

the output that had occurred in the year 1891, which was the largest output in the history of mining in Nova Scotia. We required him to guarantee that even if he never took a pound of coal out of a mine covered by his lease he would be obliged to pay the Government of Nova Scotia royalty on the basis of the output of 1891. I shall show you in a moment what that provision involves.

THE COMPANY TO PAY HIGHER ROYALTY.

We said that we were desirous of giving Mr. Whitney a fair and reasonable bargain, but we thought that, in view of the terms we were giving him, he should give us, not merely the royalty of the past, the seven and a half cents; not merely the royalty of ten cents a ton, as provided by more recent legislation, but that he should give us something more. What, you say, do you mean more than ten cents? We were told last year, when we increased the royalty from seven and a half to ten cents, that the business would not afford it; that we would drive capital out of the country; that men would not buy coal areas. And yet we asked for more? Yes, we did, and Mr. Whitney is going to pay us for every ton of coal taken out of Cape Breton, not $7\frac{1}{2}$ cents, not 10 cents, but, for every ton of coal taken out he will pay $12\frac{1}{2}$ cents into the people's treasury, which means that much more money for education, that much more money for roads and bridges, that much more money for steamboats, packets and ferries, that much more money for everything that we are interested in. When that fact is stated to the public, in addition to what I have previously said, I think they will reach the conclusion that this bargain, while fair to Mr. Whitney, and giving him the opportunity of carrying on his enterprise with good prospect of success, is going to be a profitable one for the province.

WHAT ASSURANCE OF OPERATION?

But I have heard it asked, "Will they put out the coal—what if the mines close?" My answer is that we do not ask any other mine owner to make terms that he will put out any given quantity of coal. We do not ask Mr. Cowans, of Springhill, or Mr. Fergie, of the Drummond, or Mr. Poole, of the Acadia, to agree that if they do not put out so much coal we will forfeit their leases. We have to take it that the law of supply and demand will regulate these things. And if we do not ask such conditions of Mr. Cowans, Mr. Poole or Mr. Fergie, who pay us ten cents per ton royalty, why should we ask them of Mr. Whitney when he agrees to pay us $12\frac{1}{2}$ cents per ton?