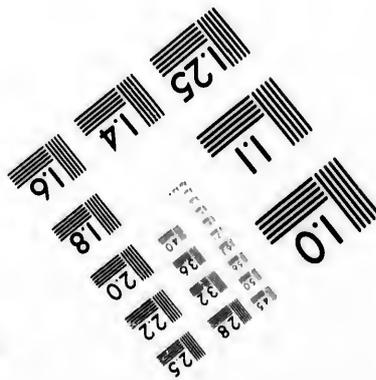
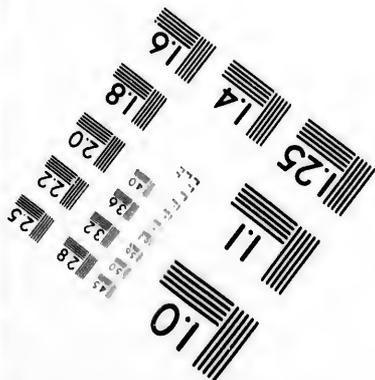
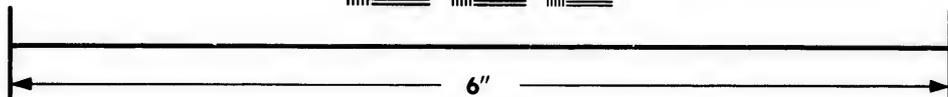
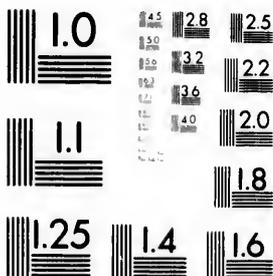


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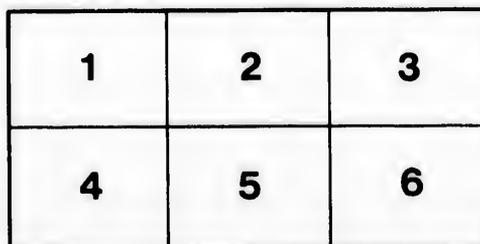
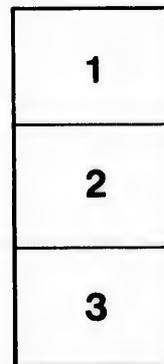
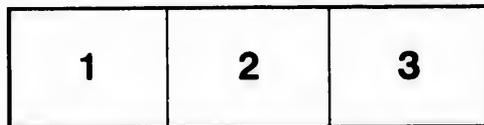
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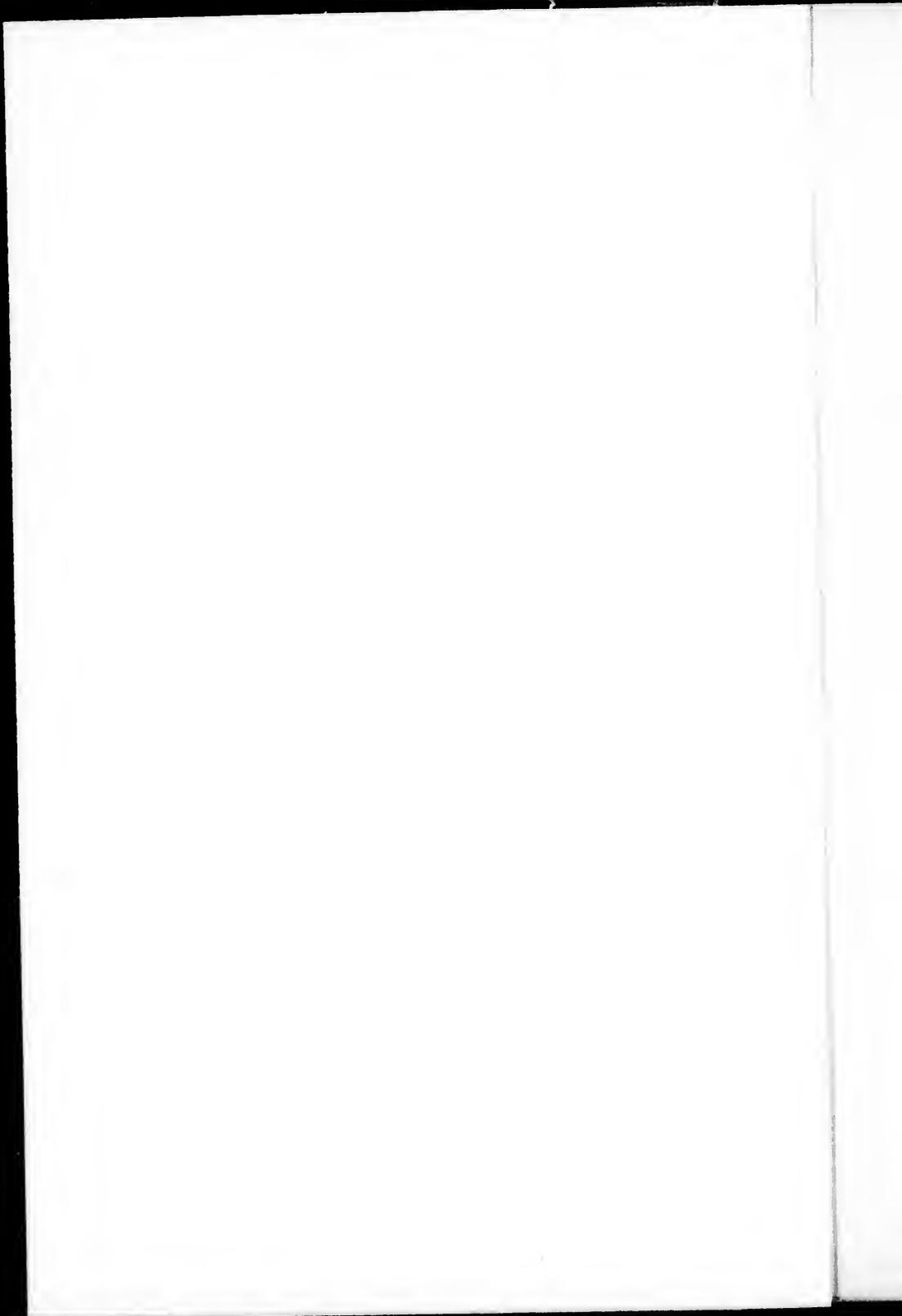
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THE BUDGET SPEECH

OF THE

HON. J. G. ROBERTSON

Treasurer of the Province of Quebec.

LEGISLATIVE ASSEMBLY,

QUEBEC, 24th MARCH, 1885.

PRINTED BY THE GAZETTE PRINTING COMPANY.

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THE BUDGET SPEECH

—OF THE—

HON. J. G. ROBERTSON,

TREASURER OF THE PROVINCE OF QUEBEC.

LEGISLATIVE ASSEMBLY,

QUEBEC, 24TH MARCH, 1885.

The Speaker submitted a message from the Lieut.-Governor, transmitting the estimates.

Hon. Mr. ROBERTSON rose, amid applause, and on motion that the House go into committee of supply, said :

Mr. SPEAKER—I beg leave to move that you do now leave the chair, and that the House form itself into committee of supply.

This motion necessarily involves certain explanations on my part, which the House and the Country have a right to expect, not only as to the disposition to be made of the monies asked from the House, but as to the sources from which these monies are expected to come, and also it will be expected that some information should be given as to the revenue received during the past fiscal year, and the disposition made of the same ; as also the prospects of revenue for the next year, and its proposed economical expenditure for public purposes.

I shall give all the information I can on these points, and I am sure the House will bear with me while I as briefly as possible set before Honorable members my views on our Province financially as respects the past, present and future fiscal years.

Mr. Speaker, you have experienced the difficulty of making

questions of figures and financial statements interesting to a general audience, even though your experience for so many years as a prominent member of the bar has given you a facility of expression which I do not pretend to have or ever can acquire, but, Sir, I can assure you and this House that so far as I am able, my statements shall be clear, concise and reliable, and will, I hope, place matters in their true light before this House and the country. (Cheers.)

I hold, Mr. Speaker, that on an occasion of this kind it is my duty to explain things just as they are, to show the dark side of the picture as well as the bright side. We must find out the nature and extent of a disease in order to be able to apply the proper remedy, and although it may not be pleasant at all times to refer to disagreeable matters, still I take it this House wants the true position of affairs to be given, and this I will attempt to do.

THE PEOPLE AND TAXATION.

There is no disguising the fact that our Province, financially, is not what we would all like it to be. That we need the closest attention to our finances in order that they may be kept at all what they ought to be, is evident to every one. Our revenue, to say the least, is not increasing much, and in some branches, must, in the nature of things and from circumstances which are beyond our control, be seriously lessened before long. The state of public opinion in this Province is such that it is almost impossible to collect what is honestly due the Crown, from the fact that a great part of our people have not been accustomed to contribute towards Government expenditure, but, on the contrary, have been accustomed to rely upon the Government for assistance for purely local objects, which should have been found from local sources. On the other hand, it requires almost superhuman efforts to keep the expenditure for so called public purposes within proper bounds, and the fact is patent that all governments are expending more largely from year to year. I do not say in all cases unduly or improperly, but the business of most countries is increasing rapidly, and requires more supervision and more

expenditure. It is always easier to find fault with others than to do better ourselves, and the difficulty connected with carrying on our system of Government should not be overlooked in judging of how matters are carried on either as to the collection of revenue or its expenditure.

It is no new thing for me to urge the absolute necessity of retrenchment and economy in our expenditure so as not to exceed our ordinary annual revenue, or to urge the propriety of collecting closely in order to increase our receipts. The difficulty however, arises in carrying into every day practical operation these important obligations. While hundreds of thousands of people practically ignore their obligation to pay government claims, and hold back from payment, and furthermore are clamorous for money for thousands of different objects which they consider legitimate and necessary from the Government, it is hardly possible for a Government to do as they would and satisfy the people of the country.

Our entire system of government may be said to hinge upon our financial condition, with that in good shape—with sufficient revenue to meet the demands of the public service—to meet, say, the administration of justice, our educational institutions, superior, common and benevolent, sufficient to meet demands for agricultural and colonization purposes, to permit of assistance to railway construction in various parts of the Province, to meet the expenses of legislation and of the civil service. With all these provided for as respects money, everything then would work smoothly and satisfactorily. Such a state of things is highly desirable and worthy of every effort from all of us to accomplish.

This state of things does not exist at present, and the problem to be solved is to conduct the public business of the country with efficiency and at the same time economically; to collect what is due the Crown without unduly pressing upon the debtors, and also to limit the expenditure for necessary objects without impairing the proper working of our institutions.

Here is where the difficulties come in. These things are easier to talk about than to carry out, but it is necessary to allude to them from time to time so that all may see our position and feel

the obligations resting upon them, and do their share towards bringing about the desired result—a proper equilibrium in our finances.

The public accounts, for the past fiscal year, in a somewhat altered form from heretofore, have been laid before the House and contain the receipts from all sources and the expenditure for that period. I trust honorable members upon examination will find them on the whole satisfactory, and although we have not been able to do all in the way of collections and expenditure which could have been wished, at the same time our revenue has been kept up to its usual standard, and our expenditure, within the appropriations, made as far as possible consistent with efficiency in the public service.

RECEIPTS AND EXPENDITURE 1883-84.

I shall now give a short summary of receipts and expenditure grouped together, which may assist some in understanding the accounts better, and at any rate will afford the general public information which they can only obtain through newspaper reports:—

RECEIPTS.

Dominion of Canada.....	\$1,014,712 12
Ontario—On account of interest on Common School Fund.....	25,000 00
Crown Lands.....	753,378 28
Licenses.....	268,840 48
Justice.....	242,910 91
Public Officers—percentage.....	6,180 90
Legislation.....	395 67
Insurance on Library burned.....	39,200 00
Official Gazette.....	16,733 15
Asylums—Contributions by municipalities and patients.....	2,598 88
Public Buildings—.....	1,388 60
Casual Revenue.....	1,119 99
Pension Fund—Contributions.....	5,470 13
Interest.....	97,979 13
Quebec Fire Loan.....	506 66
Municipal Loan Fund.....	5,788 58

Direct Taxes.....	5,757 40
Teachers' Pension Fund—Contributions.....	16,021 37
Traffic Collections—Q. M. O. & O. Railway.....	1,248 98
Interest on Price—Q. M. O. & O. Railway.....	374,532 82
Refunds.....	5,317 54
	<hr/>
	\$2,885,081 59
Trust Funds—Marriage licenses, &c.....	8,064 81
Repayment of Advances.....	2,250 00
City of Quebec payment towards North Shore Ry..	220,000 00
Rent of railway property collected.....	163 34
North Shore Ry. Co.—Refund of amount paid City of Quebec under agreement of 21st Aug., 1882....	15,000 00
Proceeds of debentures issued under 45 Vic., Cap. 18.	2,363,033 34
Temporary Loans.....	400,000 00
	<hr/>
	\$5,893,593 08

EXPENDITURE.

Public Debt.....	\$964,192 56
Legislation.....	216,864 78
Civil Government.....	202,820 80
Administration of Justice, including Police, Refor- matories and Inspection.....	464,548 51
Public Instruction, including teachers' pensions....	351,315 00
Literary and Scientific Institutions.....	18,399 30
Arts and Manufactures.....	3,000 00
Agriculture.....	85,941 75
Immigration and Repatriation.....	17,000 00
Colonization.....	82,246 35
Public Works and Buildings.....	\$254,075 13
Less to be paid out of Loan, pro- ceeds of debentures.....	137,854 33
	<hr/>
	116,220 80
Lunatic Asylums.....	227,500 00
Grants to Charitable Institutions.....	47,412 00
Reformatory and Industrial Schools.....	20,500 00
Miscellaneous.....	26,000 00
Agent in France.....	2,500 00
Fish and Game Protection Club.....	250 00
Drill Shed, Quebec.....	15,000 00
Royal Commission <i>re</i> Construction of Parliament Buildings.....	300 00
Royal Commission <i>re</i> Jacques Cartier Election.....	300 00

Municipal Loan Fund—Salary and expenses of		
Commissioner.....	1,459	37
Engineers for mining purposes.....	2,646	20
Crown Lands expenditure.....	176,499	49
Official Gazette.....	11,328	68
Pensions.....	17,041	25
Municipalities Fund.....	792	00
Stamps, Licenses, &c.....	14,803	84
Revenue Police.....	2,164	82
Licenses, payments by Revenue Collectors out of col- lections.....	18,715	79
Building and Jury Fund—payments by Sheriffs out of collections.....	10,662	99
Traffic Expenses—Claims, Q. M. & O. Railway.....	6,700	00
	<u>\$3,125,126</u>	28
Trust Funds (distribution of Marriage Licenses fund and payment of R. C. Superior Ed. deposit).....	7,495	00
Parliament Buildings—Payments out of proceeds of Loan of 1882.....	83,835	95
Court House, Quebec—to be repaid from debentures.	54,018	38
Seed Grain Loan—guaranteed interest to be paid by Municipalities.....	5,616	00
Quebec Central Guarantee Deposit repayments.....	118,121	31
Railway Subsidies.....	137,465	80
Q. M. O. & O. Railway—Accounts out- standing for construction and lands, \$219,428 59 City of Quebec under agreement of 21st Aug. 1882, (repaid by North Shore Railway Co.).....	15,000	00
	<u>234,428</u>	59
Q. M. O. & O. Railway—Changing line from Prince Edward street.....	203,125	00
Temporary loans repaid.....	700,000	00
	<u>4,669,232</u>	31
Balance.....	<u>1,224,366</u>	77
	<u>\$5,893,593</u>	08
Memo:		
Cash on hand 1st July, 1883.....	\$1,125,335	24
Less unpaid warrants at 30th June, 1883 (since paid)	93,050	64
	<u>\$1,032,284</u>	60

	Balance of receipts and payments for the year	
59 37	1883-84	1,224,360 77
46 20		<hr/>
99 49		\$2,256,645 37
28 68	Cash on hand 30th June, 1884	\$2,328,713 78
41 25	Less unpaid warrants	72,068 41
92 00		<hr/>
03 84		\$2,256,645 37
64 82		

15 79 It will be seen from the above statement that what may be termed ordinary usual receipts amounted during the last fiscal year to \$2,885,081.59, and with receipts from all sources, trust funds, railway receipts, proceeds of loans, &c., brought the amount received up to \$5,893,593.08.

26 28 The expenditure upon ordinary public services amounted to \$3,125,126.28, and for all purposes including Parliament buildings, Quebec court house, railway subsidies and guarantee and towards construction of North Shore line, repayment of temporary loans, &c., amounted to \$4,669,232.31, leaving a difference of \$1,224,300.67, excess of gross receipts over gross expenditure.

95 00 The difference between ordinary usual receipts, and ordinary usual expenditure would seem to be \$240,000.00, a considerable reduction on former years, and a step in the right direction. As a matter of course the cost of the erection of the Parliament buildings comes out of loans, and of the Quebec court house out of debentures authorized to be issued by statute to reimburse the outlay on that building.

35 95 It will be observed that our principal receipts were from the Dominion Government, Crown Lands, Licenses, Justice and Interest, ranging pretty much the same from year to year. There was a falling off from Licenses last year, of some 30,000 dollars, owing to the change of the law by the Dominion, which I fear will be exceeded this year. The Crown Lands fell short by \$51,000 last year, but came up to the estimate made of receipts for that Department. The other items of receipts averaging nearly the same as former years.

18 38 The interest upon our public debt was nearly one million of dollars, and Civil Government, Legislation, Administration of

Justice, Education and Agriculture and Colonization absorbed most of the expenditure aside from what was spent on public buildings.

COMPARISON WITH ONTARIO.

To show how increase in expenditure naturally comes with others as well as ourselves, let us look at the Province of Ontario and see whether the expenditure has been increasing there or not.

	1871.	1873.	1884.
Legislation.....	\$ 94,177	133,366	141,440
Civil Government.....	114,613	202,898	179,825
Justice.....	182,621	275,244	331,026
Education.....	351,306	513,347	531,551
Public Institutions.....	213,039	648,995	600,216
Immigration.....	29,712	47,764	43,369
Agriculture.....	74,927	139,725	195,362
Miscellaneous.....	34,559	103,717	84,754
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	\$1,094,954	\$2,065,056	\$2,107,643

I have not taken all the items in the Ontario Statement, but the expenditure on other objects is even higher in proportion than those I have given, and show that in what some think the model Province of the Dominion, they are obliged gradually to increase their expenditure whether their revenue increases or not.

The deficit last year in Ontario, from published statements, that is of expenditure above receipts, exceeded \$380,000. I do not allude to this as blaming the Ontario people, or as feeling pleased at a deficiency, far from it. I take it they understand their own business better than I do, and are perfectly competent to manage their own affairs, without any outside assistance or dictation.

It shows, however, what I have alluded to, the liability, and some think necessity of increasing expenditure, as the country is settled up and population increases, in carrying on public affairs.

Our increase of expenditure will be seen from the following table:—

	1871.	1882.	1884.
Legislation.....	128,921	197,134	216,864
Civil Government.....	128,673	179,234	202,820
Justice.....	271,212	380,093	385,985
Education—Literary and } Scientific Institutions. }	284,013	356,387	372,714
Agriculture.....	59,748	97,767	85,941
Immigration.....	19,581	14,600	17,000
Colonization.....	221,652	82,240	82,246
Public Works.....	134,008	121,263	116,220
Charities,—Lunatic Asy- } lums.....	172,193	298,299	295,412
	\$1,420,001	1,727,087	1,775,202

These statements show that Ontario has increased her expenditure from 1871, on certain services, from \$1,094,954 to, in 1883, \$2,065,056, and to, in 1884, \$2,107,643, and Quebec, in 1871, from \$1,420,000 to, in 1882, \$1,727,017, and in 1884 to \$1,775,202,—an increase in Ontario from expenditure in 1871 to that in 1884 of \$1,012,689, almost double in '84 above 1871; and in Quebec from 1871 to 1884 a difference of \$355,201. While Ontario between 1871 and 1884 increased \$1,012,689, Quebec increased during the same period only \$355,201.

These figures show considerable increase of expenditure both in Ontario and Quebec, and there is no question but the greater part of such increase was necessary in the public interest for the administration of public affairs. I would not be understood as justifying in any way any unnecessary expenditure by Government, even if our receipts were annually increasing, hence the necessity which exists, in view of not much increase in revenue, to carefully watch and guard every item of expenditure. The first thing to see is that the money is spent in the public interest for purely public purposes, so as not to allow the public welfare to suffer, then to carefully cut off all unnecessary expenditure for purposes not absolutely required in the public interest. As to the necessity of making collections I will allude to it by and by.

LIABILITIES AND ASSETS.

I now present an approximate statement of liabilities and assets of the Province, made up to the close of the last fiscal year, which shows considerable improvement during the past year.

LIABILITIES.

Funded debt outstanding.....	\$18,283,980 00
Temporary loans and deposits.....	611,595 43
Railway subsidies authorized but not yet earned...	1,528,195 75
Balance of estimated cost of Parliament building...	206,835 77
Balance of estimated cost of Quebec Court House..	95,266 44
Balance of land and other debts of Q. M. O. & O.	
Railway.....	269,475 50
	<hr/>
	\$20,995,348 89

ASSETS.

Part of price of Q. M. O. & O. Ry., paid and invested.....	\$ 600,000 00
Balance of Q. M. O. & O. Ry., un- paid.....	7,000,000 00
	<hr/>
	\$7,600,000 00
Capitalized railway subsidies under the Dominion Act 47 Vic., Cap. 8,.....	2,394,000 00
Special Deposits.....	1,600,000 00
Cash in Banks.....	128,713 78
Cost of Jacques Cartier Montreal School to be repaid from sale of property in Montreal.....	138,348 02
Quebec Court House debentures to be issued.....	150,000 00
Loans and amount due by Province of Ontario....	154,951 20
City of Montreal, subscription to Hull bridge.....	50,000 00
City of Montreal—difference between \$132,000 00 and cost of lands expropriated between Dalhousie Square and Hochelaga.....	74,567 58
	<hr/>
	\$12,290,580 58

Leaving a balance of liabilities over assets at 30th

June, 1884 \$8,704,768.31

From the statement of assets and liabilities just presented, it will appear that it differs considerably from that presented last year.

It is made up to the end of the last fiscal year, I thinking it better to have all our statements and accounts correspond with the Public Accounts as to the time they are made up, rather than have some end the 30th June, and others the 30th December in each year.

IMPROVEMENT OF THE FINANCIAL POSITION.

Amongst the assets I have not placed \$2,549,213.61, being the interest withheld by the Dominion from 1867 to 1873, when the surplus debt of the late Province of Canada, placed by the Confederation Act upon the Provinces of Ontario and Quebec, was assumed by the Dominion. For years the Quebec Government had contended that by the terms of the Dominion Act of 1873, which relieved the Provinces of Ontario and Quebec from the surplus debt of Canada, these Provinces were entitled to the interest upon the surplus debt from Confederation to the time of the assumption of the same by the Dominion. Our pretensions were for years uniformly resisted by the Dominion Government, when something like a year ago it was proposed to submit the decision of the question to the Privy Council in England. To this we assented, but the Dominion Government, upon a closer examination, decided that we were right, and accordingly allowed us the interest upon what was withheld from us from year to year, with interest at five per cent. upon the several amounts, making in all \$2,549,213.61. We do not receive any part of the capital but only the interest at five per cent yearly towards the maintainance of our Provincial institutions, the capital not being available for payment of our funded debt. I have treated it as additional subsidy and not as an asset.

It is a curious fact, Mr. Speaker, that the assumption of the surplus debt of the late Province of Canada by the Dominion, and the interest thereon from 1867 to 1873, were entirely obtained from the Dominion Government by the efforts of the Quebec Government, although Ontario benefitted by the measures more than Quebec did. At the same time, she did nothing towards assisting us in obtaining a recognition of our rights from the Dominion. In fact, a majority of the members from

es and assets
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83,980 00
11,595 43
28,195 75
06,835 77
95,266 44
69,475 50
95,348 89

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28,713 78
38,348 02
50,000 00
54,951 20
50,000 00

74,567 58
90,580 58

704,768.31

ented, it will
ed last year.

Ontario voted against being relieved from the surplus debt and gave no assistance in obtaining the interest thereon, although gaining largely by the measures.

I was in doubt somewhat about placing the amount mentioned as an asset, as it is intended for payment of current expenses, and allude to it merely as an additional source of revenue—that is, the interest upon that sum coming in annually—we had not before.

Another item amongst our assets for the first time is \$2,394,000—arising from the subsidy granted at last session of the Dominion Parliament towards the construction of the Quebec, Montreal, Ottawa & Occidental Railway from Quebec to Ottawa, \$12,000 a mile from Ottawa to Montreal and \$6,000 a mile from Montreal to Quebec. Some months since I had an Order-in-Council passed appropriating that amount as sinking fund upon our loan of 1874, and requesting the Dominion Government to agree to pay us five per cent. interest semi-annually till 1904, the maturity of our loan, and at that time to pay us the principal towards the redemption of our debentures. While the Dominion had provided for the interest being payable to Quebec as the Dominion and Quebec Governments might agree, the Minister of Justice was of opinion that legislation would be necessary in order to authorize the payment of the principal sum at any given time; and accordingly I had another Order-in-Council passed, revoking the former one and providing for the payment of the interest at five per cent. per annum, semi-annually, on the first day of April and October in each year to 1904, upon \$2,394,000, the railway subsidy, towards interest on our funded debt.

It will be noticed that there is no mention made in the liabilities and assets of the legislative appropriations on the one side, or estimated revenue, on the other, for the current year. This simplifies the statement, and leaves the question of over-expenditure or diminished receipts on one side; and, as I said before, it is better to have our statements, as far as possible, agree with the fiscal year's accounts.

I have not taken into account the pretended balance of

accounts against us by the Dominion or the Common School Fund or Municipal Loan Fund. As these are still unsettled, it was better to not attempt to fix amounts on either side, but to leave them out altogether; but, when all these accounts are closed up, I have no doubt the balance of our liabilities will be reduced.

It would be improper for me in this connection not to allude to our improved position, financially,—consequent upon amounts received through Dominion legislation—this year above last year; and it is a matter of great satisfaction to me personally to know that, as forming part of the different Quebec Governments, I have worked hand in hand with my colleagues in the interest of the Province, and that we have been so far successful in our efforts to improve the finances of the Province.

Some years since, in alluding to our claims against the Dominion Government, I expressed my confidence in our obtaining that justice to which we were entitled at their hands. We have been so far successful, and I have still confidence that our demands at present before the Dominion Government will soon be adjusted to our satisfaction. We want only a proper recognition of our just claims. These we will continue to urge, and, judging from the past, we have every reason to hope that the Dominion authorities will accede to our demands.

As to the receipts and expenditure for the current year, honorable members will recollect that these partial statements for part of a year are not to be taken as a criterion of the whole fiscal year's business. At some periods of the year the expenditure is larger than at others, and at other periods the receipts come in more abundantly than at some other period. For instance, our expenditure is large at the first part of the year, when Colonization, Education and Agriculture grants are disbursed,—and, again, our Crown Lands and License receipts come in at other periods, so that it is only at the close of the year that we can judge of the whole year's business and how it comes out. At the same time, it is quite proper the House should have such statements for examination, in order to see how revenue comes in and expenditure is made for a certain

part of the year. No further allusion to that statement furnished the House is required at the present time.

SUPPLEMENTARY ESTIMATES FOR THE CURRENT YEAR.

I now come to certain expenditure for the current year for which the appropriations made last session were insufficient. These are larger than I had anticipated, but I thought it better to wait for the House to pronounce upon them than to issue special warrants during the recess.

We have for Legislative Council.....	\$ 3,670 27
“ “ Assembly.....	14,560 00
Parliamentary Library.....	900 00
Indemnity to Parliamentary Officers for loss by fire in the burning of the old Parliamentary Buildings.....	1,198 40
	<hr/>
	\$20,328 67

The amount for the Legislative Council is comprised of balance of sessional printing, extra clerks, copying burnt journals, &c., as estimated by the officers of that House.

The amount asked for the Assembly is for extra clerks, \$4,000; messengers, \$1,050; stationery, \$2,000; printing and binding, \$6,000; and sundries, \$1,510.

For the library, three clerks and messengers, \$825; and stationery, &c., \$75. The other item mentioned is for compensation to officers of the House for loss sustained by them in consequence of the burning of the Parliament buildings two years since. This, although it must be voted and paid, is not properly to be charged against the Revenue of this year.

Then we have Civil Government.... \$6,000.

This is composed of contingencies for Lieutenant-Governor's office, \$1,500, as the appropriation made was all expended previous to the entry into office of the present Lieutenant-Governor. Railway department, \$2,000. Somehow there was an error made, I presume by me, in not asking enough for this department last

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session. Crown Lands department, \$2,000 ; Public Instruction, \$500.

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Administration of Justice..... \$9,279
Police 290

In the statement published containing the details of certain services for next year, I have given in detail the salaries of all the officials connected with justice made up from the pay-sheets, which shows the amount required for next year to be \$356,646.48, and the vote at last session for the current year was, \$347,367, leaving the balance of \$9,279.48 now asked for, to complete the current year. The same is true of police voted last year \$13,800, whereas required for next year \$14,090, leaving \$290 required to finish the current year.

Reformatories..... \$10,000

For Reformatories (prisons for boys) \$10,000 is required to finish payment for this year, owing to an increase in the number of inmates. I very much question whether these institutions are doing all the good that was anticipated when they were established and it seems to me that more care should be exercised in the sentencing of young boys to these reformatories—so called. I am afraid that many parents, in order to get rid of the care of their children, bring charges against them for trifling offences so as to have them cared for by the State, to relieve themselves of what they consider as a burden.

Rents, insurances and repairs of public buildings..... \$4,876

This amount is required for Laval Normal School, \$600, special guard additional, \$1,400, alterations, Spencer Wood, \$1,376, and electric light, \$1,500.

New Parliament buildings \$30,000
Quebec Court House..... 10,000

These sums will be required before the 30th June, and need no explanation.

Spencer Wood—balance due on reconstruction of stables. \$450 53

This item explains itself.

Reformatory Schools for girls \$2,740.
Industrial Schools..... 1,208

There is no question but there are great abuses connected with the admission and retention of inmates in these institutions, and the Government has been endeavoring with, I am sorry to say, only partial success to remedy existing evils. I am satisfied that by far too many are sent to these places, and that parents are to blame for so many being committed, and unless some prompt measures are taken, the cost of these institutions and Reformatories for boys will entail a serious burden on the Province, with no corresponding good results.

In the Reformatory School for girls, Good Shepherd, Quebec and Montreal, 140 inmates at \$66 a year, amounts to \$9,240, and the appropriation was only \$6,500, leaving a balance of \$2,740 to be provided for.

In the Industrial Schools, Nuns', Quebec and Montreal, and Ladies' Benevolent Society, Montreal, Protestant, there are in the former—312 inmates at \$60, making \$18,720.00. The cost of the Protestant institution amounts to \$588.00, making together \$19,308.00. The appropriation last session was \$18,100.00, leaving \$1,208.00 to be provided.

The two remaining items are Crown Lands.

Registration Service.....	\$5,000 00
And Suspense Account.....	2,000 00
	<hr/>
	\$7,000 00

The first item is towards the expense of services rendered in the Cadastral Branch of the Crown Lands Department and the second to pay monies deposited on account of purchases of lands, which must be refunded, of course, if for any reason the lands bought cannot be given to the parties wishing to purchase, It is clear it is impossible to know beforehand how much to provide for this service, but I preferred to have a special account to meet these demands than to have amounts refunded from year to year merged into general expenditure account. The monies received by the Crown Lands Department are in fact trust funds, held till it is ascertained whether the lands asked for can be sold or not. If sold, the money goes into general Consolidated Revenue account, if not sold, the money deposited is returned.

The whole of the current year supplementary estimates amount to \$102,152.68 of which \$30,000 is for public buildings, to come out of loans and not annual revenue.

The expenditure for the current year must exceed considerably what was estimated by me last session, because there is a large expenditure I could not foresee or provide for. For instance: the aid to distressed people in Labrador; the expenses of the extra guard and electric light around the public buildings, caused by the dynamite explosions; the expenses connected with the two parliamentary commissions and others which could not be foreseen or calculated upon.

ESTIMATED RECEIPTS FOR THE NEXT YEAR.

I now pass to the estimated receipts for the fiscal year beginning the 1st July next, and closing 30th June, 1886. These are made up from the estimated receipts furnished from the several departments, and founded upon the receipts of former years, and from the prospect of business expected to be done, collections made, &c., &c., and are more or less liable to fluctuations from year to year. All any one can do in estimating receipts is to act according to the best of one's judgment and circumstances, continually changing, it is impossible to calculate positively upon what may be received. I am afraid that some of my calculations made last year will not be reached, others will, I hope, be somewhat exceeded, and on the whole, I trust there will be no great reduction from what I anticipated.

I now give the details of expected receipts for next year, made up according to the best of my judgment, making such explanatory remarks as I consider necessary. The first and principal item is the

Dominion Government subsidy.....	\$889,252 80
Allowance for Government.....	70,000 00
Interest on trust funds.....	56,459 32
	<hr/>
Making.....	\$1,014,712 12
Then in addition subsidy under Act of 1884.....	127,460 68
Interest on grant for Q., M., O. & O. Railway.....	119,700 00
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Making in all from the Dominion.....	\$1,261,872.80

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These two latter items are the result of the Acts passed by the Dominion Parliament last year, and are in addition to what before that time we received from the Dominion.

The first of these is the interest at five per cent. upon the capitalization of the amount withheld from us from 1867 to 1873, at which latter period the Dominion assumed the surplus debt of the late Province of Canada, placed by the Confederation Act upon the Provinces of Ontario and Quebec. The second item is interest upon the grant on part of Q., M., O. & O. Ry., and I only regret that we did not receive, as we ought to have received, what was improperly withheld from us upon that part of the railway from St. Martin's Junction to Quebec.

The next item is Common School Fund.

Interest from Ontario..... \$40,000 00

There will be at least this amount due, even if we receive what should be paid this year. We have only received this year \$25,000, but I expect before the end of the fiscal year another \$25,000 from Ontario.

License duties \$255,000 00

The License question is one which has given me a good deal of trouble during the past year, owing to the passage of the Dominion License Act of 1883, which has affected our revenue considerably, and will do so more during the current year. From this source it is doubtful to say what may be realized, but I have estimated it at the above amount.

It was supposed that when the constitutionality of the Quebec License Laws was submitted to the Supreme Court of Canada, if the decision was in favor of the Provinces, the Dominion Government would acquiesce in the judgment and consider the question settled, and feeling the importance of having the question fully submitted to the Court and argued from a provincial standpoint, the Government employed counsel to represent this Province before the Supreme Court in common with some of the other Provinces. The case was ably argued on both sides, and finally the Supreme Court unanimously decided that the Provin-

cial authorities alone had the right to regulate and issue licenses for the sale of intoxicating liquors by *retail*, but that the Dominion Government had the right to issue wholesale licenses, and licenses to vessels for the sale of liquors. This question was discussed in Ottawa in January last, and although no positive statement was made that the case would be submitted to the Privy Council in England, at the same time that such would most probably be done, was pretty clearly indicated. One difficulty which occurred to the Ottawa Government was that the different Provinces had different standards as to what constituted a sale by wholesale. Some of the Provinces five gallons and upwards, others three gallons, and some a quart and upwards, and that if the Provinces had the right to issue licenses by retail, there seemed no reason why they should not issue steamboat licenses to vessels trading wholly within the Province, and not give such power to the Dominion authority.

In view of the case going to the Privy Council, I thought that inasmuch as the whole difficulty as to the license question arose from the Dominion Parliament interfering with Provincial rights, and that, so far, the judgments of Provincial Courts, almost without exception, and of the Supreme Court having been in our favor, we should not be obliged to pay out money to defend our rights in England. I represented this view of the question to Sir John A. Macdonald, and he agreed that the Dominion would pay all the costs incurred in carrying the license case to England, where we will take good care to be fully represented. (Cheers.) I must say that I am disappointed at the non-acquiescence in the decision of the Supreme Court; at the same time, a decision of the Privy Council, which, I have no doubt, will be in favor of the Provinces, will finally remove all doubts on the subject, and maintain the Provincial authorities in their determination to preserve their rights granted in the Confederation Act.

In some cases the Dominion commissioners issued licenses without seeing that the provincial duties were paid, in others, parties sold liquor on the strength of Dominion certificates, without any license whatever, and the Dominion commissioners did not prosecute for an infringement of their law and it is very ques-

tionable whether our officers have any right to prosecute those acting under Dominion authority.

These difficulties I have laid before the Minister of Inland Revenue, and urged the suspension of the Dominion Act until the decision of the Privy Council was obtained, but that if the Dominion Act was to be carried out, this year, at least Provincial officers should have the right to prosecute for offences against Dominion as well as Provincial law, as the failure to take out license, while not affecting the Dominion revenue, seriously affected ours, and diminished our receipts.

The operation of the "Temperance Act of 1878," better known as the "Scott Act," will also interfere very much with our Provincial Revenue. This however, is not all loss to us. I have no doubt but if properly enforced, great good will result to the general community; crime will be lessened, and the cost of criminal justice diminished, and the general prosperity of the country promoted. In some cases I fear the illicit sale of intoxicating liquors will not be much lessened, and our revenue will be diminished at the same time.

Had the decision of the Supreme Court been taken as final, I had intended to remodel our License Law, by limiting the number of licenses to be issued, especially in cities, by introducing certain clauses from the Dominion Act, and endeavoring to make our law as perfect as possible. As the case stands now, it is under consideration whether we should change our law this session or not; perhaps in view of the large reduction of licenses proposed in Montreal, it may be necessary to increase somewhat the license duties there, and take more stringent means to prosecute those who sell without license in the city. This will be considered by-and-by.

Crown Lands Revenue..... \$584,200 00

The Honorable Commissioner of Crown Lands has estimated this for next year at some \$16,000 less than last year. I feel sure that his estimate will be fully maintained and probably exceeded. He probably preferred that his estimate of revenue should be ex-

ceeded by the actual receipts than that his receipts should not come up to his estimate.

We next come to the Administration of Justice:—

Law Stamps.....	\$175,000 00	
Registration Stamps.....	16,000 00	
Law fees exclusive of Stamps.....	6,500 00	
Building and Jury Fund.....	15,000 00	
Maintenance of Vagrant Prisoners...	7,000 00	
House of Correction, Montreal.....	5,000 00	
Gaol Guards.....	2,400 00	
Fines.....	1,000 00	
Montreal Court House.....	5,000 00	
	<hr/>	\$232,900 00

These amounts are pretty much the same as in former years, and will, I think, be realized and require no special explanation.

Then we come to Public Officers:—

Percentage on their fees.....	\$6,000 00	
Do. " registration of renewals of mortgages.....	1,000 00	
	<hr/>	\$7,000 00
Legislation—Fees on private bills		3,000 00
Official Gazette receipts I put at.....		18,750 00

which will, I have no doubt, be realized.

Lunatic Asylums:—

From municipalities and paying patients.....		17,000 00
Public Building's rents.....	1,000 00	
Casual Revenue.....	1,500 00	
Pension Fund contributions.....	6,000 00	
	<hr/>	8,500 00
Interest on deposits I place at.....		60,000 00

A little less than last year as we are withdrawing deposits from time to time for Railway Subsidies.

The Quebec Fire Loan.....	1,000 00
Interest on price of Q. M. O. & O. Railway	380,000 00
Municipal Loan Fund I estimate at.....	75,000 00

UNWILLINGNESS OF MUNICIPALITIES TO PAY.

As to the estimated receipts from this fund, I must confess I am disappointed at the small amount received so far this year, notwithstanding all the efforts that have been made by my department since last session. There seems no other course open to the Government than to invoke the authority of the law to collect what is due. Excuses of all sorts are made. It is said "we did not expect ever to be called upon to pay the amount borrowed; we were told so repeatedly by our public men. We did not get the benefit from the expenditure of the money we expected. The general public reaped as much or more benefit from the loan than we did—and the general public being our creditor should not exact payment; in fact, it has been paid already; that we are poor and cannot pay; that our money was spent in public works of general utility and we have besides been taxing ourselves subsequently in aid of railway extension which the public acknowledged as important by contributing towards the same railways." These and many other excuses have been made and are made daily for non-payment and I see no other way, as I have said, than to enforce collection by law. There are many cases where to exact the full amount due would be too onerous for the municipalities, but in most cases there is a seeming determination not to pay even what could be easily paid, and mild measures having failed, recourse must be had to law proceedings to insure collection of amount due.

While speaking of the unwillingness of municipalities to pay what is justly due the Government, or rather due the Province, I may in this connection refer to amounts due the Building and Jury Fund—due for the keep of lunatics, for keep of prisoners in jail and other debts, and it is wonderful to see the unanimity of our people generally to avoid payment of those comparatively small amounts for each Municipality, but in the aggregate amounting to a large sum for the Province. Hereafter leniency in collecting these will cease to be a virtue, and other and more stringent and efficacious means must and will be adopted to force defaulting or neglecting municipalities to contribute towards the

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Provincial Revenue, especially when the debts contracted were for moneys they had and spent. (Cheers).

The amounts contributed by Municipalities towards the support of Public Institutions in this Province is a mere bagatelle as compared with other countries, and the sooner our people begin to feel their responsibility in this regard the better for them and the better for the country. While on an unpleasant subject, I had almost forgotten one branch of it, that is the loan made by the Legislature in 1872 to certain municipalities in the counties of Chicoutimi and Charlevoix for the purpose of purchasing seed grain, some \$20,000. Almost nothing has been paid, even upon the interest of this loan, and the Government has been paying interest upon the amount for some twelve years past. This account must be closed up, and it is curious to notice the variety of excuses made for non-payment of money which when granted was deemed indispensibly necessary to the welfare of the people asking for the loan. In fact it is viewed by many almost as a crime to pay any money due the Province, and I must say that but few localities transgress against public opinion in this regard.

I must acknowledge that I have failed to a great extent in endeavoring to collect arrears due without incurring law costs. Now I feel justified in calling in the assistance of the law to enforce payment, and I give fair warning to all interested of what may be expected in this regard.

The next items are—

Repayments of loans made to Lunatic Asylums not yet repaid.

I expect to receive from—

St. Jean de Dieu.....	\$4,000 00
Beauport Asylum....	4,500 00
	<hr/>
	\$8,500 00

Proceeds Quebec Court House Debentures..... \$90,000 00

Upon these Debentures I have put down only \$90,000, as it is possible we may, under the law, issue some during the present

fiscal year on account of the amount already expended and what will be spent before 30th June next.

In this connection I may observe that upon representation from the Bar of Quebec, who were very anxious that some changes should be made in the plans, in order to give additional security against fire, the Government agreed to change the plans of part of the building, which will increase the cost considerably, and my Honorable friend, the Provincial Secretary, will introduce the necessary legislation to carry out the proposed extra cost.

The whole of the estimated revenue from the figures I have given will amount to the sum of \$3,042,722.20, as compared with my estimate of last year, some \$3,112,022.80. A glance at the statements I have given will show upon what services the reductions have been made—Crown Lands, Licenses, M. L. Fund and a less amount upon Quebec Court House Debentures than last year.

THE COMMERCIAL CORPORATION TAX.

I may perhaps be allowed to mention, respecting this tax, that we have received a judgment in our favor by the Court of Appeals in this Province, that is, the said taxes were considered legitimate and constitutional, but there is no doubt that the cases will be carried to the Privy Council for ultimate decision and I can only express the hope that the legality of the taxes and the judgment of our Court of Appeals may be confirmed in England. It will not, however, probably make much difference in our next year's receipts, as law proceedings are proverbially slow and rather uncertain.

ESTIMATED EXPENDITURE, 1885-86.

The proposed expenditure for the next fiscal year I will give as briefly as possible in considering the estimated expenditure for next year, the actual expenditure for the past year ending 30th June last, and the amounts voted for the various services for the current year, so that honorable members may see how they compare from year to year. Some services will be found needing more and some less, as circumstances require from time to time.

PUBLIC DEBT.

We paid on this account last year \$964,192.56, and appropriations for the service for the current year amount to \$991,787.43, and the vote asked now for the next fiscal year is \$985,817.65. This includes sinking fund to redeem such part of the French loan as may be determined by lot, and sinking fund for that part of the loan of 1874 not provided for by statute. This amount is one that must be met at all hazards to keep our credit good abroad, and can be reduced only as fast as our debentures are paid.

LEGISLATION.

This includes both houses of the Legislature, expenses connected with the library, election expenses, printing and binding the laws, law clerk, &c. These services cost for last year \$216,864.78, and the appropriations for this year, including supplementary estimates, amount to \$169,811.17, and the estimate asked from the House for next year for the same services is \$165,475.00, made up as follows:—Legislative Council, comprising speaker's salary, indemnity to members and mileage, salaries and contingent expenses, including printing, binding, &c., \$30,630.00; Legislative Assembly, comprising speaker's salary, indemnity to members and mileage, salaries and contingent expenses, printing and binding, and \$12,000.00 for the codification of the laws—\$112,295.00; library grant and salaries, \$6,600.00; expenses of elections, \$3,000.00; clerk of the Crown in Chancery, \$800.00; printing, binding, and distributing the laws, \$5,500.00; law clerk salaries and contingencies of office, \$3,650.00, and debates of the Legislature, \$3,000.00—making in all for these services, as I have said, \$165,475.

Next comes

CIVIL GOVERNMENT.

The amount expended last year on this service, including \$60,024.23 for contingencies, was \$202,820.80. The appropriations for the current year \$191,750.00 and asked for next year \$188,200. The small pamphlet in the hands of honorable members gives the detail of the various departments of the Civil

Service. The salaries are the same as last year, with the exception of the Treasury Department, \$750.00 less than last year, Crown Lands Department an increase of \$200.00 to an officer who has had given him the superintendence of game in the Province, Public Instruction Department an additional clerk in the English branch and one extra messenger, at a cost of \$1,100.00. Thus the increase of salaries proposed exceeds the past and present year by \$550.00 only. This will, I hope, be satisfactory to the House, but I may be allowed to remark here that there are a few of the employes who are not paid enough for their services, and so soon as our financial position is in better shape, as I hope it will be soon, if I have anything to do with the Government I shall certainly recommend to the House an increase to some of the civil servants. I am not aware upon what principle the Civil Service Commission proceeded, but I am unable to agree with them in some of the reductions recommended. As I have said before on this subject, my plan would be to employ the best talent that can be procured, pay well for services rendered, see that the work is kept up and well done and dispense with the services of inefficient clerks. (Applause).

The next item is

ADMINISTRATION OF JUSTICE.

The expenditure upon this branch of the Civil Service last year amounted to \$385,985.09, the appropriations for this year to \$356,646.48, and the estimated expenditure for next year to \$356,646.48.

In the pamphlet shewing details of certain services for next financial year I have adopted a new system from that which formerly obtained by giving a detailed list of the sheriffs' salaries in the old districts, of prothonotaries and clerks of Circuit Courts, and clerks of the Crown and Peace, coroners, district magistrates, with estimates of the contingent expenses, criminal prosecutions, &c., for the year. This will show the members of the House, in as complete a form as possible, what the appropriation is required for. I shall not repeat what I have so often stated as to the

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obligation of the Dominion Government to assume the cost of the administration of criminal justice.

This matter was again brought before the Government in Ottawa in January last, and it was promised attention, particularly with reference to amending the law so as to provide for a further extension of the speedy trial system before police and district magistrates, by taking away the right of the accused to ask for a jury trial for minor offences, thereby assuring more speedy conviction of offenders or their release, if innocent, as the case might be, and saving a large cost to the Province, not only in trials for offences, but in keeping of prisoners in jail awaiting their trial.

I am afraid, Mr. Speaker, that in many cases officers of our courts try to induce prisoners for petty offences to ask for a jury trial instead of a trial before a police or district magistrate, so that it may be necessary to summon grand and petty jurors, in order that they may obtain fees in summoning the jurors and witnesses, entailing large expenses on the Crown, in payment of crown officers, jurors, constables and witnesses. The relieving of a few of such officials from further services under the Crown would produce a good effect.

POLICE.

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In the pamphlet alluded to the details of cost of the police are given. There was spent last year on this service \$14,523.83, and appropriated for the present year \$14,090.00, and required for next year \$14,090. There is but little variation in this service from time to time.

THE REFORMATORY PRISONS FOR BOYS,

Montreal, Lewis and Sherbrooke.

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There was spent on these reformatories last year \$54,500, and voted for this year \$55,000, and asked for next year's operations \$55,000.

I am not at all satisfied with the operation of these institutions. There are too many young boys sent there for trifling offences; they derive little, if any, good from their detention; when liberated, not knowing anything about farming pursuits, they go to the cities for employment and fall again into vice and finally in

many instances graduate in the penitentiaries. They ought to be brought up far more to agricultural pursuits than they now are, not so many kept together as there are in the city institutions, and when liberated, the boys would seek work in the country parts, and be far less likely to fall again into crime. (Cheers.) Again, the price paid for the keep of the boys is by far too high and when another contract is made, I hope this will be looked after. Then comes

INSPECTION OF PUBLIC OFFICES.

Upon this service there was spent last year \$9,539.59, and granted by the House for the current year \$7,000.00, and required for next year \$7,000.00. The details of this service are also given in the statement referred to and need no explanation. Justice, under the various heads given, amounts in the whole to \$432,736.48, as against paid out for the same services last year \$464,548.51.

PUBLIC INSTRUCTION.

The amount spent for superior education last year, including high schools, Quebec and Montreal, and compensation to Roman Catholic institutions for high school grants, was \$78,410 ; the same granted for last year, and asked for this year.

COMMON SCHOOLS.

The sums asked for are :

Common Schools.....	\$160,000 00
Schools in poor municipalities.....	6,000 00
Normal Schools.....	42,000 00
Inspection of Schools.....	29,675 00
Superannuated Teachers	8,000 00
Books for Prizes.....	4,500 00
Schools for the Deaf and Dumb.....	12,200 00
School for Deaf and Dumb, Mile End.....	1,000 00
Council of Public Instruction	1,750 00
<i>Journal of Public Instruction</i> , French and English.....	900 00
Rimouski College, towards re-building, last payment.	2,000 00
St. Thérèse College	2,000 00
Sœurs des SS. Noms de Jésus et Marie, at St. Barthelemy.....	150 00
St. Roch de L'Achigan Convent.....	150 00
These amount to in all.....	<u>\$348,735.00</u>

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There was paid out for almost similar services last year, with a few exceptions, \$351,315.00, and voted for the present year \$349,885.00. I have not, as regards the grant for superior education or common schools, made any deduction for the Poly-technic school, or for the deaf mutes and blind, choosing rather to let the House deal with these exceptions, but I may remark that a good deal of complaint was made about taking so large a percentage off common school grants, as being more than a just proportion, taking into account the numbers of children attending our common schools, as compared with those unfortunate blind and deaf mutes. At all events, if any amount is taken off, we must try and have it more clearly expressed as to what is really meant, than was done last year. The next item to come to is

LITERARY AND SCIENTIFIC INSTITUTIONS.

For copying and publishing Canadian Archives.....	\$5,000 00
School of Navigation.....	500 00
And to secure a supply of vaccine.....	500 00

Making in all.....	\$6,000 00

There was paid for similar objects on a much larger scale, however, last year, \$18,399.30. It was found necessary to exclude from the list of grants last year many institutions, literary and scientific, which formerly received aid from the public treasury, and I did not see my way clear to replace them at this time, although there were amongst them several I would gladly have aided, had it been possible consistently with the means at our disposal.

As to the supply of vaccine, I have thought it best to place the grant in the hands of the City of Montreal Board of Health, and I am sure that body will see to the expenditure of the money so as to give the largest possible benefit to the whole Province. It is important that a supply of good healthy vaccine should be kept, so that in case of need it can be procured by any medical man at cost price, to prevent the spread of small pox.

ARTS AND MANUFACTURES.

The grant proposed for next year is larger than last year's, as the Board had some money on hand before, which will be wholly spent this year. This school I consider of great importance, especially to our young mechanics, by giving them instruction in drawing, making plans of machinery, buildings, &c., during the winter evenings, which they could not otherwise obtain. It is doing a good work, and deserves the support of private individuals and the public to a larger extent than many are aware of. The amount spent last year was \$3,000, and that for this year \$6,000, and, as I have said, asked for next year \$9,000. (Applause.)

AGRICULTURE, IMMIGRATION, REPATRIATION AND COLONIZATION.

Agriculture :

Council of Agriculture.....	\$ 3,000 00
Agricultural Societies (by statute).....	50,000 00
Journal of Agriculture, French and English.....	3,000 00
3 Agricultural Schools, French and English, \$800 each.....	2,400 00
Veterinary Schools, French and English.....	2,300 00
Aid to Gazette des Campagnes.....	500 00
Butter and Cheese Factories, salaries, &c.....	2,000 00
Dairy Association of the Province of Quebec.....	1,000 00
Miscellaneous Agricultural subscriptions to publications.....	400 00
Encouragement to culture of Fruit Trees and Vines...	500 00
Farnham Beet Sugar Factory (by statute).....	7,000 00
Horticultural and Pomological Society, Montreal.....	1,000 00
Permanent Committee of Exhibition, Montreal, 4th instalment of \$3,300, and interest at 5 p. c. upon \$6,600.	3,630 00
Immigration and Repatriation.....	10,000 00

Colonization :

Colonization Roads.....	70,000 00
“ Societies.....	5,000 00
Bridge over the Richelieu River, between Lacolle and St. Thomas, 3rd payment.....	2,000 00
Bridge over the Ottawa River, between Calumet Island and Bryson, 2d payment.....	2,000 00
Bridge over Chaudiere River, between St. Nicholas and St. Romuald, 2nd payment.....	2,000 00
Total for Agriculture, Immigration, Repatriation and Colonization.....	\$167,730.00

The amount paid last year was, on Agriculture, \$85,941.75 ; on Immigration and Repatriation, \$17,000, on Colonization, \$82,246.35. The appropriations last year were, on Agriculture, \$73,895 ; on Immigration and Repatriation, \$10,000, and on Colonization \$82,000, as against for these united services for next year \$167,730.

Last year there was no grant for the Council of Agriculture, as they had a balance on hand now expended, and the usual amount has been placed on the estimates for next year. The other items for Agriculture are the same as last year. The item for Immigration and Repatriation the same amount asked for as last year, which, in my opinion, is by far too small, if we would advance in population equally with our sister Provinces.

PUBLIC WORKS AND BUILDINGS.

Rents, insurances and repairs of public buildings generally, \$59,184. This is larger than last year, but we have to provide for insurance this year, which will cost some \$5,000, and other repairs are needed to public buildings, of which I can give details when we go into committee.

Inspection of Buildings.....	\$ 1,500 00
New Parliament Buildings, construction.....	85,000 00
New Court House, Quebec.....	90,000 00
Repairs Court Houses and Gaols.....	15,000 00
Rents Court Houses and Gaols.....	1,205 00
Insurance of Court Houses and Gaols.....	6,000 00
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Making total for Public Works and Buildings.....	\$257,889 00
As against spent last year.....	254,075 13
And as appropriated for the current year.....	296,957 53

Now we come to

CHARITIES.

Under this head come our Lunatic Asylums at Beauport, St. Jean de Dieu and St. Ferdinand d'Halifax, \$230,000. This amount is arrived at by taking the number of inmates in the three institutions mentioned. Under the new system proposed in the Bill before the House, it is hoped that parties who are not

proper subjects for admission will be kept out, and a better classification adopted which, with additional medical attendance, may assist in the recovery of many of those unfortunates to their former state of health and reason.

Then Miscellaneous Charities, which need no special mention, amounting to \$37,776, and are merely a repetition of the lists of former years.

Then Reformatory schools, \$9,240.00, and Industrial schools, \$19,308.00.

The latter institutions, as I have already remarked, are becoming a heavy burden on the State, and means should be taken to remedy the gross abuses which exist in the way of committing to these institutions delinquents of tender years who ought to be under parental control and not consigned to the care of others. I am in hopes legislation will be had in this direction at the present session. The amount paid last-year on charities was \$295,412; the amount of the appropriations for the current year \$298,912, and asked for next year \$296,324.

Then come MISCELLANEOUS SERVICES as follows:—

Miscellaneous general.....	\$20,000 00
Engineer, for mining purposes, comprising exploration and inspection of mines.....	4,500 00
Agent in France—salary and allowance for office...	2,500 00
Pension Fund (by statute).....	15,000 00
Municipalities Fund—C. S. L. C., cap. 110, sec. 7....	3,000 00
Registration Service through Crown Lands.....	16,000 00
Surveys Crown Lands.....	30,000 00
General Expenditure Crown Lands.....	66,608 00
Crown Lands suspense account.....	15,000 00
Quebec Official Gazette.....	13,000 00
Stamps, Licenses, including allowance Inspection..	12,000 00
Seed Grain Loan, under 36 Vic., cap. 3.—Balance of Capital.....	\$18,720 00
Interest at 6 per cent. May, 1884, to June, 30th, 1885.....	1,310 40
	20,030 40
Making for Miscellaneous Services.....	\$217,632 40

These several amounts are mostly the same as last year's appropriations, and cost last year, although not precisely the same items, \$276,701.55.

RAILWAYS.

Q. M. O. & O. Construction—settlement of outstanding accounts, of which \$17,028 are a revote.....	\$25,000 00
Balance due on lands and property, of which \$37,074 are a revote.....	46,925 00
Q. M. O. & O. traffic expenses, to pay outstanding claims, of which \$6,014 are a revote.....	18,075 00
Subsidies to Railway Companies.....	250,000 00
	<hr/>
Total for Railways.....	\$340,000 00

Quebec Central Railway Co., guaranteed deposit, 39 Vic., cap. 3, and 40 Vic., cap. 3, payment of interest on deposit made by Co.....	\$135,293 34
Less on account of interest.....	4,909 50
	<hr/>
	130,383 84

The whole of the appropriations for the next fiscal year amounts to..... 3,545,929 37
Of which is to be paid out of proceeds of loans and to be deducted:

Railways.....	\$340,000 00
Guaranteed deposit repayment.....	130,383 84
Parliament Building.....	85,000 00
	<hr/>
	555,383 84

Leaving to be provided.....\$2,990,545 53

The total estimated revenue for next year is placed at 3,042,722 20

Leaving a difference of..... 52,176 67

Mr. Speaker, these estimates were made up without any reference to those of last year, both as to receipts and expenditure. There will, I trust, be as much collected as I expect, and at the same time there is no doubt there will be certain expenditures called for, at present unknown, which will have to be met. One thing I may safely say, that the proposed expenditure to be voted will, I think, be sufficient for the public service. (Cheers).

The same necessity exists for

ECONOMY AND RETRENCHMENT

to-day as has existed for years past. At the same time there is no doubt but our annual deficits are becoming less and less year by year, and with care, prudence, and strict supervision of the Executive, backed up by the action of this House in such expense as this House can directly control, I have no doubt but that in a year or two the Treasurer will be able to announce the good news to this House and the country that not only can he make the two ends of the year meet, but that a surplus of receipts over expenditure is in the Treasury, a consummation devoutly to be wished by all, and which will be hailed with pleasure by every one in the Province. Such is the aim of the Government, and my best efforts, so long as I am in my present position, will be directed, notwithstanding all the sacrifices made by the Province in railway construction for colonization and agriculture and other important objects, still to be able to show our finances on a sound, safe, substantial basis. (Loud applause).

Now, Mr. Speaker, I have given to the House a summary of the receipts and expenditure of the last fiscal year, with a less deficit than for many previous years. I have laid a statement of the liabilities and assets of the Province with certainly a better show than in any former year. I have laid an estimate of our probable receipts and probable expenditure for next year before the House, not by any means alarming, but, on the contrary, a favorable prospect, and it remains for the House to take such action in the premises as to honorable members may seem best, and with a few general remarks I will conclude. (Hear Hear).

It may not be out of place for me to give the result of an

INTERVIEW HAD IN OTTAWA

in October last with the hon. Minister of Finance and the hon. Treasurer of Ontario upon the question of the settlement of the outstanding accounts between the Dominion and the Provinces of Quebec and Ontario. We had several meetings, wherein the mode of keeping the accounts of the Dominion were discussed and we arranged for new statements to be furnished, consequent

upon the assumption by the Dominion of the surplus debt of the late Province of Canada. The question then came up of adding to the debt of the late Province of Canada, which in other words is obliging the Provinces of Quebec and Ontario to pay whatever may be thus added. The first item is what is called "The Upper Canada Improvement Fund." When the question came before the arbitrators appointed under the B. N. A. Act of 1867 to settle the accounts between the two provinces and the Dominion, I presented a statement of the debt of the late Province of Canada which was adopted by the Privy Council at Ottawa. This statement showed the debt to be less than claimed by Ontario by the amount of the said Upper Canada Improvement Fund alluded to, Ontario claiming that she was entitled to certain funds, the proceeds of certain school and crown lands in Ontario, the amount to be added to the old provincial debt, and these proceeds to be handed over to Ontario for distribution to certain municipalities interested for local purposes. I called attention to the memorandum which I had laid before arbitrators in January 1870, with the concurrence of the then leading advisers of the Crown, and took the ground that said fund, under the order-in-council, was to be composed, not of the amounts due by the purchasers of said lands, but of those received by the Crown Department during the existence of the trust. The Receiver-General under the Order-in-Council could set apart, as therein directed, only the amount which he had actually received, if any part of the claim was to be entertained. Ontario claims one-fifth of the sales of Crown lands from March, 1853, to July, 1867, but the Crown Lands Department seems to have credited the Consolidated Revenue Fund with all collections made on such lands after 1861, when the Land Improvement Fund was abolished. Lately the Treasurer of Ontario submitted to the Dominion Government his views on the question, of which I subsequently received a copy. This question being a legal one I presented a report of our interview to the hon. Attorney-General for his consideration. The interest the treasurer of Ontario had in this question was this: to have added the amount demanded by him, upwards of \$100,000, which Ontario and Quebec must re-imburse to the Dominion

Government, the whole amount then going to certain municipalities in Ontario, for their exclusive benefit. Another very important question which arose was a large increase the Dominion Government proposed to add to the annuities payable to Indians under certain treaties entered into by them with the Government of the late Province of Canada, under the name of "The Robinson Treaties." The effect of this would be to add about a million of dollars to the debt of the late Province of Canada, to be paid the Dominion by Quebec and Ontario jointly. On this question I contended that the amount of the annuities was already paid in the debt of Canada at about a million of dollars, subject to the Dominion's risk of increase or decrease of the number of Indians; that it was so fixed in 1870 by the consent of the Dominion Government and those of Ontario and Quebec, and that the Dominion Government had no right to increase the amount without the consent of the two Provinces; that if any increase had been made previous to 1873, it would have been wiped off by the parliament of Canada when the surplus debt of the late province of Canada was assumed, and, besides, it was understood and agreed by the three governments that Ontario and Quebec should have the right to examine and pronounce upon any proposed increase to the debt of the late province of Canada, as they (the two provinces) had to pay it, and this had been acted upon by these governments for many years past. I, therefore, objected, as did the treasurer of Ontario, to opening this question again. It was contended by the Dominion authorities that if any just debt of the late province of Canada was still unpaid, that they were liable for it, and we (the provinces) must submit and pay back to the Dominion. The pretensions of the Dominion government that certain Indian annuities had not been paid, and were now claimed, adding interest for nearly thirty years, not on the amount originally stipulated, but upon an increase from about \$1.50 a head to \$4 per head, are absolutely untenable in my opinion. The deputy minister of Indian affairs came before us and endeavored to explain the reason why those increased annuities should be paid, viz.: that they had not been paid for years, but lately demands having

been made by the Indians for arrears and increased amounts, the Dominion government had allowed \$4 per head for years, and charged interest thereon for many years without consulting the provinces interested; these amounts, it was contended, formed part of the surplus debt of the late province of Canada, which the provinces of Ontario and Quebec must make good to the Dominion. One circumstance not to be overlooked is that these annuities were charged upon a larger number of Indians than mentioned in the treaties, and capitalized at 4 per cent. interest instead of 5, thus increasing the amount of debt chargeable against the provinces named by 25 per cent., the amount now claimed being nearly a million of dollars more than in the amount of debt as concurred in and established in 1870. I also took exception not merely to opening the question of the surplus debt of Canada by adding the Indian annuities, but also took the ground that the province of Quebec had no interest in the question further than seeing that Ontario had no injustice done her, for the following reasons:—The legislature of the late Province of Canada took from the crown lands of the Province of Quebec a large quantity of lands and made reserves for the various remnants of Indian tribes in this province, for which no compensation was given to Lower Canada. True, a grant of lands was set apart, seemingly for Lower Canada's benefit, but nothing was ever done with these lands, which still formed part of the crown domain, and were administered and sold, as much for the benefit of Upper Canada as of Lower Canada up to confederation, whereas in Upper Canada lands have been purchased from the Indians, which the late province of Canada was bound to pay for by annuities in perpetuity, and paid out of common funds until 1867. When confederation took place, then these lands became the property of Ontario. In the Confederation Act 1867, by section 109 it is declared that "all land, mines, minerals and royalties belonging to the several Provinces of Canada, Nova Scotia and New Brunswick at the union, and all the sums then due or payable for such lands, mines, minerals, or royalties shall belong to the several Provinces of Ontario, Quebec, Nova Scotia and New Brunswick, in which the same are situate or arise, subject to any trust existing in respect thereof, and to

any interest other than that of the Province in the same." It seemed to me, and I urged strongly that the words "subject to any trust existing in respect thereof and to any interest other than that of the Province in the same," could have no other meaning than that all claims of third parties whether of individuals, corporations or Indians, must be met and liquidated by the Province upon whose lands thus given to it any trust or claim existed in favor of third parties at the time of confederation. In the Indian treaties referred to, it is stated that the annuity guaranteed to the Indians might be increased to one pound cy. per head provided the value of the lands thus ceded by the Indians to the Government would warrant an increase, or at the pleasure of the Government. This shows that a trust was created on these lands and the amount payable from the proceeds of the same might be increased from time to time. The supposition or pretension of the Dominion Government that the value of the lands and the returns from them justified an increase in the amount of the annuity per head led to the increase proposed by the Dominion Government, and formed the basis of their calculation whereby the surplus debt of old Canada should be largely increased for Ontario and Quebec to pay.

I should mention here that the treasurer of Ontario did not allow that the annuities to the Indians for lands ceded to the Government of Canada were a lien or trust on the lands ceded, and moreover that taking into account the expenditure made in order to open up these lands for settlement by the late Province of Canada and by Ontario, the difference between expenditure and receipts would not justify any increase of annuities, and further that the census of the Indian tribes shewed that the Dominion Government had no right to claim for so many Indians as they had against the land referred to. I am convinced that the Dominion has no right to go back upon the settlement of the Indian annuity question, the amount having been fixed by the three Governments and included in the established amount of the surplus debt of the late Province of Canada years ago, and further that in any case the Province of Quebec should not be obliged to pay any sum whatever with respect to

the increased claim on behalf of the Indians, but that if this increased claim is imposed by the Dominion, Ontario should and must pay the whole. The pretensions of Ontario that, although the whole of the proceeds of the sale of the lands mentioned in said Indian treaties and the lumber dues thereon, which are large, go to the profit of Ontario, Quebec is still responsible for her share of the amount of debt to be added to Canada, cannot be listened to for a moment and must not be conceded; it amounts in other words to this, that while Quebec made a present to the Indians of large quantities of lands in Lower Canada without compensation of any kind we must now pay for Indian lands bought of the Indians, all the profits arising from which go to Ontario alone. This question is also before the Attorney-General for his consideration. Owing to the absence of the Dominion premier, Sir John A. Macdonald, the further consideration of the question was deferred till another opportunity.

We discussed also the mode of keeping the accounts, and disputed quite a number of items, some of which were allowed, others postponed, and on the whole we made considerable progress towards a settlement. The compound interest charged us on any balances which might have been against us was to be taken off. The charge for keeping insane convicts from the penitentiaries will be taken off, and it is only fair to say that the minister of finance, Sir Leonard Tilley, showed every disposition to do us justice, and took memorandums of our objections for further consideration. One question amongst others which came up for discussion was the position of the Montreal Turnpike Trust, put down in the B. N. A. Act, 1867, as an asset, and awarded Quebec by the arbitrators. The Dominion government have been charging us with interest on certain debentures of that trust in their hands which the trustees have failed to pay from year to year. I am inclined to think that these debentures belong to the Province and not to the Dominion, and this question is now under consideration at Ottawa. I have, I fear, wearied you, Mr. Speaker, and the House by my explanations upon the settlement of the accounts between the Dominion and Ontario and Quebec, but the questions alluded to are so important for our Province that I thought it only

right to communicate all I know about them so as to aid whoever may have to meet them again, as they will have to be met, in order that our interests may be protected and we obtain justice and a settlement. Arrangements were made for another meeting in Ottawa to further consider the settlement of the accounts pending, in the early part of January, but the treasurer of Ontario not being able to attend, the meeting was postponed till some future time. Our principal object was to establish a fair basis for settlement with the Dominion. As to most of the items charged against us in their account, there can be little difficulty in deciding, in fact many are already settled, and we could see no reason for bringing into the account the proportion of the surplus debt of Canada against the two Provinces when it had been wiped out in 1873. As to the open accounts between Ontario and Quebec, there will, I think, be little difficulty in arranging these. The most important questions now between the Dominion and the Provinces and between Ontario and us, are those I have alluded to, of increasing the debt of old Canada both by Ontario and by the Dominion, which if carried out will seriously affect our financial position, and every effort should be made to prevent such additions being made either by the Ontario or Dominion governments, as I am convinced Quebec has just grounds in resisting to the utmost the pretensions of both governments. (Hear Hear). I have within a few days received from Judge Cassault the factum of Quebec presented by our solicitors before the arbitrators and certain memoranda which I have not yet had time to consult, and which I have no doubt will prove very useful to whoever has further negotiations on these questions.

THE RAILWAY SUBSIDY.

In the month of February the Hon. Premier and I were at Ottawa on public business and took occasion to urge the claim of Quebec to the payment of \$6,000 a mile of subsidy to which this Province is entitled for that part of the Q. M. O. & O. Railway between Quebec and Montreal, withheld last year, and also as to certain reforms in the administration of justice so as to lessen the cost thereof. This we did in order to show that we did not

acquiesce in the present state of things, and in hopes that our just claims would be allowed. Subsequent to our return from Ottawa a memorandum respecting the railway subsidy was sent officially through the Governor-General reiterating our demand for the balance of the subsidy withheld from us, and also for an increase of the per capita subsidy upon the last census returns, instead of the census of 1881, and that the amount should be raised from eighty cents to one dollar per head. With regard to the balance of the railway subsidy, that concerns the Province only, and is justly our due; but with respect to the per capita subsidy, that question affects all the other Provinces as well as Quebec, as whatever increase may be made in the per capita subsidy to our Province must equally be made to all the others. The documents have already been submitted to the House and a resolution as to the railway subsidy passed by both Houses of the legislature and sent to Ottawa.

OUR POSITION AS A PROVINCE.

It has been shown that the deficit of last year is considerably less than for quite a number of years past, and our statement of Liabilities and Assets shows a gain of nearly two and a half millions during the past year, consequent on the legislation at Ottawa.

I see no good reason to fear for our future as a Province. We need and must have, to bring our financial position into a satisfactory shape, prompt collections of sums due to the Province, still further retrenchment in our expenditure and strict economy in every branch of the public service. The expenses of Legislation might be considerably diminished without any decrease of efficiency; the printing expenses are by far too large; masses of returns are printed which we never read; there are too many employees about the Houses, and it does seem to me that there is room for reform in our Legislation expenses. The expenses of the Civil service have been diminished considerably. The cost of the Administration of Justice is by far too large. Some years ago when the office of Solicitor-General was abolished, I took occasion to deprecate the doing away with that office. A Solicitor-

General who had the supervision of our sheriffs, prothonotaries, high constables, bailiffs and other officers of justice, could, I have no doubt, save three or four times his salary in scrutinising the accounts sent in and in preventing terms of our Criminal Courts when not necessary for the proper administration of justice. (Hear Hear). I don't know, Mr. Speaker, but what I am travelling out of the record in alluding to such matters, but I thought no great harm could arise from calling attention to some methods of curtailing unnecessary expenses.

I shall now conclude my remarks with a few general observations, thanking you, sir, and this House, for the patience shown in listening to what must have been tedious in some respects. Let us look at what

EDUCATIONAL PROGRESS

has been made for some years past in our Province. I take from a speech by Mr. Curran, member for Montreal Centre, the following, which I have no doubt is correct. Mr. Curran said with respect to education in Montreal :

“ My friend, Mr. Edward Murphy, one of the School Commissioners, who acts jointly with the clergy, because there are both laymen and clergymen on the Board, sends me this statement:—I send this statement to show the progressive increase in school attendance. From 6,405 in 1877 it increased to 7,005 in 1881; to 7,316 in 1882 and to 9,932 in 1884. This is the attendance at the Commissioners' schools and those assisted by them. There are of course a great many others independent of the Commissioners, but the report of the Commissioners shows an increase in school attendance from 6,405 in 1887 to 9,932 in 1884, or 55 per cent. in seven years, and that those schools now under the charge of the Roman Catholic Commissioners and other schools under independent management had prospered equally. The schools under the Christian Brothers showed a similar rate of progress.”

From a memorandum obtained from our department of Public Instruction I find that in the year 1873-74 the Province paid for Educational purposes \$312,862, in 1878-79, \$354,336; in 1883-84, \$351,590, and that in these years there was paid by local taxation in 1873-74, \$2,048,991; in 1878-79, \$2,465,250, and in 1883-84,

\$2,432,447. In the whole for these years, contributed by the Government and by local assessment, in 1873-74, \$2,361,853; in 1878-79, \$2,819,586; and in 1883-84, \$2,784,037. The number of schools and school-houses were in 1873-74: school-houses, 3,482; schools, 4,367; in 1878-79: school-houses, 3,948; schools, 4,791; in 1883-84: school-houses, 4,974, and schools, 5,080, showing an increase of school-houses in 1878-79, of 1,026, and in 1883-84, of 1,492, and of schools in operation an increase in 1878-79, of 289, and in 1883-84, of 713 over the year 1873-74. As to the number of teachers they were in 1873-74, 5,830; in 1878-79, 6,283; in 1883-84, 7,296, showing an increase of teachers in 1878-79, of 1,013, and in 1883-84, of 1,466. The number of pupils attending schools was, in 1873-74, 229,506; in 1878-79, 242,383, and in 1883-84, 253,079, showing an increase of school attendance in 1878-79, of 10,696, and in 1883-84, of 23,573. Such facts as these are very gratifying indeed and show that our people recognise the necessity of obtaining education for their children and are disposed to do everything they can to secure it. (Applause). Another evidence that the country is gradually prospering will appear from the deposits in

THE SAVINGS BANKS.

The record of the City and District Savings Bank, Montreal, shows a steady rate of increase. In 1877 there were 17,203 depositors in that institution, with an aggregate sum on deposit of \$3,385,765; in 1883, the number of depositors had increased to 29,756, and the amount deposited to \$6,212,630; in 1884 there were 31,231 depositors, representing \$6,328,093 of deposits, and on the 28th of February last the figures gave a further increase during two months to 31,906 depositors, with an aggregate amount deposited of \$6,396,600. These figures I give from Mr. Curran's speech alluded to, and they show progress beyond question, and what is to be noted also is that the average deposits are about \$200, showing that the poorer part of our population are laying up something for a rainy day if it should come.

From a statement kindly furnished me by the manager of the Savings Bank Branch of the Union Bank in this city the same

satisfactory result is shown as to the deposits there. In 1882 there were 2220 depositors, with deposits to the amount of \$620,891; in 1883 there were 2,280 depositors and deposits to the amount of \$654,969, and in 1884 there were 2,280 depositors, with deposits amounting to \$665,018, an average of nearly \$300 to each depositor.

In the Caisse d'Economie de Notre Dame de Quebec we find equal signs of prosperity. From a statement kindly given me I obtain the following. I give only the past five years. In 1880 there were 11,153 depositors, with \$2,360,241 deposited; in 1881, 12,053 depositors, and \$2,634,495 deposited; in 1882, 12,951 depositors, and \$2,915,434 deposited; in 1883, 11,938 depositors, and \$2,690,575 deposited; in 1884, 12,910 depositors, and \$2,586,777 of deposits.

I now give the amounts deposited in the Post Office Savings Bank:

Amount of deposits June 30th, 1884.....	\$13,245,552.64
" " June 30th, 1879.....	3,105,190.80
Increase in 5 years.....	<u>\$10,140,361.84</u>

The amount deposited in all the savings banks of the Dominion Government was:

On June 30th, 1884.....	\$29,217,536.84
On June 30th, 1879.....	9,207,683.20
Increase in 5 years.....	<u>\$20,009,853.64</u>
Amount of deposits June 30th, 1884.....	\$29,217,536.84
" " June, 30th, 1883.....	26,219,107.55
Increase last fiscal year.....	<u>\$ 2,998,429.29</u>

These figures, which cannot be disputed, show a state of things highly satisfactory, and show that our country is rapidly increasing in wealth, and that notwithstanding all the efforts of some to cry down our country, and prophecy hard times and failures in commerce, manufactures and agriculture, the country is prospering rapidly, and our people have no reason to fear for our future as a nation. We are prospering and will prosper, I believe, beyond our most sanguine expectations. (Applause).

I hope, Mr. Speaker, that I have not wearied you and the honorable members of the House with these details. I consider them important, as showing the sound financial condition of our country, and the steady advance making in substantial prosperity.

There are other savings banks and institutions showing equal prosperity, but I do not wish to weary the House with further statistics, and have given those merely as samples for the consideration of the honorable members of this House.

Then again, another branch of industry particularly affecting our farmers—the export of animals to England. I take from one of our city papers of Monday last, a statement copied from the report of the Minister of Agriculture, Ottawa, which shows the importance to Canada of the cattle exports, and which is unquestionably correct. It is said :

“The export trade of cattle from Canada, during the year 1884, shows an increase over the previous year, the total number being 61,843 cattle, against 55,625 in 1883 ; but there is a large decrease in the numbers of sheep exported, viz. : 67,197 against 114,352.

“The numbers shipped from each port during 1884, are as follows, viz. :

	CATTLE.	SHEEP.
Montreal.....	50,795	62,985.
Halifax.....	3,611	30
Quebec.....	680	747
Entered at Montreal for Boston and Portland.....	6,757	3,435
	<hr/>	<hr/>
	61,843	67,197

Which, taken at a fair valuation, represents—

61,843 cattle at \$126.....	\$7,730,375
67,197 sheep at \$10.....	671,970
	<hr/>
Total.....	\$8,402,345
Being an increase over last year of.....	\$ 67,999

“In addition to the above, a considerable number of Canadian cattle and sheep have been taken to England via. Baltimore, on account of the extraordinary low freights from that port, and con-

sequently are classed, on arrival, as American. They are, however, treated as such, and are subjected to the compulsory slaughter clauses of the Contagious Diseases (Animal) Act.

“The growth of the trade since 1877 is thus shown :—

YEARS.	CATTLE.	SHEEP.	SWINE.
1877.....	6,940	9,509	450
1878.....	18,655	41,225	2,078
1879.....	25,009	80,332	5,385
1880.....	50,905	81,843	700
1881.....	45,535	62,404
1882.....	35,378	75,905
1883.....	55,625	114,352
1884.....	61,843	67,197”

Another very gratifying fact is shown in the report of the Minister of Agriculture with respect to the number of our population represented as leaving Canada for the United States, year by year. The statistics of the United States officials are not reliable, and the secretary of the Minister of Agriculture clearly shows their unreliability in the following:

“I think it is better to point out the leading fact which is established by the figures representing the total movement of passengers *from* Canada and *to* Canada by the whole of the Grand Trunk system in the east and in the west.

“The figures are as follow :

Total <i>outs</i> from Canada to United States.....	210,941
Less—European passengers.....	9,010
Total net <i>out</i>	201,931
Total <i>ins</i> to Canada from the United States.....	206,616
Less—European passengers.....	1,778
Total net <i>ins</i>	204,834
Net gain to Canada of difference <i>ins</i> and <i>outs</i>	2,907

“I have no doubt of the perfect truthfulness of these figures, the details of which are appended hereto (marked exhibits A, B, C,

D, E, F and G). They were officially furnished by Mr. T. B. Hawson, the traffic auditor of the Grand Trunk Railway and they are absolutely destructive of the statement that Canada can have lost the population by emigration to the United States which is represented by the figures in the United States table. I believe, also, that they are equally destructive of the theory of any appreciable emigration from Canada during the year named. I mean *net* emigration—that is, the difference between *ins* and *outs*.

“If we test the figures at the two points of Sarnia and Detroit by the figures of the Grand Trunk system referred to, we have the following results :

Net <i>outs</i> at Sarnia (Port Huron).....	38,657
do Windsor (Detroit).....	36,312
	<hr/>
Total.....	74,969
Net <i>ins</i> at Sarnia.....	31,411
do Windsor.....	39,338
	<hr/>
Total.....	70,749
	<hr/>
Difference, showing net loss by Canada at the two ports named.....	4,220
	<hr/>

“And this is the real fact, to be set against the claim of the Washington Bureau of 49,145 emigrants from Canada at Detroit and Port Huron.

“I have to state that the methods of obtaining these so-called statistics are of precisely the same character as those described in my previous reports. I have, acting under your directions, taken pains to verify this fact. But I doubt if it is again worth while to occupy your attention by a repeated statement of the same class of details.

“It is, however, a fact of sufficient importance to be again pointed out, that the chief of the United States Bureau of Statistics, at Washington, in the annual volume of reports and statements officially published, does give pretended details respecting all those so-called immigrants from Canada, as to their last place

of residence, citizenship, age at three periods of life, sex and occupation. The details of the occupations, as published in Mr. Nimmo's report, I subjoin as an exhibit herewith (marked H). We have here artists, clergymen, dentists, lawyers, doctors, barbers, bakers, weavers, fishermen, hotel-keepers, nurses, peddlars, &c., to the numbers of the figures stated. And with respect to such information, I have simply to remark that it could only, by any possibility, be obtained by a regular system of question and answer, and registration of the facts obtained on the spot—a method which would be plain to everybody who chose to observe it, and particularly so to the subjects of the information.

"I have crossed repeatedly in the immigrant cars, for the purpose of observation, but I have never seen anything of this kind done, and I am assured by the Canadian Collector of Customs at Sarnia, and other officials at that point, who are intimately acquainted with the whole of the proceedings, that nothing of this kind is done.

"It follows, indisputably, that the pretended information in the details which I have stated can only be set down by the methods as those described by Mr. Avery, Mr. Irwin and others officially employed in the United States service, as shown in the evidence given before the Immigration Committee of the Canadian Parliament, in 1884—that is, by a process plainly and unequivocally described by them as simple fabrication."

RAILWAY CONSTRUCTION.

Then again, look at our advance in railway construction, I may say during the past ten years. The Province has aided largely in the construction of the following railways, some of them completed, others in the course of construction:—

The Levis and Kennebec, the International, the Quebec Central, the Montreal, Portland and Boston, the Waterloo and Magog, the South Eastern, the Mississiquoi Valley, the St. Lawrence and Champlain Junction, the Quebec and Lake St. John, the Montreal and Laurentian, the Pacific and Pontiac Junction, traversing with the Q.M.O. & O. Railway a large majority of the counties of the Province. These subsidized railways being upwards of

610 miles in length, make up with the Q.M.O. & O. Railway and branches of 359 miles, a grand total of 969 miles of railway built, running daily to our great centres of business, and all within the comparatively short period of ten years. (Cheers).

It is hardly possible to estimate the increased wealth these railways have added to our Province. Outlying districts brought into direct and easy communication with our cities, enhancing the price of farm produce, cheapening the cost to the farmer of those necessaries he requires from the cities, and promoting and encouraging all kinds of manufactures for the use and comfort of the whole community. Villages are springing up all along our lines of railway, inducing the introduction of various industries heretofore unknown in our Province. The value of real estate is increasing year by year. The value of cattle, horses, sheep, and other animals of improved breeds—the value of all kinds of agricultural implements of improved kinds is increasing year by year. The log house is giving place to the frame building, well finished, painted and ornamented. The frame buildings are giving place to houses of brick and stone. The old-fashioned log stable and barn superseded by the large convenient mammoth barn, finished off better than houses formerly were, and these changes and improvements are to be seen in all parts of our Province—north and south, east and west, and all consequent upon the enterprise and public spirit manifested by the Legislature in fostering and encouraging and aiding in the construction of railways alluded to. (Loud applause).

While it is true that our finances have become temporarily embarrassed by such a large outlay, still it is only temporary, and the general public, the whole Province, have gained a hundred fold to remunerate them for all the outlay made.

THE BRITISH ASSOCIATION.

The visit of the members of the British Association of Science last summer cannot fail to produce good effects in making Canada known in Europe. The people of Canada, and especially the people of this Province, did honour to our guests from Britain, on the occasion of their late visit, and did honour to

themselves by their open-handed generous hospitality, manifested to some of the most distinguished men from the old country. The members of the Association will make known the resources of Canada to the people at home, which will induce many to come out and make their homes in Canada. Possibly the Western Provinces of the Great West may receive the larger number of their immigrants, but in settling and building the great grain producing part of our country, we in the east will supply them with manufactured goods of every description, and thus derive benefit from the influx of population. (Cheers). The nations of Europe seem in an unsettled state at present, England and France, from whence our principal population came years ago are engaged, the one in the Soudan and the other in China in foreign war, and there are rumours of difficulties between other nations of Europe which shew a restlessness and uneasiness that almost foreshadow trouble between them.

In this country we have peace and plenty in all our borders, and although there has been a slight depression in business affairs for some time past, still it is only temporary, and the low price of provisions is a great boon to the poorer part of our population.

We have no need to envy any other nation either as respects our political insitutions, our civil and religious liberty, the proper administration of our laws, or the diffusion of education among our people. In this Canada of ours we have a goodly heritage. Let us then each in our respective sphere, either as private citizens or legislators, see that we do our part towards advancing our country in material prosperity, in doing all we can to enact wise, judicious laws, in seeing to their proper administration, in spreading education amongst our people to the utmost of our power—thus doing our part in establishing our country in that righteousness which exalteth a nation.

The hon. gentleman resumed his seat amid loud and continued applause.

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