

claimants with full liberality and meet every contingency. I mean to divide all I can this year, but I do not know with sufficient accuracy what our public debt is, to apply it all."

In that session (1871) a beginning was made by Mr. Sandfield Macdonald's Government of using the accumulations for permanent objects, by appropriating a million and a half thereof in aid of railways. No one has ever since pretended that it was unwise to appropriate that amount to aid railways, though great objection was justly made to the absolute power which that Government took of selecting the roads to be aided, and of determining the amount of aid to each, without my reference to the Legislature as to these important matters.

ONTARIO CAPITAL EXPENDITURE.

The million and a half appropriated for railways had not become payable, and was not paid, until after the change of Government. It has been paid out since : and further appropriations and payments were from time to time made afterwards for the same object, so that up to the 31st December, 1892, the Province had paid in cash for railway aid nearly six millions of dollars (or more exactly \$5,813,667), two millions of dollars more than the aggregate amount of the accumulations during Mr. Macdonald's Premiership.

Besides this expenditure in aiding railways, large sums of our capital and revenue have also been expended, in and since 1872, in finishing buildings previously begun by Mr. Sandfield Macdonald's Government, and not completed at the time of his defeat and resignation. Also, in needed additions to these buildings from time to time since; and in new buildings and public works. The total expenditure on public buildings and public works from 1872 to 1892, inclusive, was nearly nine millions of dollars (or, more exactly, \$8,846,943), or more than double the amount of Mr. Sandfield Macdonald's investments and cash deposits.

These two heads of expenditure alone amount to (in round numbers) thirteen millions of dollars, or more than four times Mr. Sandfield Macdonald's investments and deposits ; and these capital expenditures, so far from being in opposition to the policy of his Government, were actually in accordance with that policy.

Besides the expenditure on railways and for needed public buildings and public works, large sums have gone annually for various objects in relief of the municipalities, such as the Administration of Justice, Education, Agriculture and Arts, Industrial Farms, the Maintenance of such Public Institutions as Asylums, the Central Prison, the Penetanguishene Reformatory, aid to Hospitals and Charities, and various other objects of municipal interest ; and colonization roads ; not to speak of the distribution in 1874 and subsequent years of more than three millions of dollars (\$3,388,377) amongst the principal municipalities of the Province in connection with the settlement of the municipal loan fund indebtedness of other municipalities.

If the Province had not had the early investments and the subsequent timber sales (of which I shall speak) to assist, no such expenditure could have been made for the important public purposes mentioned without going into debt (as is done elsewhere), or meeting the expense by a large direct tax on the real and personal property of the whole people of the Province in the same manner as municipal funds are raised. Expenditure on buildings and works by the other Provinces, and by the Dominion as well as by other countries, is made by incurring debts. There are few, if any, States of the Union which have not incurred debts for some or all of these purposes. The debt incurred by the Dominion for such objects is upwards of 200 millions of dollars.