permanent and fixed, less any annual interest to the Dominion Government. Our law fee fund is steadily increasing; our license fund is also gradually increasing and may legitimately be made larger without imposing any burden on the people generally; our Crown Lands receipts, I believe, with due care practised will, to say the least, not diminish and may be increased.

I am aware that some doubt whether the Crown Lands Department can or will continue for any length of time to give a revenue, anything like that given for several years past.

Let us look at the question for a moment.

I take it that parties who obtain limits to cut timber on Crown Lands, taking into account the bonus they pay per mile, or obtaining limits at the annual ground rent of \$2 per mile square, which must be paid whether the limits