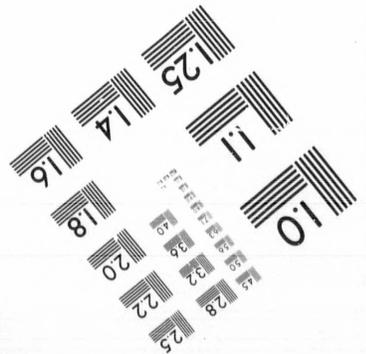
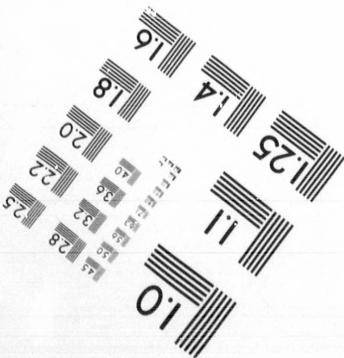
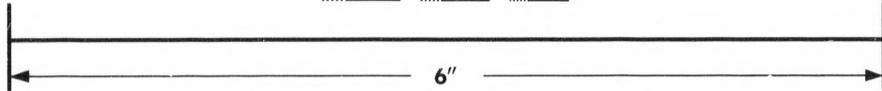
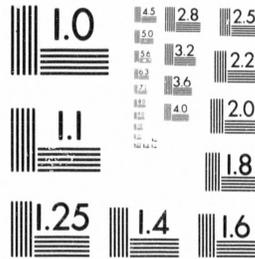


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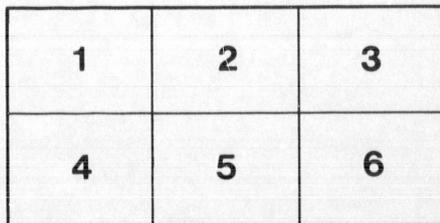
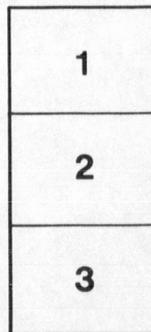
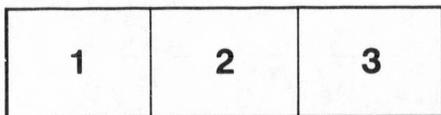
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SPEECH

OF THE

HON. ADAM CROOKS,

TREASURER OF THE PROVINCE OF ONTARIO,

DELIVERED ON THE 21ST FEBRUARY, 1873,

IN THE

Legislative Assembly of Ontario,

ON MOVING THE HOUSE INTO COMMITTEE OF SUPPLY.

REPORTED BY H. KINLOCH.

Toronto :

PRINTED BY HUNTER, ROSE & CO., 86 AND 88 KING STREET.
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REPORT

OF THE

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MEMBER OF THE HOUSE OF COMMONS

DELIVERED ON THE 21ST FEBRUARY 1871

IN THE

Legislative Assembly of Ontario

ON BEHALF OF THE HOUSE INTO COMMITTEE OF SUPPLY

PRINTED BY J. H. MASON

1871

THE HOUSE OF COMMONS

1871

FINANCIAL STATEMENT

OF THE

HON. ADAM CROOKS.

LEGISLATIVE ASSEMBLY,

TORONTO, *Friday, 21st Feby., 1873.*

Hon. Mr. CROOKS said :—Mr. *Speaker*, In moving that you do leave the Chair, in order that this House may resolve itself into a Committee of the Whole, for consideration of a supply to be granted to Her Majesty, it becomes my duty to make the customary statement in reference to the financial affairs of the Province. In proceeding to make that statement, I may first direct the attention of hon. members to the circumstance that they have before them in full detail all the accounts relating to the occurrences of the past year. For the year ending 31st December, 1872, hon. members of this House have for fully a fortnight been in possession of all the public accounts, involving the minutest details and every item of public expenditure under its proper head. I may also remind hon. members, that this is the second occasion on which, during the sitting of the Legislature, hon. members have been placed in this position of having before them, while the House is in session, and while called upon to vote the supplies for the coming year—the second occasion on which they have been furnished with the public accounts in this full and complete shape. My immediate predecessor in the office of treasurer, was able during the session of 1871-2, to place the public accounts in this same full and complete shape before the House then in session, in the month of January, 1872 ; and in the first week of February, 1873, I found myself able to discharge the same duty. On previous occasions the House was furnished, not with the public accounts as they were subsequently printed, because formerly the public accounts in detail were not printed and published until during the recess which intervened between the then session and the following session, and all that was submitted to the House during its sitting was an abstract rather

than a full statement of the accounts of the preceding year. This is the form in which for the year ending 31st December, 1870, the public accounts were submitted for the consideration of the Legislature. It is a small pamphlet consisting of twenty-four pages : while the public accounts now submitted consist of upwards of one hundred and fifty pages ; and the only details which were contained in that statement of the public accounts were in reference to the contingencies of the several Departments of the Government. In other respects all details were omitted from this statement, which was made up in the following form :—First, the receipts and expenditure for the ten months ending 31st of October, and then a similar statement for the two remaining months ending 31st of December. Now, I allude to these circumstances in order to show hon. members that during former sessions the Legislature has not had the opportunity of considering the public accounts of the previous year, before being called upon to vote the supplies for the coming year, and was not in possession of the details in the manner I have mentioned. I refer to this for the purpose of enabling hon. members to justify me when charged with any apparent delay in bringing down the accounts for last year. Hon. members can conceive the amount of labour which is involved after the close of the year on the 31st of December, before all the public accounts can be properly balanced and drawn up in detail, sent to the printer, the printing revised, and the accounts placed before hon. members in a correct shape. The delay of five weeks after the 31st of December in preparing the public accounts to submit to this House, I think can only be spoken of as a short delay ; and that the delay is more than reasonable cannot be imputed to me or to my Department. Again, as to the assembling of the Committee to whom the public accounts are referred, I may say that that Committee was convened as soon as suited the convenience of hon. members composing it, and they have been engaged now for seven or eight days in a careful examination of these accounts. They will have the fullest opportunity during this session of examining in the most exact manner, and of submitting to the closest scrutiny, every item of expenditure.

With these preliminary remarks, I may proceed to discuss more immediately the financial position of the Province of Ontario, as it was on the 31st December, 1872. In calling the attention of hon. members to this, it will be desirable that I should remind the House of the correct position in which the Province of Ontario financially stands, and

before stating that position in as concise a form as possible, I may here mention that this information has been mainly drawn from the statements of one of my predecessors—the Hon. Member for South Brant—which will always form most valuable records in the department over which I now preside. In the financial statements to which I refer, the hon. member, while Treasurer of the Province, has placed on record most valuable information not so much in regard to our ordinary receipts and expenditure, as in regard to that with respect to which it is difficult to find in any intelligible form correct information. I mean the true position of the Province in respect to its relations to the former Province of Canada, and the Dominion Government. I have examined the statements which have been made during the years 1868, 1869, 1870 and 1871 by the hon. member for South Brant. I have also had the benefit of the statement made by my immediate predecessor, the Hon. Mr. Mackenzie, in February of last year; and from these statements I have obtained information of a valuable kind which I propose to communicate to the House, and which will enable hon. members to understand the correct position of the Province. I may also mention in connection with these sources of information that there was a further document, which emanated from the hon. member for South Brant, of an exhaustive and valuable character, namely, his final argument before the arbitrators for determining the relative positions of Ontario and Quebec in connection with their share of the excess of debt, and in regard to certain trust funds and assets of the former Province of Canada. That argument is the main source from which we can derive any correct notion of our true position in connection with that question, and I may say that the hon. member for South Brant deserves from this Province the largest amount of praise to be paid to him for the exceedingly exhaustive manner in which he took up, on behalf of this Province of Ontario, the examination of the important questions which came before the arbitrators; and if one were to compare the terms of the award pronounced with the arguments of the hon. member for South Brant, he must come to the conclusion that, in the main, the arguments of my hon. friend prevailed even to the very figures on which the hon. member argued with regard to this Province. (Applause.) In calling the attention of this House to the statement which I propose to make, I may assume some important particulars in which the member for South Brant claimed certain allowances for this Pro-

vince, and which allowances were acquiesced in by the arbitrators. And further it appears to me that considering all the circumstances bearing on the position which the member for South Brant took in connection with that important question, involving as it did very large items of money, it would be difficult to say that his position was not a sound one in principle; and whatever may become of this question, and whatever attention may be required to be paid to it, I know no one who is in a position to lend more valuable aid to the cause of this Province than that hon. member. (Hear, hear.)

In now submitting my statement to the House, I propose asking the House to go through the same or a similar course of instruction, which I myself was obliged to go through when first I took charge of the Department. As I have had that charge for only a few months in connection with other labours, I have not yet been able to master as fully as I would have desired all the questions of importance which require to be attended to. The first point I wished to arrive at and be instructed upon was, how does the Province of Ontario in truth stand? It is claimed for it that it has, and it undoubtedly has, a large amount in a state of investment, a large amount saved out of revenue, and a large amount invested in public undertakings; but the point of vital interest is, when there is a settlement of the debt with which this Province is chargeable in connection with the old Province, what is our correct position? Under the British North America Act of 1867, there is a stipulated amount of the public debt of Canada to be assumed by the Government of the Dominion. That amount is \$62,500,000, and for the amount of debt above that sixty-two-and-a-half millions, the Provinces of Ontario and Quebec are jointly liable in such proportions as were to be subsequently determined by arbitration. Upon a rough estimate it has been assumed, and it was assumed by the arbitrators, that the sum of \$10,500,000 would be that excess of debt—in other words, that the Provinces of Ontario and Quebec were bound, under the British North America Act, to assume between them that amount of debt, the interest on which was to stand against the Provinces—in other words, the interest on the excess of debt due by Ontario and Quebec was to be a charge against the amount payable by the Dominion to each of these Provinces, so that while we in theory are to receive something like \$1,200,000 from the Dominion, there stands against us, as a first charge upon that sum, the amount of interest to be payable by the Province of

Ontario, on its share of the excess of debt. Various sums have been assumed in regard to the excess of debt, but perhaps it may be desirable to assume, at least for the present, that the amount in reference to which the accounts of the Dominion with this Province are now being carried on is correct. The assumption, so far as the Dominion is concerned, is that the excess is \$10,500,000, and Ontario is assumed to be charged with five-ninths of that and Quebec with four-ninths, so that there would be a sum of \$5,833,333 as the debt which upon this basis stands against this Province; and although the principal of this debt may not be payable except at our option, and although the principal represents only the basis of an annual charge against us, it is still a perpetual charge, while on the other hand the charge against Quebec is based upon a sum of upwards of four millions and-a-half. It will, however, be satisfactory to hon. members to understand, that this ten millions is only an assumed amount. In previous discussions that have taken place in this Legislature, the former leader of the Government, the Hon. Sandfield Macdonald, took occasion emphatically to say that this was merely an assumed amount, and the then Hon. Treasurer coincided in that view. The hon. member for South Brant, in his financial statement of December, 1868, mentioned that this excess of debt was subject to a large reduction, which, he claimed, amounted to upwards of four millions of dollars, and he claimed these deductions on what appear to me to be accurate data. Hon. members will find the figures in the statement of the hon. member of December, 1868, where he shows conclusively that as between the Dominion of Canada and the public debt of the former Province of Canada, that public debt should be decreased by three large items—one a claim against the Great Western Railway Company of Canada; another against the Grand Trunk Company, (not at all in connection with that large amount, nearly twenty millions, which was represented by the transactions of previous years, but in respect of equipment mortgages,) and also, a claim against the Northern Railway. The then Hon. Treasurer argued fairly that these three large items were assets of the former Province of Canada and should be collected, and the amounts when paid placed to the credit, and in reduction of the debt, of the former Province of Canada. But I go further and say, that we may claim in reduction of that debt every amount which can be fairly recovered from the Grand Trunk and Northern Railway Companies, for which those companies are debtors to the former Pro-

vince of Canada. In regard to the Northern Railway, although its debt has been postponed, and money raised with a view to place the undertaking in an efficient position, yet there is value enough in that road to enable me to consider that any advance made in former years to the Northern Railway need not be entirely lost. In other words, I think that in the Northern Railway Company of Canada, there is something in the way of a valuable asset for the reduction of the debt of the former Province of Canada. So in regard to the Grand Trunk Company, in respect to the large advance of fifteen millions and upwards made to that company; although the interest upon that is postponed, it will be come a first lien upon the undertaking, and in connection with any new arrangement to place the company in a more satisfactory position, we at all events, as representing that large amount, which represents so much of the public debt of the old Province, are entitled to be considered, and whatever is to be finally done in regard to this large Grand Trunk debt, this Province and the Province of Quebec are interested in it to a very large extent indeed. Hon. members will be pleased further to learn, that as against this assumed amount which we may be in debt to the Dominion, we have these special funds, of the value of which there can be no question, to fall back upon. We have the Upper Canada Grammar School Fund, amounting to \$312,769.04, which is a living fund which yields us annually five per cent. interest; secondly, the Upper Canada Building Fund, \$1,472,391.41, nearly a million and-a-half, also a living fund, which gives us interest at six per cent. We have also our five-ninths share of the Common School Fund, Quebec being entitled to the other four-ninths, our share amounting to \$914,246. This too is a living fund, so that we have nearly three millions of specific funds to deduct and set off as against what may appear to be finally the debt which we may owe to the Dominion. But further, we are entitled besides to the Municipalities Fund, respecting an asset of \$302,533.56, the Upper Canada Improvement Fund \$124,685.18, and we also have our share of the value of the library belonging to the former Province of Canada, amounting to \$125,541, which makes an addition to the three millions of upwards of half-a-million. Further, amongst the joint assets which, under the British North America Act, were declared to be the property of Quebec and Ontario jointly, and under the distribution which the arbitrators made of these joint assets, we have this very large amount as the share of Ontario—an amount nominally footing up to

nearly seven millions of dollars—namely, the debt from the Upper Canada Building Fund, amounting to \$36,800 ; the Law Society of Upper Canada Debentures account, amounting to \$156,015 ; the Municipal Loan Fund Indebtedness, amounting to \$6,792,136 ; the Agricultural Society of Upper Canada debt, \$4,000 ; and the University Permanent Fund, \$1,220—making in gross, \$6,990,171 from these joint assets ; so that assuming that this Municipal Loan Fund debt is to be dealt with during the coming Legislature—

Mr. RYKERT—The coming Legislature ?

Hon. Mr. CROOKS—I mean during the present Session. Assuming that this matter is to be dealt with during the present Session, we are in a position to claim that on the final adjustment of our accounts with the Dominion of Canada, a small sum, at least not a large sum, will stand against us as our share of the excess of debt. It is scarcely necessary to assume to arrive at the amount until it can be absolutely determined what was the correct amount of the debt of the Province of Canada on the 30th of June, 1867.

Such then being relatively our position with reference to our debts and assets, I come next to invite the attention of hon. gentlemen to a consideration of the sources from which we derive our income. Our income is attributable to sources which to a certain extent are fixed, or at all events sufficiently reliable or permanent as to make light the duty of any Treasurer who is called upon to submit for the consideration of this House a vote of ways and means, and not to call from him the display of any particular financial inventive ability. Most Ministers who are charged with the finances of a country are called upon annually to consider a financial policy which will result in the return of such ways and means as will be sufficient to meet the contemplated expenditures of the country ; but in this Province the Treasurer has no opportunity for the exercise of any such ability. He cannot even go as high as the present English Chancellor of the Exchequer, when he assumed to invent as a prolific source of revenue, a tax upon the sale of matches. Even in such small items as matches, the person in this Province holding the position of Treasurer cannot exercise any ingenuity in looking about him for a measure of increasing his revenue, by a new imposition upon the public. Our position in that respect is a very limited one, and except with regard to the matters of licenses and stamps on legal documents, it is beyond the authority of this Legislature or of the Finance Minister

in charge of the affairs of the Province, to look around for new sources from which to make a revenue—all the sources of income which I have to mention are definite. The first source which can form the basis of a correct annual estimate is that portion of our income which comes from Dominion sources. Hon. gentlemen will recollect that from Dominion sources we are entitled to two payments—one a specific payment of \$80,000 a year, and another the subsidy based on the population of 1861, amounting to \$1,116,872. These two amounts together result in our receiving \$1,196,872; but as against that the Dominion assumes to charge us with five per cent. interest on the assumed portion of the excess of the public debt which I have mentioned—namely, \$291,666. But these three special funds which I have named—the Upper Canada Grammar School Fund, the Upper Canada Building Fund, and the Common School Fund—are still retained by the Dominion, and they pay us on these funds interest at the rates which I have mentioned, and that results in our being able to call upon the Dominion to pay us annually an additional sum of \$149,694, so, as the net result of our arrangements with the Dominion Government, we can rightfully demand them to pay us \$1,054,900 a year. Then we have what is called the Consolidated Revenue Fund, the most prolific source from which the Province derives its income under this fund, being in connection with the Department presided over by my hon. friend on my right (Commissioner of Crown Lands). That Department may be looked upon, under the able management of my hon. friend—under an improved management, as this House and the country are fairly able to ascribe to him—to furnish nearly a million of dollars. The Crown and Grammar School Lands may be looked upon as producing annually \$150,000; Woods and Forests, \$800,000. I will give hon. members the exact figures, but I am speaking now of our probable income—what the House and country may look upon as its ordinary income, having regard to the sources from which it proceeds. The next item is \$50,000 for Mining Lands, which together with the items before mentioned, makes a million of dollars from the Crown Lands Department. The next item is the Municipal Loan Fund debt—an item which must disappear in time. This is an item which has given a considerable amount of revenue, and which the hon. member for Brant estimated should return \$200,000 a year; but which last year gave us only \$70,000, and which I have put down as \$50,000. Then the next item is interest on investments, \$200,000, but of course this amount

cannot be regarded as permanent, for if the amount invested is diminished by payments in regard to the Railway Aid Fund, and the proposed distribution amongst the municipalities, that source of income will also in future years disappear. I take credit for it as a source of income for this year, to the extent of \$200,000, as a sum which may be properly estimated. For Licenses, I put down \$60,000; the actual amounts received are greater. Casual revenue I estimate at \$20,000; Algoma taxes, \$6,000; Law stamps, less than one-half the amount received last year, allowance being made for a reduction, \$40,000; Education Department, \$45,000; and Public Institutions, \$20,000; making from what is called the Consolidated Revenue Fund, \$1,441,000. Then there is a third source from which provincial income arises, and that is called the open accounts, involving the Municipalities Fund, \$80,000; Common School Lands, \$70,000; Marriage Licenses, \$35,000; together \$185,000, and making \$2,680,000 of probable income for the year. In regard to two of these sources of supply, the Municipalities Fund and the Common School Fund, they are simply introduced as a set-off against expenditure of similar amounts shown on the other side. These amounts are paid into the Department, to be paid out during the year.

In order that the House may understand whether the amount which I have estimated may be looked upon as a reliable and normal amount to be received in any given year, I may ask the House to refer to the amounts estimated for in each year from 1868 down to the present time. Now in 1868 the amount estimated by the hon. member for South Brant was \$2,202,068. The amount estimated for 1870 was \$2,710,518. For 1871 the estimate was \$2,660,538, and Mr. Mackenzie's estimate for 1872 was \$2,624,064. I merely ask hon. members to draw the deduction from these figures that the normal income of this Province may be safely placed at two millions and a-half, even having regard to deductions which will arise in the future. Having given hon. gentlemen the approximate estimates for the years I have mentioned, I will give them the actual receipts for the same years in order that they may test by the actual results the correctness of the inference which I have asked them to draw in regard to the income of future years. In 1869 the actual income, after paying the Dominion the interest on the excess of debt, was \$2,333,512, while the estimated receipts were less than that amount. In 1870 the amount received was \$2,209,029, falling short of the estimate by nearly half a million, the deficit aris-

ing from the receipts in the Crown Lands Department being below what they were estimated at. In 1871 the receipts were \$2,333,179, while the estimated receipts were taken at \$2,660,538, a falling off of upwards of \$300,000 from the estimates; while in 1872, the year just closed, the actual receipts were \$3,060,749 as contrasted with the estimate of \$2,624,000.

Mr. RYKERT,—The receipts included the timber sale.

Hon. Mr. CROOKS,—In regard to the actual receipts from woods and forests in 1871 and 1872 there is this difference. In 1871 the amount received was \$246,983, while in 1872 the amount was \$973,239, showing a difference of \$720,000. (Hear hear.) Well, now, with regard to the sale I may mention to hon. gentlemen that less than half of the receipts which arose from the sale of the limits on the north shore of Lake Huron are brought into the accounts of last year, and that a large portion of the amounts received from that source will appear in the accounts of the present year.

Mr. RYKERT,—The notes are included in the sale.

Hon. Mr. CROOKS,—No, none whatever. I am speaking of actual cash received. The amounts received from the woods and forests branch of the Crown Lands Department for 1872 involve nothing but actual cash placed to the credit of the Treasury Department. In making payments on account of Crown Lands, payments are made at the nearest points and into the most available banks, and these are then transferred to the credit of the Treasurer's account, so that when I speak of this \$973,000 being received from the woods and forests branch of the Department, I wish hon. gentlemen to understand that less than \$300,000 of the proceeds of the sale are included in that amount.

Mr. RYKERT,—What is the exact amount?

Hon. Mr. CROOKS (after consultation with Mr. Scott).—I beg hon. gentlemen to excuse me. I find that I have been unwittingly led into an error with regard to the receipts in 1871 from this source, the public accounts for 1871 being erroneous. In the public accounts for 1871, statement one shows as the amount received from woods and forests \$246,983, the amount of the figure which I gave. The Crown Lands sales are credited with \$403,463. Now it appears that these credits have been here transposed, as my hon. friend the Commissioner has pointed out to me, and the receipts from woods and forests should be the latter

figure. Of course it was impossible for me to do more than state to the House the information as it was there given me.

Mr. RYKERT,—The hon. gentleman surely does not rely upon the printed accounts in making his estimates. I can point out many errors in them.

Hon. Mr. CROOKS,—Probably, only typographical errors. Hon. gentlemen will thoroughly understand that in this large amount received from the woods and forests branch, less than a moiety of the results of the sale is included, and hon. members will see that less than a moiety is included when I mention this circumstance, that I was enabled in January 1873 to add \$600,000 to the amounts already invested—in other words, the Treasurer in the first month of this year had so much of actual cash at his credit over and above the demands made upon him on account of the Railway Subsidy Fund and other demands, both current and as against capital, that he was enabled to add the sum of \$600,000 to the amount of his investments since the 31st December 1872. (Hear, hear.)

Mr. RYKERT,—You were to tell us the amount received from the sale.

Hon. Mr. CROOKS,—All that information will be given to honourable gentlemen at the proper time and with the proper explanations. What I wished honourable gentlemen to understand was the comparison between the amounts received and the amounts estimated to be received. Another guide which honourable members may take as to our expenditure with reference to our total income may be found by a comparison of the estimates of each year with the actual expenditure in these years; and honourable members will be gratified, on reading that comparison, to find that in every instance there has been a less amount expended than was estimated, and that, in some years, a considerable difference exists between the amount expended and that which was asked from the Legislature. In 1872, there was unexpended of the amount appropriated upwards of half a million of dollars—in other words, the expenditure undertaken by the Government last year was less by \$500,000 than the amount which the Legislature authorised to be expended.

Hon. Mr. CAMERON,—To make that statement of any value, we ought to know the particular items which go to make up the difference.

Mr. CROOKS,—First of all I will give the gross results, which honourable gentlemen may find by turning to the statement commencing on page 146 and closing on page 149 of the public accounts of this year.

FINANCIAL STATEMENT.

They will find that the total amount of the appropriation for 1872 was \$2,312,633, while the amount actually expended was \$1,847,956, leaving unexpended \$540,817. Then if honourable members will refer to the year 1871, they will find that there was the large sum of three-quarters of a million unexpended for that year under the appropriation. The appropriation for 1871 was nearly \$2,600,000, the exact figures are \$2,581,560, while the amount expended was \$1,816,866. In 1870, the amount unexpended of the appropriation was \$450,383; in 1869, \$179,305. So that in none of those years has the actual expenditure reached the sum of two millions of dollars. Now, my honourable friend has asked me to point out with respect to what particular service the amount appropriated remained unexpended. Well, in all of these unexpended amounts, the public works as a rule involve the larger item. In 1872, the public works involve nearly \$300,000, and so again in 1871. In both 1871 and 1872 the amounts unexpended of the public works appropriation involve as much as \$300,000, but on several other items were amounts expended less than the estimates.

Now, I will ask honourable gentlemen to follow me in arriving at a comparison between the actual position of the Province with reference to its assets on the 31st of December, 1872, and its position at that period of the preceding year. I ask them to see the improvement that has taken place in the position of the Province during the year just closed. On reference to the public accounts of 1872, honourable members will find that on the 31st December, 1871, the Province had in a state of investment the sum of \$3,637,979; it had cash in the bank, \$172,985; and up to that period, 31st December, 1871, it had expended on the creation of property of value to the Province—in other words, in erecting public works and buildings which are of the nature of permanent improvements which would give to that extent an addition to the value of the works and buildings owned by the Province the sum of \$1,208,662. In other words, it had invested in Public Works, improvements and buildings \$1,208,662, apart from expenditure which disappears as it is being expended, and which has no corporeal representative, although it has added to the progress of the country and to the wellbeing of its inhabitants; but in the shape of visible representation in respect to Provincial expenditure since 1867, we have the large sum I have mentioned, and which being added to the cash in hand and cash invested, amounts to \$5,019,627—in other words, the Province

could then clearly claim to own property and value in cash investments to the amount of over five millions. Now, take the 31st December, 1872, and see the position of the Province in this particular. The amount under investment has increased upwards of \$600,000, being, on the 31st December, 1872, \$4,297,979, the details of which honourable members will find by reference to the public accounts of 1872, statement 11, page 24. The cash in the bank amounted to \$352,991.

Hon. Mr. CAMERON,—That is, cash in the Bank, unproductive.

Hon. Mr. CROOKS,—Yes, which was there to be drawn on or chequed against. Of course it was made productive afterwards, when, as I have stated, I invested \$600,000 in January, and a portion of this amount of \$352,991 was included in that investment. Besides the expenditure on Public Works which I have mentioned, up to the 31st December, 1871, there was a large additional amount expended in 1872, \$226,764, making the Public Works up to that year amount to a sum altogether of \$1,475,427. In addition to that, \$372,786 was paid in connection with the Railway Fund. Hon. members will understand that the amount which the Legislature thought fit to appropriate last session and the previous session in aid of railways, has been carried by me to a distinct and separate fund; in other words, the Legislature having appropriated \$1,900,000 for a specific purpose, I have carried that to a specific account, called the Railway Fund Account, and from this fund sums are from time to time drawn.

Hon. Mr. CAMERON,—Have you invested the money of that fund?

Hon. Mr. CROOKS,—The only way in which the amount represented in that fund may be considered as being invested, is by considering the portion of the amount now invested which may be called upon to answer the demands on the Railway Fund as the fund in which this Railway Aid Fund is invested.

Hon. Mr. CAMERON,—What I want to understand is, do you consider this Railway Fund of \$1,900,000 as invested, and the interest accruing therefrom going to swell the amount of the fund?

Hon. Mr. CROOKS,—We are not bound by the Act to add interest to the fund.

Hon. Mr. CAMERON,—Then there was no necessity for a special account. It might have been as well kept in the Consolidated Revenue Fund?

Hon. Mr. CROOKS,—Except to make it a distinct fund. In connec-

tion with this account, hon. gentlemen will see that \$372,786 of the receipts or incoming of last year was applied to meet drafts on this fund. The position of the Province was \$1,479,556 better on the 31st of December, 1872, than it was on the 31st of December, 1871. I think that hon. members will not say that that is not a fair financial beginning for a government which, for the first time for a long number of years, has been under the control of gentlemen belonging to the party of Reform.

Hon. Mr. CAMERON,—The saving has been effected out of the expenditure on public buildings, and the receipts from the sale of Crown timber.

Hon. Mr. CROOKS,—The comparison is nevertheless such as I have made. This Province has improved in its resources nearly a million and-a-half in one year alone.

My hon. friends will see further that in connection with the financial operations of the government, we have made two moves entirely to the advantage of the country—two important moves, the first of which was in removing the funds of the Province from a banking institution which is in no sense identified with the business interests of Ontario—an institution which on more than one occasion has declared under the control of its president and great financial manager, that Upper Canada as a banking field was unworthy of its attention. We have taken our public account from an Institution which was entirely opposed to making this Province the field of its own financial operations, and transferred it to the hands of Banks which are entirely Ontario Banks, whose capital is owned by our neighbours and our friends, whose head-offices are here in this City, and whose whole financial ability is devoted to the advancement of the Province. (Hear, hear.) We have transferred what is equivalent to a million-and-a-half of dollars to provincial Banks, which are now using it in developing the resources of Ontario, instead of its being used in foreign financial centres for the purpose of swelling the enormous profits of a banking institution which to all intents and purposes is foreign to the Province. Then we have made another improvement. We insisted that these cash balances left in the different banking institutions should yield us at least five per cent., as these amounts at these banks could be safely and securely used by them at a profit which would be reasonable over the five per cent. which they should pay to us. (Hear, hear.) In these

two respects it appears to me that the financial policy of my predecessor, the Hon. Mr. Mackenzie, was certainly a success, and entirely in the right direction, having regard to the best interests of the Province of Ontario.

If hon. gentlemen will take the invested fund which I have mentioned, and deduct from that the balance still payable in connection with this Railway Fund, they will see that we would still have a funded balance of \$2,670,765, and we have in investment \$4,297,000. I am afraid that I am wearying hon. members with this statement; but it was necessary that I should go through this same course with a view of informing myself on all these points, so indispensable to a knowledge of the financial position of the country.

Mr. RYKERT,—Will the hon. gentleman state the balance on the first day of January after giving credit to the Railway Fund for \$200,000?

Hon. Mr. CROOKS,—As I understand the hon. gentleman, he wishes to understand what would be the position of the Province with reference to its invested assets, presuming that there had been deducted therefrom all the amount to the credit of the Railway Fund—assuming that during the present year the demands upon the Railway Fund would be sufficient to exhaust it. There would then be \$1,627,214 to be provided for out of our invested assets.

Mr. RYKERT,—That includes the \$100,000 of last year.

Hon. Mr. CROOKS,—Yes. So that we still have in investment \$2,670,765, which is a perfectly clear asset, except so far as that it is subject to certain promises in connection with this scheme of distribution.

If my honourable friends will now allow me, I will proceed to what more immediately concerns them, that is what I estimate will be the receipts or income for 1873. I propose to give honourable members what I take as the basis of the estimated receipts for the current year. Honourable members will recollect the amount of cash in hand; I take that as it stands, \$352,991. I take next as a cash receipt, the interest on investments, at \$200,000, a figure which will probably be found to be under the mark. So that I take as cash \$552,991. Then I come next to the Crown Lands Department, and I look to the Department to furnish the Province with an income of not less than \$1,050,000.

Hon. Mr. RICHARDS,—Be kind enough to state the details of that item.

Hon. Mr. CROOKS,—The details have been furnished me by my honourable friend the Commissioner for Crown Lands, and amount to \$1,285,700 less than last year's receipts, but, in order to be safe, I have taken the lesser amount which I have stated.

Hon. Mr. RICHARDS,—Let us have the details.

Hon. Mr. CROOKS,—The first item is Crown Lands, \$190,000 ; the next is Clergy Lands, \$120,000.

Hon. Mr. RICHARDS,—That is a special fund.

Hon. Mr. CROOKS,—Yes, in this item a special fund is involved, and that is the reason for my taking the amount which I mention. Then, the next is Common School Lands, \$80,000 ; Grammar School Fund, \$10,000 ; and Woods and Forests, \$800,000.

Hon. Mr. RICHARDS,—I would like to hear the details of that, please.

Hon. Mr. CROOKS,—I will give my honourable friend the figures ; but if he will allow me, I will first go on with this tabular statement. Mining lands, \$50,000—the actual receipts for last year were \$68,000 and upwards. From Woods and Forests the receipts last year were upwards of \$900,000. From casual and small fees, \$700 ; and amount in suspense, \$35,000.

Hon. Mr. CAMERON,—That may amount to a charge the other way.

Hon. Mr. CROOKS,—No, that always results in a revenue, and is looked upon as a yearly item of receipts by the Crown Lands Department. I next proceed to casual revenue.

Hon. Mr. RICHARDS,—The honourable gentleman was going to explain how he derived the \$800,000 from Woods and Forests.

Hon. Mr. CROOKS,—The Commissioner has just told me that it is to be derived from notes from the sale of limits—the balance still due since autumn—and dues \$500,000.

Hon. Mr. CAMERON,—Why, surely the dues are going to be more than that after the sale of so many limits made.

Hon. Mr. SCOTT,—They will not be worked the first year.

Hon. Mr. CROOKS,—I think the estimate is very low, but we propose to keep under rather than over the amount to be received. From casual revenue sources I anticipate \$22,000—an amount under that estimated last year. That includes \$4,000 from fines and for-

feitures ; \$2,500 from fees received in Secretary's Office ; \$10,000 for advertising in the *Ontario Gazette* ; \$1,500 from the sale of our statutes and journals ; and \$4,000 from the fees on private bills. The next item is for tavern and shop licenses, \$70,000—which is also less than was received last year, and I hope that, under a more vigilant system of inspection, this amount will be increased. Next I take taxes from the District of Algoma, \$6,000. For law stamps, I only take credit for \$40,000 ; presuming that this burden on the country will be relieved by one-half. The Education Department is fixed at \$50,000, made up from items furnished by the Chief Superintendent. The next item is Public Institutions. After making allowances for that which appears to be consistent with the wish of the Legislature, that the children of persons unable to pay in connection with the Deaf and Dumb and Blind Institutions shall be allowed to go there at the expense of the country, I look for a return of \$24,500. From Dominion sources, inclusive of \$35,000 for marriage licenses, I look for \$1,089,900. I have taken a less amount than the Honourable Commissioner of Crown Lands has furnished me with as the probable receipts from the Municipalities Fund, Clergy Reserve Lands, and Common School Lands.

Hon. Mr. CAMERON,—Then it is not intended to take any steps for abolishing that source of revenue this year ?

Hon. Mr. CROOKS,—I am merely putting these down as a *per contra* charge. In the estimates it will be found that two of the items there are for the Municipalities Fund and Land Improvement Fund, and that this is merely a *per contra* account, a matter of bookkeeping. These funds are received on the one hand and disbursed on the other, merely passing through the Treasurer's department. I have taken them among the receipts that they may be a set-off to the charges against revenue. I have taken \$185,000 as the revenue from these sources—a less amount, as I have said, than the Commissioner has furnished me with as the probable revenue, so that the gross probable receipts for 1873 will equal \$3,089,401.75. (Applause.)

Now honourable members will be desirous to know what amount is to be expended in connection with the necessary services of the Province during the year 1873. In the estimates of expenditure for the year 1873 which have been brought down, my honourable friends will see that the sum total, as it is termed, amounts to \$2,771,028, in which sum honourable gentlemen will find that nearly \$270,000 is in-

cluded in connection with the Municipalities Fund and the Land Improvement Fund, and \$80,074 in connection with the expenditure of last year, which requires to be covered by a vote of this House—making over \$350,000 to represent these three items. In examining the estimates, honourable gentlemen will find, having regard to the figures I have already given to them, that as compared with last year they are in excess of them, although of course, as far as last year is concerned, it is properly chargeable with the \$80,074 mentioned. This would make a reduction in our estimated expenditure, and, correctly speaking, the amount to be provided for this year, including the Municipalities and Improvement Fund, is \$2,690,994; and the amount of last year's expenditure should be \$2,392,000. The sum I have mentioned for this year would be \$2,690,994; the figure representing the total of 1871 was \$2,590,000; so that there is not a very great difference between the estimates of this year and those of '71—a difference of about \$200,000. My honourable friends will desire that I should point out specifically the difference between the amounts asked for this year, and those asked for last year in reference to the particular heads of the Provincial service. I have made a tabular statement which I will run over as it will not involve much time, and my honourable friends will see at a glance in what particular departments and as to what particular services there has been a larger amount asked for this year, than was asked for last year. Under the head of Civil Government, first page, honourable gentlemen will find that the excess is \$18,095. The amount asked for Legislation is less this year than it was last year by \$9,540. The amount asked for in connection with Colonization Roads exceeds by \$66,594 the amount voted last year. On referring to page five of the pamphlet containing the estimates, it will be found, Mr. Speaker, that there is given in detail, each particular road in respect to which this vote of \$146,300 is to be asked. It would appear from that, that the Hon. Commissioner of Crown Lands, with whom this particular expenditure rests, has carefully considered the wants of the various sections of the Province, and from the different works of this character, with reference to which he asks certain expenditures, that he proposes as far as can be done during the current year to push back these communications, these Colonization Roads, with a view of advancing the settlement into every portion of the back country. He has divided the Province into three sections, which he terms the north, the west, and the east sections; the east and the west sections

being separated by the Hastings Road, and the north section comprising the Algoma District, which has, in truth, during the last year become a new acquisition to our country. Until last year the whole region north of Lake Superior was almost a wilderness, and except in so far as the Dawson exploration party had assumed to establish a small village at Thunder Bay, that region was almost destitute of inhabitants. There were a few light-house keepers there, one of whom in 1871, from mere isolation, was found dead of starvation. Not having had any mode of communicating with his fellow-beings, he was found dead from actual want. That was the condition of the Lake Superior region in 1871. In 1872 an immense activity has been induced in consequence of the success that has attended the development of certain of the mineral lands, and I believe that with proper encouragement and a judicious expenditure of Government money, the mineral resources of that large area of our country will be found even still more rich than is at present expected. At present one may say that only a very small fraction of that vast territory has been in any way explored. My own view is, that the mineral wealth to be derived from that vast region will in the more remote future come in as a satisfactory supplement, assuming that the wealth we now derive from the products of our forests disappears. In order to encourage then the exploration and settlement of this vast region, and to bring the large settlements which are springing up on the north shore of Lake Superior into communication with the rest of the world, the Commissioner asks the sum of \$32,500. The different roads in connection with which this amount is asked, will be more fully defined when we come to the consideration of these items. Then in regard to the next section, honourable members will see that it involves the extension of existing Colonization Roads into the north-west territory, pointing in the direction of Lake Nipissing. We have asked for this service \$51,800. For the eastern section, which embraces the region west of the Ottawa and the Bay of Quinte, the Commissioner asks \$35,000. The plan embraces the opening up of the present system of roads running northerly from Kingston and easterly to Ottawa. For general purposes the estimate is \$27,000; the total asked for in this branch of the public service being \$146,300; an excess over last year of \$66,000. For the administration of justice the amount asked, \$232,490, exceeds that asked in 1872 by \$31,285. Honourable gentlemen will find in the details which go to make up this total amount an item of \$30,000, taken for the first time,

to cover the expenses of witnesses forced to attend the trial of criminal cases ; so that the total amount asked for, if that item is taken into consideration, does not exceed last year's estimate excepting by the small sum of \$1,285. Next comes service No. 5, Public Buildings, in regard to which it will be seen that there is a decrease this year of \$56,438. In Public Works, there is an excess this year of \$49,280 ; and in Asylums and Public Institutions, maintenance, \$16,941. This increase arises in part from the consideration of the number of pupils in the institutions who are now to be supported at the public expense. In Education there is a difference of \$48,195 ; the total being \$470,213. That amount is not so large as the amount which the Chief Superintendent of Education asked for, which would have made the increase equal to nearly \$80,000. The principal difference is in connection with the Public Grant, the addition being \$20,000. Considering the proportionate amount which the Public Grant bore to the amount raised by local taxation in aid of Education, it appeared to me desirable that that relation should be maintained. It appeared from the Chief Superintendent's statement that the amount of the Public Grant was about one-tenth of the amount raised from local sources for educational purposes ; and in deciding upon the amount to be fixed for this year we were keeping the position relatively to that which we occupied last year, insomuch as the increase of last year in the amounts raised from local sources was about \$200,000. For Agriculture and Arts an increased sum of \$6,000 is asked for. In Emigration there is a large increase, amounting to \$55,824, the details of which will be found on pages 24 and 25. In Hospitals and Charities there is a small addition of \$920. For Literary and Scientific institutions the amount remains the same. For the School of Practical Science, \$1,800 additional are asked for. For unforeseen and unprovided, the same amount is asked for. When you come to the Crown Lands Department expenditure, you will find a large increase. The amount in addition is \$84,892. The details are given at page 28, and honourable members will find that \$53,000 are in respect to special services. There remains the boundary between Ontario and Quebec to be defined ; for settling the question as to our west and north boundary, \$10,000 is asked for ; and an amount is asked for to determine certain questions with reference to the claims of the Hudson's Bay Company on Lakes Superior and Huron. \$7,500 is asked to define the boundary between the timber limits and the Crown

domain. An amount is asked for a survey on Lake Huron, but that amount is chargeable to limit-holders, and will be returned to the Treasury. An amount is asked which in my mind points to a movement in a right direction. So far, notwithstanding the enormous wealth which still lies hid in this Province with regard to its mineral resources, nothing has been hitherto done to collect that amount of information on the subject which the people of this Province have a right to expect. The Government has done nothing for the purpose of informing itself or the Province as to the extent or probable value of its vast mineral resources; but \$4,000 is now asked for that purpose. \$5,000 is asked to be returned to certain municipalities in respect to their share of timber cut on road allowances; and so on. But honourable gentlemen will find that although the amount asked for this year in respect of the Crown Lands services is in excess of the amount asked for last year, that excess represents items of expenditure which will result in being of great value to our Province. The whole excess is \$84,084.

These are some of the principal points to which at present I would ask the attention of hon. members, and I would propose to close my present statement by introducing a reference to—

Mr. RYKERT,—Will the hon. gentleman state before going any further, what the Drainage Works, under the head of Public Works, on page 15, are for?

Hon. Mr. CROOKS,—That amount is to cover the expenditure on the works already authorized by the Legislature in connection with the Bills of my hon. friend the Commissioner of Public Works. The Commissioner has fully informed the House on these matters, and when the items are come to, the fullest information will be given to the hon. gentleman.

In connection with civil government, I may mention to hon. members that there has been a slight increase in the salaries of some of the officers connected with the different departments. The actual figures in connection with each particular office appear in the estimates; and I may mention to hon. members, that although the Government has made this increase, which it recommends the House to adopt, the increase is very small indeed relatively to the duties performed, and having regard to the payment for similar duties in other services. (Hear, hear.) My hon. friends will not be able to find in any of the increases made, that we have gone as high or as far as similar services are com-

pensated for in regard to other Governments and in regard to other employments. In fact, we have been importuned as a Government to go further. Take for instance the Department of Education. The Chief Superintendent has presented data and representations in the strongest possible form, for this Government's acceding to all his suggestions; but we nevertheless found it impossible at the present time, without further consideration, without understanding fully the views of the House and country, to go as far as the Chief Superintendent desired with regard to any persons who were connected with the different duties which his Department discharges. He states in very forcible and truthful language the position of each of these officials, and he summarises the whole question in these words, which I have extracted from his letter of the 7th December last. He says, and no doubt truthfully (as hon. members must see if they expect the country to be faithfully and efficiently served by its servants), "It is bad economy, detrimental to public service, and unjust to individuals, to keep the remuneration of competent and faithful men in the public departments down to the point of starvation." Acting in connection with these considerations, but finding that in certain instances in which the case made out by the Chief Superintendent had to be yielded to, the Government has thought fit to increase slightly the salaries attached to the very efficient masters and mistresses who have charge of the Model School; and in assuming to make that increase, the Government has merely brought up these salaries to the position which they were in some two years since, so although that is an increase over last year, yet having regard to the salaries paid two years ago, it is not an increase. Of course, as each item comes up, hon. members will have an opportunity of obtaining the fullest information; but I may mention to the House, that in assuming to take a very slight step in advancing salaries, the Government has not acted without carefully weighing in each case the claims put forward for an increase of pay.

In closing this statement, I may be allowed to call the attention of the hon. members to two general statements, which demonstrate the extraordinary progress which this Province is making in all directions. If hon. members would refer to the position which the two Provinces of Ontario and Quebec now occupy in regard to the deposits in the different banking institutions which may be said to belong to these two

Provinces, without reference to the other Provinces constituting the Dominion, they will find that the deposits in the banks have doubled since 1867. In 1867 the deposits amounted to \$29,500,000; in 1872 to \$58,200,000—a doubling of the cash resources of the community in five years. Hon. gentlemen will also see the large impetus given to trade generally, and the large volume into which our trade has swollen, if they refer by contrast to the amount of discounts and loans made by the banking institutions of the two Provinces of Quebec and Ontario. In 1867, the gross amount was \$50,600,000, and in 1872 that amount had more than doubled, to \$107,200,000—a most satisfactory increase in the volume of our trade in five years. But, what will furnish data even more satisfactory than this which I have just supplied to the House in regard to our great increase in material wealth, honourable gentlemen will find in a statement which I have had prepared connected with the expenditure on railways. That statement has relation to the expenditure that has taken place since we became a separate Province in 1867, and to railways constructed and moneys expended within the limits of the Province of Ontario alone. The table which I have here is a reliable one, having been prepared by Mr. Molesworth, C. E., and shows that between the 1st of July, 1867, and the 1st of January, 1873, there have been 1,484 miles of railway in course of construction, the estimated cost of which amounts to upwards of \$35,000,000, while the amount actually expended since 1st July, 1867, is \$18,915,871, leaving still to be expended \$16,000,000. Honourable members will see from this that the country has received an addition to its fixed wealth, in the shape of permanent improvements of the highest value to the community, and which are indispensable in this age of progress, of nearly \$19,000,000.

Mr. LAUDER,—Does the statement show the amounts that have been granted by municipal bonuses?

Hon. Mr. CROOKS,—This statement includes the moneys supplied to the railways from all parts of the province, but does not specify particularly the amounts received from municipalities. It shows the money actually expended by the railways, and drawn by them from all the sources that were open to them. This Province has spent less than \$400,000. In other words, our railway policy, in simply assuming to give a small amount—in many instances just enough to supplement the capital raised from other sources—has encouraged the development of railways to such

an extent that upon actual payment of less than \$400,000, and upon the promised contribution of about \$2,000,000, we have secured up to the present time an actual expenditure in railways of \$19,000,000, and the contemplated expenditure of \$16,000,000 more. This only includes those which are now actually in course of construction.

Mr. LAUDER,—Who started the railway policy?

Hon. Mr. CROOKS,—I should be sorry to deprive any member of the House, whether he at one time formed a part of the Government or was a private member, of any portion of the credit due to him for taking an enlightened view of the course that the Province ought to pursue in regard to railway development. I do not intend to throw the slightest imputation upon the former Government, or any member of the House; I merely wish to point out to the country, and it will be satisfactory to the country to know it, that, on account of these small contributions on the part of the Province, we have secured already the expenditure of \$19,000,000, and that in connection with our further proposed contributions of \$2,000,000 we expect an addition of \$16,000,000 further. These railways are all in course of construction, and many of them have been completed. The Canada Southern Railway is completed at a cost of \$7,000,000.

Mr. CAMERON,—What did it get from the Government?

Hon. Mr. CROOKS,—Nothing whatever. The Canada Air Line is also completed at a cost of \$3,000,000; but although these lines were not aided by the Government, nevertheless the immediate effect of this policy was to develop railways and to make railway communication and railway progress a prominent idea in the minds of the whole people of the country; not only that, but it attracted the attention of capitalists abroad, and they began to see that the western peninsula after all offered the shortest route between the great West and the shipping points on the Atlantic coast. Hon. members may carry this table a step further, and may say that a very large portion of this expenditure is attributable to that change which took place constitutionally, and which left us in a position to deal with all local enterprises as this Legislature might think proper. (Hear, hear.) This was exemplified in a very marked degree indeed, in the first session of the first Legislature of this Province. I had then occasion to attend before the Railway Committee as counsel in connection with several schemes, and I found that even the more intelligent of the members who composed that committee and

this House were largely influenced in their views—I do not mean to say *mala fide* or otherwise than honestly, but nevertheless they were largely influenced by existing railways; and that influence which was nearly being successfully used here to stifle all the new enterprises, and which nearly succeeded in stifling several important ones, some of which were only able to obtain mutilated charters by a majority of one vote in this Chamber, would have been entirely successful at Quebec or Ottawa, where it would have been impossible, having regard to the position we occupied constitutionally before the 1st July, 1867, for the larger number of those important enterprises which owe their origin to charters of this House, to have taken the first step, for I am convinced that they would have been strangled by the dominant influence which existing railways possessed in connection with the Legislature of the former Province of Canada. Then, in calling the attention of hon. gentlemen to these expenditures which we are making in all directions, to the accumulation of our resources, and to the consequent strengthening of the position of this portion, at least, of the Dominion, I think I may congratulate this House and the country upon the statement I have been able to introduce to them on this occasion; and I think that such statements are the best answers to those extremely malicious and ignorant articles of a leading journal in the British metropolis. (Hear, hear.) I do not know whether hon. members have read an article which appeared in *The Times* newspaper a few weeks since, and which assumed to belittle the position of Canada and Canadians; which ascribed to them, in consequence of their political connection with the Mother Country, a position anything but one of self-reliance; which spoke of their want of intelligence and their dependent condition. I ask hon. gentlemen, and any one who understands the true position of the Provinces which constitute the Dominion, and especially if he understands the position which this Province occupies, and knows the amount which it contributes for the purpose of making education free to every child in the land, whether we are a people that could become more intelligent by any change in our political position? When the public generally understand that we have added so much to our wealth, have added so much to our actual cash accumulations in the past seven years, have nearly doubled our resources in that respect, and when they learn that from our own resources we are adding to the mileage of railways in this Province nearly 1,500 miles within the last

five years, and have expended nearly \$20,000,000 in their construction ; when this Province is able to go further, and relieve a large portion of it which is suffering under a load of debt contracted under circumstances which were quite exceptional ; and when it still possesses a large accumulated surplus, and has also further expended the very large sums I have mentioned in the establishment of every kind of institution which an intelligent and civilized community ought to possess ; can any person conversant with the facts, can any public man, can any one accustomed to lead the public mind venture to say that in this Province there is not a self-reliant community ? (Hear, hear.) I go further, and I say that the advice which is given in this article—the advice that we should take up our freedom for ourselves and become independent of the mother land—is advice that is ignorantly given, and given by a writer who knows nothing of our true position. I say if there is a country in the world which has ceased to be in a condition of apprenticeship, it is Canada. (Hear, hear.) Do we not each and all feel that we are capable of protecting ourselves, and are we not ready to go forth, if called upon, to make that protection an actual one ? Is there amongst the millions upon whom we can rely in connection with our defence, a man who would not be prepared to die—the last man in the last ditch if necessary—in the defence of Canada ? (Hear, hear.) Nay, I go further and ask in regard to our freedom, can it be said that, in consequence of any possible change in our political condition, this Province can be more free than it is now ? Is there not an intelligent public opinion to influence and guide its people ? That intelligent public opinion has, it is true, been stifled by influences which I am glad to say are now fast disappearing—influences which have placed the Government of this country for years, and the Government of this Province until a short time ago, in the hands of men unworthy to control it—(hear, hear)—of men who know nothing of the aspirations of the Canadian people, and who were unable properly to control the destinies of the country. I say, then, there is a public opinion in this country, and that public opinion, so far at least as this Province is concerned, has been exercised in such a way as to show plainly and clearly that we belong to “that true north” of which the Poet Laureate sings, which is faithful in its position as a dependency of the British Empire, and that we are able and willing to assert our rights and to maintain them as freemen in the full possession of our freedom. (Cheers.)

FINANCIAL STATEMENT.

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1873.

ESTIMATED INCOME.

1. Cash :

(1) On hand.....	\$352,991 34	
(2) Interest on Investments.....	200,000 00	
		<u>\$552,991 34</u>

2. Crown Lands :

(1) Crown and Grammar School.....	\$200,000 00	
(2) Mining	50,000 00	
(3) Woods and Forests	800,000 00	
		<u>1,050,000 00</u>

3. Casual Revenue :

(1) Fines and forfeitures	\$4,000	
(2) Fees to Provincial Secretary	2,500	
(3) "Gazette" advertising, &c... ..	10,000	
(4) Sale of Statutes and Journals	1,500	
(5) Private Bill Fees	4,000	
		<u>22,000 00</u>

4. Licenses (Tavern, Shop, &c.).....	70,000 00
5. Taxes (Algoma District).....	6,000 00
6. Law Stamps.....	40,000 00
7. Education Department.....	50,000 00

8. Public Institutions :

(1) Reformatory.....	2,500 00	
(2) Toronto Lunatic Asylum.....	15,000 00	
(3) London do.	3,000 00	
(4) Rockwood do.	1,000 00	
(5) Deaf and Dumb.....	2,000 00	
(6) Blind.....	1,000 00	
		<u>24,500 00</u>

9. Dominion Sources :

(1) Subsidy	\$1,196,872 80	
Less interest on ex-		
cess of debt.....	291,366 66	
		<u>905,206 14</u>

FINANCIAL STATEMENT.

(2) Interest on Special Funds	\$149,694 27	
(3) Marriage Licenses.....	35,000 00	
	<u> </u>	1,089,900 41

10. Special Accounts :

(1) Common School Lands.....	70,000 00	
(2) Municipalities' Fund.....	115,000 00	
	<u> </u>	185,000 00

Total estimated income, 1873..... \$3,090,391 75

FINANCIAL STATEMENT.

TABULAR STATEMENT, shewing Mileage and probable cost of Railways constructed in Ontario between the 1st July, 1867, and the 1st January, 1873.

NAME OF RAILWAY.	Length in Miles.	Estimated Cost.	Estimated Expenditure on Works.	Amounts required to finish works.	REMARKS.
Canada Central, Ottawa to Carleton Place.	28½	\$ 685,000	\$ 685,000	\$	Inclusive of rolling stock.
Do Sandpoint to Pembroke ..	45	1,080,000	312,000	768,000	13 miles opened to Renfrew.
Whitby and Port Perry	18	423,200	343,000	80,000	Inclusive of rolling stock.
Midland Railway, Lindsay to Orillia ..	43½	534,000	500,000	34,000	Not covering do
Do Orillia to Mundy's Bay ..	34	462,400	50,000	412,400	About one-third graded on 20 miles.
Do Peterboro' to Lakefield ..	9	90,000	90,000		
Toronto, Grey & B., to Mount Forest ..	82	1,270,734	1,270,734		Inclusive of rolling stock.
Do Owen Sound Branch	68	1,088,000	700,000	388,000	do do
Do Mt. Forest to Kincardine ..	61	864,000	50,000	814,000	do do
Toronto and Nipissing	85	1,275,852	1,275,852		Finished to Cobocconk.
North Grey Railway	20½	350,000	330,000	20,000	
Toronto, Simcoe & Muskoka	48	838,988	580,000	258,988	Open to Mara. In construction to Gravenhurst.
Canada Southern Main Line and Branch ..	290	14,500,000	7,000,000	7,500,000	Inclusive of workshops, rolling stock, &c.
Canada Air Line, G.W.R.	146	3,650,000	3,000,000	650,000	Rails laid on 130 miles.
Hamilton and Lake Erie	33	563,835	200,000	363,835	Rails laid to Caledonia.
Harrisburg and Brantford	7	150,000	150,000		
St. Lawrence and Ottawa	5½	110,000	100,000	10,000	Chaudiere Branch.
Galt and Doon Railway	4½	22,000	22,000		For grading road. G. T. R., to put on iron and ties.
Gananoque and Rideau	3	30,000		30,000	
Kingston and Pembroke	130	2,171,000	73,000	2,098,000	To Junction, with Can. Central.
Montreal and City of Ottawa Junction ..	66	932,745	50,000	882,745	Not covering rolling stock.
Grand Junction, Belleville to Lindsay ..	86½	1,600,250	90,000	1,510,250	
W., G. & Bruce Main Line	103	1,884,085	18,840,85	40,000	Without rolling stock.
Do Falmerston to Kincardine ..	67	971,500	200,000	771,500	Rails laid to Listowell.
Totals	1,484½	35,547,589	18,915,871	16,631,718	

With regard to the Midland Railway to Beaverton, and Peterboro' to Lakefield, the St. Lawrence and Ottawa Railway, Chaudiere Branch, the Gananoque and Rideau Railway, the *estimated costs* are assumed by me. All the other railways have the *estimated costs* as per published statement. The *estimated expenditures* I have assumed in each case from the progress made in the works.

T. N. MOLESWORTH
(Signed)

