

following allies and trusty friends of the Senator, being opposition members of the House, all voted to keep the indemnity at \$800, namely:—

Name.	Constituency.
Baker, .....	Russell.
Bell, .....	West Toronto.
Boulter, .....	North Hastings.
Broder, .....	Dundas.
Code, .....	South Lanark.
Coutts, .....	West Kent.
Deacon, .....	North Renfrew.
Flesher, .....	Cardwell.
Grange, .....	Lennox.
Harkin, .....	Prescott.
Kean, .....	East Simcoe.
Long, .....	West Simcoe.
Macdougall, .....	South Simcoe.
Mostyn, .....	North Lanark.
O'Sullivan, .....	East Peterboro'.
Preston, .....	South Leeds.
Scott, .....	West Peterboro'.

Is the man who, in the face of this list, endeavours to sadden Reformers with the exclusive responsibility of the increased indemnity, to be written down as unprincipled, or shall we vote him only crazy?

The Government last session voluntarily proposed and carried a reduction of the indemnity to its old figure of \$600, and also voluntarily relinquished \$500 a piece on their own salaries.

#### A False Suggestion.

Yet the Senator has the effrontery to say (p. 7 of Introduction, &c.)

"There would have been no reduction of salary if it had depended upon the Government or their supporters."

To this it may be answered that, not only did the Ministers announce their intentions in this respect, during the debate on the Address, but the reduced amounts were actually printed in the Estimates before the House met.

#### The Senator a "Salary Grabber."

The cool effrontery, however, of this attack on the indemnity is all the more amusing when it is recollected that, in 1873, the very year the indemnity at Toronto was raised \$150, the Senator with perfect self-complacency himself pocketed an additional \$400 at Ottawa.

Whatever may be the work of the Commons or their claims to a tolerably liberal indemnity, the Senators have a sufficiently easy time of it. They have no elections to run, no constituents to attend to, they can come and go as they please. Their position is supposed to be one of honour and dignity.

Yet the Senator, for no other reason in the world than because the indemnity was raised in the Commons, got his rise from \$600 to \$1,000 also.

And that, too, at a period when, as he knows well enough, every cent he appropriated to himself had to be met by additional taxation.

#### The Senator Blowing Bubbles.

In the "Introduction," p. 7 also occurs the following:—

"It will be seen by referring to Table 14 that the Government borrowed \$725,133 on bonds in 1877, an amount almost identical with the increased amount of the controllable expenditure of that year, and, in 1878, had to borrow \$300,000 from the Bank of Montreal, and \$23,724 upon stock. This shows how the surplus is being expended."

This is the *suggestio falsi* with a vengeance.

The Government did not *have to borrow* a dollar. The advances obtained of \$725,133 on bonds or stock in 1877, and the \$23,724 in 1878, were fully explained by the Treasurer last session in a way that satisfied everybody.

The Government did what Senator Macpherson in the course of business might find it convenient and profitable to do any day.

No money was wanted for the ordinary expenditure.

The funds of the Government are invested from time to time in public securities.

These are bought and sold, just as money is needed to meet the demands on the balances in hand.

To pay railway grants, surplus distribution, and other claims, it was necessary to sell some Dominion Bonds. For reasons well understood by dealers in such securities, the financial agents advised the sale should be postponed for a few weeks, and an advance on the stocks obtained temporarily instead. This was done. The money was obtained at four per cent, and deposited at 5 per cent. in the banks, the difference, less agent's commission, being profit, and when the proper time came to sell the stock the loan was cleared off.

And these very business-like transactions are dishonestly made to appear as though they were loans of necessity, or emergency, owing to the exhaustion of the surplus.

One would suppose, if this were by any possibility an innocent blunder, the Senator was still a bare-legged laddie with nothing but a pair of raw calves to exhibit as his fortune, and as unconscious of financing as when his whole acquaintance with the "bawbies" that economy and a little shrewd bargaining had scraped together, was limited to the contents of that domestic savings bank, the traditional old stocking.

#### The Senator Discovers "A Mare's Nest"

The Senator's attack on the Court of Appeal is worthy of the position he has placed himself in, in connection with other matters already referred to. He says:

"They (the Reform Governments of Canada and Ontario) have created two Courts of Appeal, the Court of Error and Appeal in Ontario, and the Supreme Court at Ottawa. \* \* \* When Messrs. Mackenzie & Blake determined to establish the Supreme Court at Ottawa, they should have informed Mr. Mowat of their intention. Had they done so, I am sure he would not have created the Court of Error and Appeal."—*Letter p. 32.*

Attorney-General Mowat's reply to this wonderful discovery, in the course of his speech on the 8th of January, 1879, at the meeting of the Toronto Reform Debating Club, puts the poor Senator in a very ridiculous position. Mr. Mowat said:

"Amongst other things, the Senator states that the Reform Government at Ottawa and Toronto have created two Courts of Appeal—the Court of Error and Appeal for Ontario, and the Supreme