

pended it ; that we are living on our capital, and they have declared that we had no right to do so for annual expenditure. They have gone further than that upon every platform. Mr. Hardy then read extracts from Mr. Whitney's speeches at Glengarry and Orono charging that one of the ways in which the Government got rid of this money was by the appointment of officials who were not needed, and that there are four times as many officials now as when they took office, although the population is not much greater : that, finding they could not maintain their establishment by ordinary revenue, they began to sell timber limits. The hon. gentleman says that we had no right to use it for the purpose, that if we had placed that money in the bank at interest it would have paid every dollar of annual expenditure for many years to come. Surely the hon. gentleman cannot have wandered into the region of fable to state that ? If we were not to use the timber limits and the licenses and the succession duties revenue, which amounts together to about \$1,200,000, quite one-third of our entire revenue, the great features of our revenue apart from that which we receive from the Dominion under the act of Confederation, will my hon. friend tell me where the money is to come from, where it is to be found, if we are not to use that which we receive from the sources I have named, unless they derive it from direct taxation ? But they go around and say, as demagogues they say it, that we are taking the patrimony of the people and spending it from year to year. Whereas they know that we are doing as all Governments did who have preceded us in this Dominion and in this Province, and as is done in every State of the Union and in every country that I have ever heard or read of. They even went so far at Lindsay as to argue that we went behind \$1,000,000 a year ; they meant of course that we were doing so by using what they called capital. I defy my hon. friend to contradict the statement which I have made more than once, that their policy is direct taxation, that there is nothing left for them but direct taxation, that it is impossible for them to carry on the affairs of this Province without using the money derived from the sale of timber lands, licenses and succession duties. But my hon. friend went on repeating it, and I was amazed that the hon. gentleman would stand up in this House and repeat it, "that we are practically at the end of our resources." I read from his remarks "that the resources of the Provinces were practically exhausted." This, I think, was at Glengarry and four or five other places. But if they are exhausted we are face to face with direct taxation ; if we are right or wrong in using the timber revenues of this country, what is there left for Mr. Whitney ? Can he picture his policy ? Can he write it in any color he pleases ? Is there any other policy open to this country than the policy of direct taxation to raise the amount which he says is improperly used for the purposes of ordinary ex-

penditure ? Besides, he is arguing that we have arrived at a state of pauperdom, that the resources are practically exhausted. Let us see whether they are or not. We have \$1,096,000 derived under the constitution from the Dominion Government ; we have interest on our capital, our surplus, of \$200,000 a year ; we derive from licenses \$280,000 to \$300,000, law stamps \$63,000, succession duties \$165,000 last year, casual revenue \$109,000, public institutions \$146,000, Crown lands something near a million dollars, and yet Mr. Whitney attempts to mislead the people by the statement that we have come to the end of our resources, that we must resort to direct taxation, that we are face to face with direct taxation, that this Province has no resources left. It is, as he admitted having said yesterday, that we were about to advertise almost the last acre of our timber limits. If it were Parliamentary I would say that the statement does not cover the hon. gentleman with honor, nor does it cover with honor those of his colleagues who stood by and allowed the statement to go unchallenged. I say a statement of that kind is the wildest fable, the wildest romance, a statement which cannot be verified by any human being, and it is exactly like the statements of Mr. Whitney, who took exception to the remarks of Mr. Farwell. Mr. Farwell treated him mildly. Mr. Whitney has never given, I will venture to say, from the statements which he has offered or from any familiarity which he has ever shown he has with the subject on the floor of the House, three days' careful study to the mining laws of this country or the mining laws of the countries of the world. Now, he quoted the remarks made by Mr. McCharles of Sudbury about "Hardy's silent hills." After the bill, which I had the honor to introduce, imposing royalties, became law Mr. McCharles became a very severe critic of the Government, and he has been a severe critic of our mining policy all along. When he pretends to say that the hills are silent he asserts that it was due to the imposition of royalty by the bill passed at the instance of the Government. He has been quoted over and over again in the columns of the Opposition press ; his arguments have been used by the predecessor of the hon. gentleman, and yet we find Mr. Whitney goes to Sudbury, where Mr. McCharles now lives, he makes his speech in the presence of Mr. McCharles, and Mr. McCharles, who has been a severe critic of the Government, writes as follows to The Sudbury Journal :—"In a column of mild criticisms in your last issue you tried to show the vague, unsatisfactory character of Mr. Whitney's speech here from the mining point of view. You might have said a great deal more on this subject and in stronger terms. . . . But apart from denouncing the Engledue deal and blanket applications he failed entirely to define his mining policy, and if he has any right here in the principal mining centre of the Province was the very place to have done this in. He never touched upon the real grievance of the miners and prospectors at all." The man who has been helping Mr. Whitney and his friends seemed to think very little of his