

right.

Mr. MOWAT said the member for South Simcoe had complained that the Treasurer was too early in making his statement, but the general desire of the House was, he believed, to have it as soon as possible; and the complaint that had previously been made by the Opposition was that the statement had not been made early enough. (Hear.) He (Mr. Mowat) had this to say, however, of the remarks of the hon. member, that they were much more frank in their character than those generally made by members of the Opposition, and if his speech to-day was a sample of what was to be expected from him, he hoped his (Mr. Macdougall's) associates would follow his example. (Hear, hear.) The complaint that had all along been made by Opposition members and the Opposition press, was that the land sale of the Government had not been a good bargain for the country; but to-day the new leader of the Opposition came forward to contradict his colleagues, by saying that the bargain was too good for the country—so good that purchasers were desirous to get rid of their purchases. (Hear, hear, and cheers.) He might say that the proportion of those purchasers who have given up their bargains was very small. The hon. member had accused the Treasurer of confounding assets with the surplus. He (Mr. Mowat) considered that the proper way to arrive at the surplus was to add up all the available assets of the Province and to deduct from the sum the total of the liabilities. The balance according to his idea, should give the surplus, and this was, he believed, what his hon. friend, the Treasurer, had done. (Hear, hear.) With regard to money due us from the Dominion, the hon. gentleman might just as well say that the money which Mr. Sandfield Macdonald had invested in Dominion debentures was not an asset as to exclude the funds owed us by the Dominion since before Confederation. Surely if the hon. gentleman had had anything substantial with which to find fault he would not have resorted to such criticisms of his hon. friend's statement as he had done.

It being six o'clock, the Speaker left the chair.

After recess,

Mr. MOWAT continued his remarks. The hon. member for South Simcoe had announced that in reality the moneys owed by the Dominion to Ontario were owed by Ontario to Ontario, and had stated it as if he had made a new discovery. The fact was the House and the people knew that Ontario was the chief Province of the Dominion, and therefore paid in large sums to the Dominion. It was exactly in the position of a senior partner in a firm who had a large balance in his favour. As the hon. member for South Simcoe was not now in his seat, and as his (Mr. Mowat's) object was to supply some information which that honourable member seemed to want, but which information was already in possession of the House in general, he would not now make the further remarks which he had intended.

Mr. LAUDER contended that the records of the House showed that the Treasurer had refused information in the Committee of Public Accounts to Opposition members. The surplus was a matter which he thought should be very easily settled, even by a bookkeeper in any mercantile establishment. He said that not a dollar had been added to the permanent investments which had been made by Sandfield Macdonald. Up to the time this Government had come into power the moneys of the Province had been all kept in the Bank of Montreal, so as to be available when required; but in 1872 the Government had placed this money in no less than six banks, and no less than \$400,000 had been placed in the Bank of Ontario, of which the President was Hon. John Simpson. This money had been so distributed to gain political support. The Treasurer had threatened to withdraw a portion of the money from the banks at a certain time just to get the bankers on their knees to him, and keep them in political submission to him. He (Mr. Lauder) considered this plan was a very corrupt one. Why had money been drawn from the Bank of Toronto, which had chiefly been managed by Conservatives, and put into those banks managed by friends of the Government? He read to the House a letter, which he claimed to be the original one, from Hon. George Brown to Senator Simpson, claiming that the latter had, in consideration of Government money

being placed in his bank, corruptly aided the Government in the elections. He went on to say that Mr. Sandfield Macdonald had never allowed the expenditure to exceed the appropriations for each year, and that the present Government had been doing so every year. They would find, too, that year after year he and his friends had remonstrated with them for such conduct. He contended that a large amount of the money which we were receiving from the Dominion really belonged to Quebec, and said it would be a difficult matter for the Treasurer to regulate the accounts between the two Provinces. It was a mistake to say we had only four-ninths of that money to pay over. He read a statement from which he made it appear that the receipts of the Crown Lands Office for the nine months ending 30th September was \$218,677 62; the expenses, \$203,047 32, and the net revenue, \$15,630. He thought that matters in that Department were nearly at a stand-still. During the last three months of 1874 about one-ninth of the whole amount received for the previous nine had been taken in, and yet the Treasurer said now he expected a much larger proportionate amount this year, but he thought this was very unlikely. He contended that there was no difference in opinion between the hon. member for South Simcoe and his friends as to the impropriety of the timber sales. They had always thought that the sale was most imprudent, and that it was conducted under false representations.

Mr. PARDEE said he had often said in reply to the Opposition that he believed the time would come when they would admit that the timber sale was one of the best acts of the Government. He was pleased to learn that that time had come sooner than he expected. The Government had been bound to take advantage of the commercial activity during which the sale was made, and so far from making a refund to the timber men, who were well able to take care of themselves, he believed if they had not made that sale at the time they would have deserved the censure of the House. The hon. member for East Grey had made a statement regarding the revenue from Crown Lands which was entirely incorrect. He had not the details before him at this moment, but he would like to ask where the revenues of the Province came from, according to his statement. It was like the statement that used to be made by an hon. gentleman who was then a member of the House, that the surplus was only \$18. The usual expenses of the Department were about \$59,000; those connected with the woods and forests were about \$18,000; surveys about \$30,000, or in all about \$100,000. Yet in 1872 they had received from the woods and forests branch alone \$903,952, in 1873 \$643,724, and in 1874 about \$503,004. With regard to the management of the Department he would only say that he defied any one to point to a time at which every branch of the Department was in a greater state of efficiency than at present. (Cheers.)

Mr. FRASER showed that in Mr. Lauder's statement he had included—a thing which had never been done before—the gross amount of refunds for the year. This had never been done by Mr. Sandfield Macdonald, and never before even by the hon. member for East Grey. He had also included it as an ordinary expense of the Department, when every one knew that it was nothing of the kind. This was on a par with the statements which the hon. member had been making in the past throughout the country.

Mr. CAMERON contended that if the refunds were charged on one side when paid out they should be put on the other side when taken in, and that the argument of the hon. member for East Grey was a sound one. He contended that the sale of the timber limits was an unwarrantable thing, as it was done without the consent of the people's representatives, and discreditable because they did not know the value of what they were selling. It was possible, too, that they had lost more by some of the transactions than they had gained in others. He disapproved of the practice of having accounts made out for the nine months of each year, and thought the Government were making suspiciously large over-drafts in the latter portion of the year's accounts.

Mr. CURRIE congratulated the Government on the statement made by the Treasurer. He referred at some length to the sale of timber limits, pointing out that the expenditures of the Government had been economical. He spoke of the economy practised by