

for bonuses, for we have had no sales ; but from ordinary revenue from working the timber limits we will receive \$245,201, and we have accruals to collect to the amount of \$125,000. This is based on the estimate of the Commissioner, and is probably correct. But while the receipts show a diminution, the expenditure of the Department will be reduced. I assume that the amount I took for 1875 will not be exceeded. I anticipate there will be a surplus at the close of 1875, just as there was a surplus at the end of 1874, and that there will be nearly \$200,000 of the appropriation still in hand when the present year is closed.

Before proceeding to refer to the estimated revenue from this source for 1876, I will mention for the information of the House what has been the result of the sales of the Municipal Loan Fund Debentures. The amount of those debentures, and which represented the reduced debts of the municipalities, was £363,000 sterling, or \$1,800,000 ; that is, after crediting the Municipalities of Brockville, Lanark and Renfrew with the amounts payable to them in connection with the settlement of the judgment obtained by the Canada Central Railway for a grant of land, and which was effected under the authority of an Act of the Legislature passed upon a full consideration of all the facts. Now, hon. members in dealing with this question about the Municipal Loan Fund debt, forget that the basis of the measure depended entirely upon the aggregate amount of the obligations of each indebted municipality, and that was determined not by the reduction which this House agreed to, on the motion of my hon. friend the Attorney-General, but by the Act passed by the former Province of Canada in 1858. I refer to this Act because some hon. members discuss this subject without attempting to understand it, and say that out of ten or twelve millions of debt due to the Province of Canada, this Government has made ducks and drakes of most of it, and has only a million and a half left to represent it ; and this is dwelt upon as showing how unsatisfactory the administration of public affairs has been under a Reform Government. Let us understand this matter. What was the basis of the most important reduction made in these debts ? That will be found in the enactment of 1858, introduced by a Conservative Administration. That Act established that the utmost liability of any borrowing municipality was to be represented at the rate of five cents in the dollar upon the assessed value of the property in the year 1858 ; that for all time to come the obligation of the muni-