

Hon. Mr. WOOD said they could not deal with them. The Government had no power to do so. They might give them money out of the Treasury, but the trust was established by the Act, and could not be touched.

Mr. BLAKE—Have you not touched it already?

Hon. Mr. WOOD said the trust was lodged in the Dominion of Canada by the British North America Act. The Government could not deal with these lands, but could give money if the House chose.

Mr. BLAKE—It is the same thing.

Mr. McKELLAR said that he thought the Treasurer had dealt with the trust already by the Act of last session.

Hon. Mr. WOOD said that the Act laid it down that all the moneys the Government got should go into the consolidated treasury.

Mr. McKELLAR said he would like to know where these school lands funds went to if they did not go to the consolidated revenue.

Hon. Mr. WOOD said that the annual income derived from these lands went to the consolidated revenue.

Mr. McKELLAR said it did not matter where the funds came from, so that the settlers were relieved. (Hear, hear.) He did not ask for a reduction on those lands, for the funds for the schools should be maintained; but he affirmed that we must keep faith with the people of the Lower Province. If the money of the school lands could not be made available, what more legitimate object could the surplus be put to than to help those people? The measure would be a miserable one if the whole of these lands were not included. It had been said this would be doing injustice to the old sections; on the contrary, it would be doing a great justice to the old settlers if those people were relieved. It was for the interest of the old settlers to have the new settlers prosperous and out of debt. He for one—representing an old constituency—and other gentlemen also representing old constituencies were interested in giving assistance to the settlers on new lands; yet increasing the prosperity and wealth of these people was to increase the prosperity of the country generally. The Government, in bringing forward their scheme in its present shape, laid themselves open to the charge that they were bringing it forward for electioneering purposes. The House could easily see how convenient it would be for the Government to have a Bill of this sort passed. They did not forget the utterances of the Attorney-General as to the city of Hamilton, or that other observation of his, in which he stated that he knew how the sum of \$50,000 could be spent. The Provincial Secretary had stated that an asylum was built below this city because the members from that section had supported the Government. With these facts before them, did it not become the House to see how far they should trust the Government in this matter? The Attorney-General had said that his supporters would have their axes nicely ground. (Laughter.) He (Mr. McKellar) did not say this would be exactly the case in the present instance; still it was not improbable. The Government should so manage this measure as to remove all suspicions that they were bringing it forward for election purposes. He hoped there would be a commission appointed, so that the matter would be placed in the hands of some disinterested men, who would report to this House. No person would ever advocate the indiscriminate cancelling or reduction of interest. He found, on looking over the report of the Commissioner of Crown Lands, that a very large amount of money was laid to Crown Land Agents. In 1869 \$100,000 had been so paid, the agent in the county of Bruce getting \$2,000, and the agent in the county of Gray \$3,000. If these claims were settled, the agents could be dispensed with, and a large amount of money saved. He would advocate including the Common School lands, and he hoped that if the Government would not yield, the House would force them; and that a proper tribunal would be constituted to deal with these questions. (Hear, hear.)

Hon. J. S. MACDONALD said if the purchasers of school lands had been compelled to pay, as the statute provided, a large sum would have been raised for common schools, and the settlers would not have been unjustly treated. But the Government of the day favoured the purchasers of school lands, and they were allowed to fall in arrears; and now, when they declined to make a reduction of these arrears, they were charged with harshly treating the settlers. Why did not the hon. gentleman, when he

was supporting a Tory Government, press the claims of this class of settlers?

Mr. McKELLAR—What Government was that?

Hon. J. S. MACDONALD—Sir John A. Macdonald's Government, which the hon. gentleman supported for two years.

Mr. McKELLAR—I thought that was like what you call your own Government, a coalition.

Hon. J. S. MACDONALD went on to say that there was no foundation in any act of his Government for the charge that they would use the power they were asking for corrupt purposes. All the foundation the Opposition could find for such a charge were some jocular remarks he had made in his good nature, and which had been quoted *ad nauseam*. If their faults and shortcomings were as great as represented by the Opposition, how indeed must be the condition of the Opposition, seeing that the Government were preferred before them by the people. They had the satisfaction of knowing that they had not lost a single friend during the four sessions; while some who had at first opposed them had since got their eyes open, and now gave them a hearty support.

Mr. BLAKE—Did you say it was their eyes that were opened? (Laughter.)

Hon. J. S. MACDONALD—Not yours, though. He could not make any jocular remark in the lobbies or in the halls of an hotel without there being spies around him to tell it, and the next morning it would all appear in THE GLOBE, with the worst possible construction put upon it. With reference to the School lands, he cited the Statute of 1849, which was to the effect that the fund to be raised by the sale of these lands should not be alienated for any other purposes whatever, but should remain a perpetual fund for the support of Common Schools.

Mr. BLAKE—What about the Grammar School fund?

Hon. J. S. MACDONALD said if the hon. gentlemen opposite were in power themselves they could not depart from the strict letter of the statute.

Mr. BLAKE—You have broken down that statute by your own act.

Hon. J. S. MACDONALD denied that he had done so. The money had been invested in stock, and the proceeds of it were applied according to statute. When he was at the head of a former Government, none of the gentlemen now opposed to him, but who then supported him, brought this matter up.

Mr. McKELLAR—Why did not you bring it up when you were at the head of the Government?

Hon. J. S. MACDONALD—I had enough to do to keep you in order. (Laughter.)

Mr. BLAKE—Who were in the Opposition then? Your present colleagues. (Laughter.)

Hon. J. S. MACDONALD—They were a much stronger Opposition than the one he had now to contend against. His hon. friend had never yet been in office, but he could tell him if he ever got into office, he would not be able to remain there, on account of the smallness of the patronage that would be at his disposal.

Mr. McKELLAR—Hear, hear! It is the patronage that keeps you there. (Laughter.)

Hon. J. S. MACDONALD—In 1850, when the Tory Government took a fit of economy.

Mr. McKELLAR—Who are the Tories?

Hon. J. S. MACDONALD—O! you know them. The hon. gentlemen opposite get very nervous whenever the Tories are mentioned. (Laughter.) In 1850 the Tory Government took a fit of economy, and reduced a number of salaries, among others their own to £800. Four years afterwards Mr. Hincks handed over a large number of the Reformers of that day to Sir Alban McNab, and nine months later the Government raised these same salaries in defiance of the previous vote. In like manner he believed if the gentlemen opposite ever get a chance they would belie their present pretensions, and raise salaries, and create offices throughout the country. They could not keep themselves in power without doing so. It was the duty of the Opposition to watch the Government and to bring them to task if they failed to bring in measures the country required. But contrary to all constitutional practice the Opposition had brought in measures which should only emanate from the Government. With reference to the resolutions before the House, he would tell the gentlemen opposite that they would pass without any change, except that Grammar School lands would be included, as had been announced by the Commissioner in introducing the resolutions.

He believed that the country would support them, and that the Opposition would

be left in a still smaller minority after the elections. Since the member for South Bruce had taken the leadership of the party his supporters had been falling off.

Mr. BLAKE—Will the hon. gentleman let me know who has left the party since I have had the honour of being leader?

Hon. J. S. MACDONALD—You will see before the session is over. The hon. gentleman only kept his followers together through fear of the lash of THE GLOBE, and if any of them dared to exercise their own judgment they were charged with being bribed. He contended that the action of the Government was endorsed by the country. When Mr. Greely retired, a Conservative was elected in his place, and there were surely no axes to grind in that constituency.

Mr. BOYD—Did not the Government oppose him?

Hon. J. S. MACDONALD—No, the Government did not interfere in that election at all. He concluded by saying that no charge could be made against the Government for their measures, but all their acts were continually misconstrued by the Opposition and placed in an unfair light before the country.

Mr. SEXTON was in favour of granting relief to settlers, but it was necessary to guard against allowing the Government to use an undue influence by means of the power of reducing arrears over the electors. However, he approved of the principle of the resolution.

Mr. GALBRAITH said there should be some general principle laid down as a guide in reducing arrears. With regard to School lands, he thought a commission should be appointed to find out the amount of relief that would be required before any further steps were taken. He thought it was the duty of the House to retain as much power in its hands as possible. The Government should act merely as the Executive of the House, and he would vote for every amendment proposed on the Bill which would be calculated to exercise a stringent influence on the powers of the Government. He was in favour of a commission being appointed to deal with the matter.

Mr. LOUNT regretted that the case of these settlers should be desired to be put off because, forsooth, it was urged that the Government, through the powers now asked, might exercise an improper influence at the next election. He did not believe that the Government would use its powers in the mode suggested. He had heard no valid argument in favour of appointing commissioners. He did not think that the common school lands stood on the same footing, or were entitled to the same reduction as the clergy, crown, or grammar school lands. The conclusion of the arbitration dispute had enabled the Government to come down with this proposal, and he hoped that notwithstanding the unfortunate remarks of the hon. member for South Bruce on the subject, the poor settlers would receive the benefits proposed. (A laugh.) He had applied for relief for some 500 or 600 of settlers in his district to the cast-iron head of the Crown Lands Department, and he was glad to see this more liberal policy inaugurated. He hoped the House would adopt the resolutions as introduced.

Mr. RICHARDS said, with reference to the Mineral Bill as first introduced by the Government, that it was thought necessary by the Government to introduce a Bill on this subject, although they were not familiar with the requirements of the country. Reference had been made to the notices issued to settlers to pay up arrears. He said that considerable sums had been paid up in consequence. It had been asserted that in order to do this money was borrowed at high rates; but he had never seen a proof of it. Would hon. members undertake to say that the purchase money of such lands was too high? or that injustice was practised? The only thing was that the parties were required to fulfil the contracts into which they had entered. He contended that the argument of the hon. member for South Bruce as to the settler paying 6 per cent, while the Government was receiving but 4 per cent on its bank deposits, and that consequently the action of the Government in pressing the payments of these claims was unsound, was unfounded. He was responsible for the omission of Grammar School lands. With regard to the action of the Government on Common School lands, the Government considered that these lands were held under trust, the money collected on them having to be paid to the Dominion for distribution. In the face of the award of the arbitrators, he