MR. COTTON'S FIRST BUDGET

(Continued from Page Seven.)

payment by the mine owners to the province, and was a most legitimate tax, and anybody could see that the incidence of that taxation was most fair. The farmer, lumberman and merchant had to pay taxes on their real or personal property, while the miner paid nothing until his property is actually productive, but he must contribute his fair share towards the revenue.

Revenue service refunds, $400. Fines and forfeitures and Small Debts frees, $15,000. Law stamps, $12,000. Probate fees are set at $8,000; that is an increase of $4,000, which he thought would be justified by its collection. The next was registry fees, $85,000, which was a safe calculation from that source at the rate of increase. He did not know whether the new system would increase or decrease the receipts from that department, but he had based it on the actual receipts for the last six months and the prospects for improvement, for with the change and improvement in real estate this source of revenue must increase.

Bureau of mines, $2,000; that may or may not be justified—the same as last year. Asylum for the insane, $4,500; Provincial Home, $4,000—that was a small matter; printing office receipts, $20,000; sale of government property, $500. Reimbursements in aid, $4,000; interest on investment of singing funds, $22,000. That fund appeared on the one side, and the other side to balance it appeared as a source of revenue—the interest derived in the investment of sinking fund money. Chinese Restriction act, 1884, placed at $25,000, against $30,000 last year, and against a revenue during the past year of only $26,400. He thought they would probably receive $25,000. The succession duty estimate was increased in the expectation that the revenue would be from $5,000 to $6,000 by some changes which the government proposed to make in the succession duty as hon. members would see by the bill which had been laid before them.

Miscellaneous receipts had increased to $16,000 from $12,000. Hon. gentlemen would see they had received from the Dominion government half of the sum which the works under this head were expected to cost; which would be between $30,000 and $40,000. The Dominion government had intimated to this government that they will consider favorably the proposition to pay half of what will be expended on the Columbia river protection works at Revelstoke. The matter had been taken vigorously in hand and it was hoped to have these works—the mattresses and repairs to the banks—all in before high water—and there would be an end of the danger which had practically threatened Revelstoke and had been the ruin of that town,—at a cost of $30,000 or $40,000.

He had explained to the best of his ability the leading facts and figures on which the estimates were based so that hon. members could arrive at some conclusion as to the adequacy of the estimates. A summary for the purpose of comparison showed that for a total of $225,000 in 1898, the same items in the present year were estimated to produce $327,000, which would provide the money that had been remitted in other forms of taxation. One other thing he would like to point out, and that was if they had a nominal deficiency of $214,884 in the next year, in the estimates laid before them, from that must be taken away the very considerable sum required for the sinking fund, which of course was not expenditure, but really reduced our debt. In arriving at his conclusion as to previous years he had deducted the sinking fund from the gross deficit, leaving the net deficit.

Taking away the amount of extra interest he had had to provide for the new loan, as compared with the previous years, amounting to the sum of $40,000, it was found that they had managed to bring the deficit down to about one-tenth of what had been the average in the last 10 years. He thought that fact was alone enough for the government to ask the support and compliments of the house and the country, and that they should at this time, without any impairment of the civil service of the province, brought down the deficiency to about one-tenth of what it had been in the past.

There was another matter on which comment and criticism, and very unfair criticism, too, had been indulged in, and that was the dismissals which had taken place in connection with the public service. He challenged honorable members on the other side of the house to substantiate the statements made in the press and elsewhere that there had been a large number of dismissals on political grounds; with one exception, a matter which, though political in its nature, had nothing to do with the personnel of this government and with their wishes and inclinations, there had not been a single dismissal from the public service on political grounds, and he challenged honorable members to show the reverse. The only case in which there might be held to be a political reason for the dismissal of a public servant occurred in the case of the government agent at Revelstoke, and that was not a matter dealing with the personnel and wishes of the government, but a matter which concerned the whole of that district. The appointment of a certain gentleman had been distasteful to that district. (Cries of "No, no.") He said yes, and the honorable gentleman who was with him at Revelstoke could not deny that it was a matter of discussion up there at the public meetings that the government had disregarded the wishes and desires of the people of that district in a certain appointment, and that if the government was overthrown it was understood that the wishes of the people would not be disregarded and another appointment made in his place. That was a matter of notoriety and appeared to be absolutely true and accurate, and that might be regarded as the one instance—the one exception to his statement that there had not been a political dismissal from the service, and without that one exception he defied any honorable member to point to any man dismissed from the public service for political reasons.

There had been a number of dismissals, but nothing like the number one would think from the statements of the opposition press. Those that were made were from good cause, because it was in the interests of the country, and it was necessary to retain those officers. Where possible the dismissed officers had been provided with other positions; where not possible their names had been kept so that they would have the first opportunity before strangers of appointment. With regard to the statement that these positions had been filled up by the friends of the government, he declared that to be absolutely untrue. No man had been dismissed to make room for a friend of the government, and he was quite sure that the permanent officers of the service recognized to-day that as long as they did their duty they had nothing to fear, and that the government was desirous to make the service a permanent service, and for that reason to take the service out of politics; and he had reason to state on the part of some of the principal officers that they entirely approved of that being done because it removed them from any fear or suspicion. It was only right that this should be mentioned because of the gross falsehoods sent abroad as to dismissals from the public service, and he now challenged anyone to show him any dismissal made but for public grounds alone.

The government now placed the estimates before the house, and asked to have them considered carefully and fairly. They believed that on the careful financing of the province much depends; the development of the province, the increase of the population and the creation of wealth. The government desired to adopt the happy mean between extravagance on the one hand, and parsimony on the other. They desired to maintain the efficiency of the public service, but thought the taxpayers could not bear a heavier burden than they were now called upon to bear, and desired therefore to steer a course between the two extremes, so that while developing the province they might not burden its resources by heavy taxation. With these remarks he moved that the Speaker do leave the chair. (Government applause.)

TUESDAY, Feb. 21.

The debate upon the estimates was concluded somewhat prematurely this afternoon, through Mr. Speaker insisting that he had rung the bell before Mr. Booth, of North Victoria, rose to address the house. In committee very little discussion was had upon the various items.

The Speaker took the chair at 2 o'clock, and prayers were read by Rural Dean Barber.

THE BUDGET DEBATE.

Mr. Turner, in resuming the debate on the motion for committee of supply, said: The motion is, Mr. Speaker, that you do leave the chair in order that we go into committee of supply. I think there is every reason why you should not leave the chair for that purpose. I think the action of the government, or the party calling themselves the government, which keeps control of the house at this time, has been of such a nature that indicates they are not the right people to have the control of the expenditure placed in their hands. I feel that the country at large, when they see more particulars of the history of the legislation that has been enacted this session, and take into consideration what preceded the session, will say that they are unworthy of the trust that they ask shall be placed in them, and therefore I say that you should not leave the chair, and that the committee should not sit, for the purpose of placing in the hands of those honorable gentlemen the expenditure of the sums of money that they have asked for.

I felt a great deal of sympathy for the Minister of Finance yesterday in his labored attempts. I saw he was not happy in the work he had in hand, and I cannot be surprised; in fact I saw by a certain section of the press of this province that he had been laboring very hard for a long time past—so hard, indeed that you might imagine he had worn the hair off his head to produce the wonderful thing we have before us now. After these labors which have so long gone on, what is produced? A ridiculous mouse. It is indeed a ridiculous mouse when we take into consideration what we were led to expect by the speeches during the last election campaign, and the base charges made against the members of the late government, and the personal attacks as to the concessions they were supposed to have put through, and the general want of trust in the late government. I must say I expected some fuller explanation in respect to these charges, and I think the country expected a fuller explanation.

We see this thing termed the estimates for the coming year, and I say that it is a very ridiculous mouse after all this labor. Now, I fancy that even many of the attendants in the sick room, shall I call it—the caucus room—feel a little ashamed of this baby. I don't know exactly whom it resembles, and I can imagine the owners wondering, too. I don't think there is much in it that comes from the genial Minister of Mines—the honorable member for Nelson. He usually wants a great deal, and there is no indication that he is getting a great deal in connection with this baby. I don't think there is anything indicating the honorable leader of the government. There is nothing there about the Chinese business, and there is no indication that the government intends to tax any of the ministers who employ nothing but Chinese. I don't know whether there is any resemblance to the honorable the Attorney-General, but I don't think it has the cheek of that honorable gentleman. There may be some slight resemblance to the President of the Council. It is rather funny, and as we know that humorous gentleman, I think there is a possibility that that gentleman may have had something to do with it. As to the Minister of Finance, this baby, of course, has a smooth head, but I don't think it has as much in its head as that honorable gentleman—

Hon. Mr. Cotton—It will grow, perhaps.

Mr. Turner continued that some outside nurses had had a hand in the game. I see, he said, a sort of indication that there has been a hint from the canny northern member from Vancouver City. There is a slight flavor of single tax, and I fancy, therefore, he had something to do with it. (Government applause).

But I think it would be well for me to refer to some of the remarks of the hon. Minister of Finance. He commenced by referring to the shortage on the 30th June last—I understand him to say it was some $647,900. I don't know how he makes that out, for the actual overdraft was some $331,000, and I know it was approximately that amount when the honorable gentleman came into office in August, because I handed him a slip. You might perhaps wonder why, seeing the large public works going on at that time, it had not increased in August over the amount overdrawn at the bank on the 30th of June. The reason was that after the 30th of June the payments and subsidies came in from the Dominion, therefore the amount was approximately $331,906, and not $647,000. If you turn to the balance sheet of that year there is a liability over assets of $4,845,262. That is an increase over the previous year of some $800,000, but that is accounted for by the large expenditure on account of dyking that appears, $471,000; that there is that large item of liability added to the $331,000 due to the Bank of British Columbia. That amount, however, was added to the resources of that dyked district, so that the farmers will be able to pay their rental or interest on the whole of these debentures, including the sinking fund—therefore that is not a liability of the province in the ordinary sense.

Mr. Cotton—My honorable friend has been laboring under a misapprehension. The amount I mentioned yesterday was the amount shown in the treasurer's financial statement. The balance was $161,408, exclusive of $86,315, the amount of the sinking fund.

Mr. Turner—I did not at all dispute what the honorable gentleman said. I did not intend to misconstrue him, but what I said is this: that the shortage is plain no more than the overdraft at the Bank of British Columbia. We had arranged with the Bank of British Columbia for an overdraft, in order to enable us to carry out the public works which had been going on for the past ten years. We were able to get that overdraft at a low rate of interest because of the high honor and ability of the people who carried on the business of the province. But for that, the bank would never have given us credit to that extent. They had before declined to do it, so that the statement is a wonderful tribute, I might say, to the late government for the state they left the province in that these gentlemen now, when they assume control, may, if they like to make proper expenditure on public works, find themselves in such a position that they can get the money for the purpose of continuing that worthy work that the late government carried on for twelve years. (Applause).

I call attention to this apparent liability of the province over the assets of the province as somewhat misleading, for the government never values its assets at all—that is, in ordinary business transactions as pursued in mercantile houses, where, at the time of stock-taking if a merchant has put up a building during the year he values it in his inventory. But in this statement of the province there is no valuation put upon these valuable assets comprised in these public works constructed during the past ten or twelve years. If they were put down, instead of so much liabilities over the assets, I imagine it would be, speaking hastily, in the neighborhood of eight or ten million dollars—at any rate, a large sum of assets in excess of liabilities.

The honorable Finance Minister went on after that to speak of the estimates for 1898-99, and of the corresponding amounts received in connection with them, and said I was very much struck with the fact that taking the average of these amounts on estimate up to 30th June last, they were very approximately correct; so much is this the case that the total estimates of the revenue to that time was $1,280,000 and the actual receipts $1,439,000, and with an excess of $151,000 received over what we had expected to receive, which was largely attributable to the sudden increase of mining work in Kootenay. The Finance Minister goes on to say that the proceeds of the last loan was 91.68 per cent.—sold for 95. That, I believe, was quite correct, Mr. Speaker. I do not know what the honorable gentleman proposed to deduce from that, as I do not think he continued on that line. But he spoke of the fact that he was very uncertain what could be got for a loan at the present time. He said that the government securities had so greatly declined, on account of the change in the value of money.

I do not think he was quite correct about that. As a matter of fact, money is not dear in London to-day. It has got quite cheap again, and if we refer to the Stock Exchange reports we shall see some very remarkable indications with respect to that. I find that on February 19, 1897, 2¾ per cent. consols stood at 111⅝; British Columbia 3 per cents. were at 101 to 103, giving an average of 102. In November, 1897 consols averaged 112 and British Columbia 3's averaged 102. In August, 1898, consols were 111⅝ to 111—very little change—and British Columbia 3 per cents. had fallen from 98 to 100. In September, 1898, consols were 109¾ to 110, but without dividend, and the British Columbia 3's were 98 to 100 with dividend. There is a very serious history about this, Mr. Speaker. On January 6, 1899, consols were 110⅞ to 111⅛, "ex dividend." British Columbia 3's, 97 to 99. I merely point out these figures. I do not intend to say much about them, only that the honorable gentleman had made a great mistake when he spoke of the very great difference in the price of consols a year ago and to-day. There have been changes, and as I said, the attention of this house has before been drawn to the question, but a question of comparison between consols and British Columbia securities is hardly a fair comparison, though I was always proud, when Minister of Finance, to accept it, because it was of course comparing our securities with the highest standard that exists in the world.

The honorable Finance Minister gave further testimony, in his budget yesterday, inadvertently, of course, as to the importance of the work carried on by the late government in connection with that loan, when he stated that two of the great colonies, South Australia and Natal had decided to issue on exactly the same principle that the late government took up eight years ago—that is, the 3 per cent. inscribed stock. I may say we were almost the first to introduce that system, and it was very bitterly opposed for a long time by the members of the house now on the government seats. There was one honorable gentleman now occupying a seat who was then in the house but who did not occupy a seat last session, who claimed in the house that when our 3 per cents. went up to 87½ they were too high—it was a bogus price and the ministry of the day were somehow bolstering them up. They had legitimately bolstered them up, Mr. Speaker, and so effectually that they have gone up still higher, and have been up to 103. I think this was good bolstering for this province. (Applause.)

I expected to hear something from the honorable gentleman in connection with this part of the budget in respect to a certain portion of the speech of the honorable the Lieutenant-Governor. In the last paragraph: "My government have given much consideration to the present financial position of the province and to the means by which the important public works can be carried on without imposing undue burdens upon the taxpayers, and you will be asked to provide legislation to remedy the depreciation in the revenue for the last two years." This is not true. The expenditure over the revenue was made from the loan which was borrowed expressly for that purpose, that is, for expenditure on public works, so that it is unfortunate that we see forced into the mouth of the Lieutenant-Governor a statement that it contrary to the actual truth. The Governor's speech goes on to say: "to authorize a certain modification of the method of borrowing for the provincial debt, and the management of the finances." I have been expecting this session what are these changes with respect to the provincial debt. I have had letters of enquiry from various parties concerned, because they know it will shake the credit of the province if there are changes in the method of carrying the provincial debt.

It would be a very serious change with respect to the debt of the province, for our method is being gradually adopted by all go-ahead countries in the world.

Now, the honorable Finance Minister went on to compare the proportion expended for salaries in the province to the revenue of the province. He said that they used the method that I had adopted when I was finance minister, and that it was a good one, and he proceeded to show how much they were improved over the improvement that we had made in that respect. I have not exactly the figures he gave, but from the way I figured them up myself, the salaries, in proportion to the revenue, in the estimates before the house, amount to $311,500—approximately 20 1-6 per cent. of salaries in proportion to revenue—during that period. Now, there is a good deal of gerrymandering about that business—a very great deal of it. If you come to look through, you will find that the civil government salaries are considerably over previous years, even though government salaries. That is approximately administration of justice salaries are considerably less. But if you go through the administration of justice, other than salaries, you will find that this is much higher than before, and there arises the question as to exactly how this is made up, because some of the votes under that head are lump sums. I only call attention to it, that there is a considerable amount of gerrymandering about these estimates; and I notice that a writer in one of the papers last evening says that for the first time the accounts of the province will now be kept properly, that for the first time the receipts and expenditures of each department of the government are going to be kept so that the receipts of that department will be credited to that department. I do not know what that means, because I do not think there is any intimation in the budget in that respect. In some respects, men paid in one department are properly changed to be paid under another department or section of the revenue. For instance, at one time some men were paid under civil government salaries, who now come under the administration of justice salaries. I presume that is one of the changes this year; but that makes no radical difference or improvement with respect to the method of keeping the accounts. It has nothing to do with it.

I say that it is approximately 20 1-6 per cent. Now, if we take the actual expenditure as we find it in the year 1898, there was paid $299,993 for salaries. The revenue was $1,439,623; and yet salaries actually paid only come to 20 per cent., so there is very little if any difference. And if some of these changes that I feel a little uncertain about yet were made, there would be less difference. But if we take the figures over a number of years, we would find that the late government, as I pointed out persistently sistently in this house, reduced the cost istration of the province lower every year in proportion to the revenue obtained.

Now, the Minister of Finance referred to expenditure in public works. I do not know why he should go back to a time in the history of the province when the revenue was only about $800,000 and you could not expect that the expenditure on public works, with such a small revenue, would be as high as with a revenue which approached $1,500,000. That is what we were gradually working for—gradually increasing the expenditure for public purposes and opening up the country in the hope that the expenditure on public works would return an increased revenue, as it did, and steadily worked up,—with the exception of the one year when it fell—but on the whole it steadily worked up until it went up to nearly a million and a half, as it stands now. He took eight years,—I do not know why.

Mr. Cotton—I took five years, not eight, after the revenue had increased.

Mr. Turner—Take these five years—1894 to 30th June last. The expenditure on public works, leaving out the parliament buildings (certainly a public work), show a total on public works for the five years of $2,394,931, an average of $478,000 per year. Now, if we take the five years ending 30th June next, instead of last, the estimates that we passed last session, and the expenditure to be made before the 30th June next, it will be seen to be on public works $1325,993. That is for public works, roads, bridges, trails, surveys, public buildings, and it is an average for the five years of $650,194 a year; compare that with the present estimates, which show a total, including surveys, of $335,698, or approximately one-half. Now, Mr. Speaker, these figures need no remarks from me more than that. They are the facts shown in the honorable gentleman's statement here.

After following out the matter of the revenue, and expenditure on public works, it is a fact that if you carefully go through the revenue for the past ten years, and through the public works tables, made out approximately, you will find the revenue allows an expenditure of $190,000 approximately a year for the ordinary public works of the province. But when we come to develop the province as we should do—as I still hold we should do—we require to borrow for large public works. And when this plan was taken up eight or ten years ago we saw that it was impossible to carry on these public works as they should be carried on with the hopes of development unless steps were taken to put the finances in such shape that you could get easy rates of interest and long time for repayment of loans so that future generations should take part in the repayment of the loans and in the payment for these works that would be of so much importance to them in the development of our country.

The honorable the Finance Minister spoke in relation to the change they had made in land sales, that is in reference, I think, to revenue he expected to derive from the land sales. He points out that the land revenue, including the rental of lands was last year $10,000. He stated that they had decided not to sell any large tracts of land. This is not a new decision, because there is an act passed to prevent the sale of large tracts, and no large tracts have for years past been sold. But he has adopted the method of leasing his lands, and is convinced that this method is advantage in the way of being better security for our loans; that we had, as I understood him to say, a revenue from these leases, which would be calculated at so much an acre and charged for at that for a certain period, so there would be a regular rental, and at the end of that period the province would have the land still in their hands, and it was therefore a greater security for the loans of money.

I think this is a very curious argument, Mr. Speaker. I cannot see how there can be any greater security for our loans. As a matter of fact, the lands of the province are now security for our loans. Undoubtedly, as they stand to-day, they are security for our loans; lands are the security for our loans, not pay our loans, steps would be at once taken to take possession of them. The lands are the security for our loans, whether sold or leased. But it is a question of some doubt in my mind whether the fact of leasing large tracts of land is a very great improvement over selling large tracts of land. I venture to say that you will find with the leasing of land there will be little or no desire to improve it at all. This is the result in other countries where leases have been instituted, and it is a fact that the holders of large leases have no reason at all to improve that land, whereas a buyer of land has a greater reason to improve than the leaseholder, and as he improves that land it certainly brings in a very much larger revenue to the province than unimproved leased land would ever do.

The estimates of the mining receipts is $175,000. Last year I think they produced $159,000. Still I should think that that is a very fair estimate. I hope that it will be exceeded. The honorable gentleman said it might be exceeded, as, owing to the public works carried on in the province, there are greater facilities for getting into the mines—an acknowledgment of the great work we have done in the past, that is, mines. This is on his part an acknowledgment of the great work done in the past — that is, by the late government. He says owing to these works there is easier access to the mines; that smelters are being erected, and consequently more chances of mines being opened, and therefore more revenue resulting to the government.

As to marriage licenses, $6,000, I am very glad to see that, because it is an indication of progress, and I hope that the honorable gentleman will be sustained in his views with respect to this.

The real property tax, 120,000; it paid $109,000 last year. I don't know whether the honorable gentleman anticipates increasing the rates this year. I see indications of this method to repair the loss sustained by the removal of the miners' licenses and mortgage tax.

Mr. Cotton—No.

Mr. Turner—I can see this indicated in several ways, but I don't think it is the intention this year, because it is not a sufficient increase. That is left for a later period (if they are in the house at that time). The personal property tax, $90,000, was $112,000, and the honorable the Minister of Finance states that the reason for the deduction is the cutting off of what is known as the mortgage tax. He says that that tax produced $60,000, intention to carry it out this year, because it is not a sufficient increase. That is left for a later period (if they are in the house at as near as he could get at it.

With respect to this tax, I think he has made a very grievous mistake in his methods. I am not speaking against the removal of the tax in certain cases, but the government has made a fearful blunder in connection with it. There was last year a commission appointed in this house to enquire into the working of that tax on the community, to see where the incidence of it fell, and I consider, Mr. Speaker, that this is the only business-like method of going about any change in respect to taxation. It is the method that we find adopted by all the older countries, especially in Great Britain; when there is anything relating to taxation, they are most careful to find out how it will bear upon others who are not at that time taxed.

Now, as a matter of fact, the commission I have referred to as appointed to enquire into that matter, and also to enquire generally into a subject that I have not yet heard one of the honorable gentlemen on the other side of the house speak of this year—and that is the assistance to farmers. They have shut up entirely about that. There seems to be not a farmer in the province.

Mr. Cotton—Cheap money!

Mr. Turner—There is not a word about assistance to farmers, or anything about that, in the legislation of this session. That commission to enquire into those matters, and other important matters to British Columbia, was an admirable commission, composed of men connected with the farming industry. There was $1,000 voted to them, and they earned about $700 of it when they were dismissed, and not even asked to report. I believe their report, even as far as they had gone, would be of great value. I have some of the information, from what was intended to be in that report. It refers especially to the mortgage tax, and it proves what I feared before—that this change, this removal of $60,000 from the taxation of mortgages, is simply a present to the mortgage companies—foreign mortgage corporations who have offices in this province. There is no question about that. (Cries of "No! No!" from the government side). The report shows that approximately 90 per cent of the mortgage tax is paid by the lenders.

I know myself one moneyed gentleman who will save nearly $2,000 because of the removal of this mortgage tax. But the borrower pays just the same. This gentleman has been paying the tax, as he should do, but the borrowers will pay exactly the same interest as before.

Mr. Cotton—No, no.

Mr. Turner—He will, because the lender will not reduce the interest on the mortgages; it is a most improbable thing; then approximately on 90 per cent., or $54,000 out of this $60,000, is the mortgage tax is paid by the lender; and if you had received that report, it would have indicated in what what direction the burden would have fallen. And if the report on these mortgages which were all examined, was not correct, you could have corrected it. I say that report should have been received and examined, and you would have been in a better position than you will be by simply sweeping off from the revenue that amount of money, which is being paid by rich corporations and money lenders of this province. And you have to place it where? Eventually on the poor men of this province—farmers and others, with an increase of the tax on miners and all the way round, instead of it being paid by the money lender, who has been paying it, as this commission would have shown. Ninety per cent. would have been about $54,000 out of $60,000; but supposing only $40,000 out of $60,000, it would have left $20,000 that would affect the people of the province as borrowers of money. It is really an act brought in for the benefit of mortgage companies in London who have offices and lend money in this country. That was indicated five years ago, for those were the first people that raised that cry and agitated it all over the province. It was the mortgagees, the money lenders, that tried to save the money, and not the borrower that time. The borrower did not have to pay the money; but it is now the borrower who has to repair the revenue to the amount 00 out of $60,000, it would only have left for these were the first people that raised of $60,000. A government composed tax falls.

Mr. Cotton—If you will give me his name, I will make him pay it.

Mr. Turner—No, I will not give you his name. At the end of the list is miscellaneous receipts, including the expected refund of the Dominion government in regard to the Columbia river protection works. I am very glad that the government of the day are apparently succeeding in bringing the Dominion government to their senses about that. They were approached by the late government in the most courteous way with respect to this matter. I saw them twice in Ottawa, and also telegraphed from Revelstoke, without satisfaction. The reply was simply "We won't do anything, simply because you didn't place $10,000 or $15,000 on your estimates for this work." Now, this, I think, on the face of it is a most childish sort of reply from a great government like the government of the Dominion of Canada to the Province of British Columbia—a portion of that Dominion. We were led to expend on that our proportion for securing the land that was really virtually, a great deal of it, Dominion lands—not Provincial lands. They undoubtedly should have done it all. We only wanted them to do half. I am very glad to see that the gentlemen opposite are more in sympathy with them in that respect, and have succeeded in getting a promise of $15,000 back from the Dominion—and I hope they will get it.

There is one thing I am surprised does not appear in the estimates. We heard a great deal some years ago about the tax on coal. Now there are the Crow's Nest coal fields, which have been opened and are shipping, I believe, a large amount of coal, and there certainly ought to be some revenue from that, and it certainly should appear somewhere in the estimates.

Mr. Cotton—It does appear.

Mr. Turner—I do not see it. I thought yesterday the house should have had their attention called to it, as indicating the progress the province is making in that direction. Now, Mr. Speaker, I hold that the estimates of expenditure indicate a very sectional policy indeed. Some of the honorable gentlemen in the house stated during that session that the last election in Victoria City was carried on sectional grounds. ("Hear, hear" from the government benches). I notice that the "Hear, hear" comes from gentlemen who do not know anything about it. I think one of these remarks came from a gentleman who himself is interested in one piece of legislation framed for the purpose of securing his return to the house.

The Speaker here directed Mr. Turner's attention to the fact that he was transgressing the rules of order.

Mr. Turner—I can understand that these cries of sectionalism come particularly from those gentlemen when we see this baby of the present government before the house at the present time. I say that this election in Victoria was not carried on sectional grounds, and there was never by any of the candidates any remarks made about sectionalism, but they were constantly being made by what is now the government party; and I am struck by the fact that the estimates for Vancouver Island are somewhat about $55,000 out of a revenue of $294,000. The revenue for the Island is $294,000, and the expenditure to be voted for the whole Island is somewhere about $55,000.

With respect to the expenditure for Kootenay, certain honorable gentlemen, members of the house last year, when they applied for expenditure in Kootenay—I think one of them wanted $123,000, another $140,000, another $150,000, and another somewhere about $1,000,000—their requisitions were gone through very carefully and their most important requirements supplied, as being all that the government could carry out then. The same gentleman who asked for $123,000 is now satisfied with about 25 per cent. of that.

Mr. Kellie—Name him.

Mr. Turner—I do not give names in the house. I think the honorable gentleman from North West Kootenay was not so modest in his demands as $125,000. I never knew his modesty to extend to that, though I know he is a very modest gentleman, and last year, although he asked for more, I admit he did not get it all. But if he is satisfied with what he gets this year, he must be a different man this year from what he was last year—that is all I can say.

In regard to the agricultural development of the province, I know that some years ago the mining members always ridiculed that subject when it was first taken up by me, which had been productive of such great good; but I am content to say there is now indication of a falling off in that respect. The vote for assistance to agriculture in the various directions has been considerably reduced; and it is a great pity, because I think the agricuttural class is the class of our community which should be encouraged at least in the same proportion as mining. (General applause.) And the estimates in that behalf instead of being reduced should be greatly increased. I see that not only has the vote been somewhat reduced, but there is no indication of any helpful legislation in the direction of encouragement. This shows that the government are not up to their work—they are not large-minded enough to take in all the subjects which should come before them, and I consider they are a perfect failure in the manner in which they have made out the document before us.

Then we come to another matter—the London office—another specimen of incompetence on the part of this government. We know, of course, that an honorable gentleman last year, who professed to know a great deal about it, scandalously spoke of it, in such a way that Londoners asked: "What sort of idiots have you got in your house?" I am not using unparliamentary language—I am repeating what a gentleman said to me in London. Mr. Speaker, that office was described to your house as a harem, and the honorable gentleman never apologized for that language. Of course, I admit it must have been in ignorance, but I do hold that there ought to have been the ample apology given to the Speaker, the Lieutenant-Governor, and to the people of British Columbia for making such a charge with respect to that office.

The honorable gentleman here made a strong plea for the placing of the agent-general's office on an equal footing with the offices now being so generally established on the same basis by other colonies and provinces, and then proceeded to take up and discuss the various anomalies with respect to salaries and changes introduced in salaries for the coming year. He would like to know why, for instance, the deputy provincial secretary was cut down $30. He had always been faithful and thorough in his work, and his long service should entitle him to better consideration—while a new man, the deputy attorney-general, remains at the same salary—$200 per month. There was no reason or common sense or any method followed in dealing with salaries, as was the case with the late government, who followed out a definite plan of additions and increases.

Mr. Turner did not imagine that the late Speaker would vote for the reduction of $500 now proposed, having been very energetic on a previous occasion in having the amount increased instead of decreased, but as some of the members on the government side have shown themselves very fond of the contract system, probably they will introduce that as a new method, and put up the offices to the lowest bidder. There was one vote he was pleased to see remain the same as last year—for the destitute poor and sick, and he gave the honorable Finance Minister some wholesome advice about this; to be careful not to apportion any of it to any destitute poor or sick who happened to be in a ladies' hospital, as he had been advised by the Lieutenant-Governor that it was unconstitutional, and he had been taken to task with regard to certain aid rendered to the Women's hospital at Westminster. He had been reprimanded for that, as being a misappropriation of the revenue of the province.

The Attorney-General—So it was a misappropriation.

Mr. Turner—According to Sir Oliver Mowat's decision—and I think it is pretty near as good as yours—it certainly was not a misappropriation; but even if it were a misappropriation, I would be very proud to misappropriate funds in that way at any time. (Loud and general applause.) I was very much struck with the opinion of Sir Oliver Mowat as to these matters.

"An order in council of 21st May last authorized the payment to the Quebec and St. John railway of $8,000, in order to further encourage the operations of the company in the promotion of immigration, which the order in council recites had in the past proved of great value, and by an order in council of 15th July, it was provided that this payment should be made a charge upon the vote for general immigration purposes.

"Upon the passing of the latter order in council, a check for the amount of the grant was issued against the vote referred to.

"The auditor-general previous to such check being issued had pointed out what he conceived to be objections to the proposed payment, and at his suggestion the matter was referred to the treasury board.

"Under the circumstances you ask my opinion, as Attorney-General, under section 52 (e) of the Consolidated Revenue and Audit Act as to whether there is, or is not, parliamentary authority for the proposed payment.

"The auditor-general states his opinion in his letter to you of the 4th ultimo, as follows:

"'(1.) There was not legal obligation, because the government never authorized the expenditure before it was made, was never even applied to for authorization, or notified that the expenditure was about to be made.

"'(2.) There was no moral obligation. The company could have no reason to expect that it would be reimbursed any portion of the outlay, because it was made with the expectation that the benefit of the company's business would repay the outlay.'

"The sole question with which I have to deal in this respect is the question of law, whether under the section of the Consolidated Revenue and Audit Act above referred to there is 'parliamentary authority' for the payment.

"The 'parliamentary authority' is the vote for 'immigration expenses.'

"I think that the government may expend this vote for 'immigration expenses' in such manner as they may think best adapted to promote immigration. The question then becomes one of policy for the government to consider, and for which the government is responsible to parliament. I see no reason why they may not, as a matter of law, grant out of the vote for immigration expenses a reward for past meritorious, useful work, or a subsidy to encourage future work, if they think such a grant or subsidy would be promotive of immigration, and I think that their action therein is subject only to their answerability to parliament."

I think, continued Mr. Turner, the people at large would heartily sustain me in any such action as that. I will just for a short time refer to matters which came up in the legislature during this session, and in doing so I would like to call attention to the anomalous position of what is known as the government. I hold that they are not a government—they are not constitutionally in the position that they occupy, and we have been waiting all this time for a statement to be made by the leader of this so-called government that he has assumed the responsibility for the acts of the Lieutenant-Governor in connection with the dismissal of the late government, and calling in Mr. Beaven—to my mind improperly. I do not intend to go into it, because I think there is another opportunity, owing to a resolution I have placed on the papers, but the government have signally failed to give any explanation of their position in this matter.

MR. TURNER continued his remarks on the budget (the first part of the speech being in our Vancouver edition of yesterday) as follows:

If we look at the legislation passed recently, we see that several members have been placed in their seats, not by the voice of the people, but by the voice of themselves. I need hardly refer to the fact, Mr. Speaker, of how the house was hurriedly called together to permit an act to be hurried through to add two members to the house before their case came before the courts. This is one piece of legislation, and if we look we will find not a single act passed for the benefit of the province. Yes—I am wrong; there are two, perhaps three. One, the Dyking act, which was introduced yesterday, simply continuing the work of the late government, but which had been very bitterly spoken against by members of the government when on the other side of the house. This is certainly an act for the benefit of the people of the province. And there was another act, which,

(Continued on page 5.)

BERESFORD AT WASHINGTON.

Says the Four Powers Can Do for China What British Have Done for Egypt.

Washington, Feb. 22.—Lord Charles Beresford in an interview this afternoon predicted that China would be bankrupt in four years, and said that England has done for Egypt what the four nations controlling Chinese trade could do for China.

"Save for its strategic advantages," he added, "Egypt has not been worth a shilling to England. The sacrifices of lives and money to make Egypt safe and secure, have put the Egyptian army and police in order."

KIPLING VERY ILL.

Has Inflammation of the Lungs, but Is Expected to Pull Through.

New York, Feb. 22.—Rudyard Kipling is seriously ill in this city at the Hotel Grenoble. He is suffering from inflammation of the lungs. His doctors, however hope that with his strong constitution he will be able to pull through all right. The following bulletin was issued about 2 o'clock this afternoon by his physicians, Doctors Janeway and Dunham: "Mr. Kipling has an inflammation of the right lung. This produces the usual fever. There are at present no complications. Another bulletin will be issued at 3 o'clock to-morrow afternoon." Mrs. Kipling said that her husband was apparently perfectly well until Monday evening, when he went out to dinner and came home complaining of cold and fever.

THE AMUR SAILS.

Supplies for the B. L. T. & T. Co.'s Lake Fleet Go North Last Night.

A large part of the steamer Amur's cargo which went North last evening was supplies for the Bennett Lake & Klondike Navigation Company's steamers on the Northern lakes. These vessels, as also other lake steamers, are being made ready for the prospective Spring rush and will be running on the very first day that navigation opens. The Amur was deep in the water when she pulled out from her berth just above the E. & N. bridge last night and will be full when leaving Vancouver to-day. There was a somewhat limited number of passengers leaving here on her, the list being in part as follows: Capt. Foley, W. G. Doyle, J. E. Wilson, T. Rant, Capt. Harris, J. Colson, A. F. McKinnon, F. W. Carlyon, J. B. Brown, R. L. McKenzie, E. K. McIntosh, G. Shorn and J. R. Kelly.

FORTY-SECOND

THE BULGARIA I

Steamer Given Up for
Survived the Tempes
Atlantic.

Twice Taken in Tow S
Reported but Hawser
Under Strain.

Drifted for Eleven D
Crew Repaired Rudde
Made the Azore

By Associated Press.

Punta del Cada, Azores, the Hamburg-American lin Capt. Schmidt, from New Y 28 for Hamburg, previously great distress and feared t down with 101 persons on bo here to-day. The Bulgaria stopped 11 days, during whi were engaged repairing th and rudder. She lost one the operation. The story o ful experience, avoiding repe portion already covered by th Press, is as follows:

The weather on the mor ruary 8 is described as fear were six or seven feet of holds. On the morning o the weather became cold dead horses were thrown ov swell was very high until By that time a hold con had 15 feet of water, an were foul and unable to wo weather continued from the February 11 until February

Then the British steam Cape, West Hope, from Liverpool leans, appeared. The comm Bulgaria asked the captain lian to take the disabled ste This the captain of the Ant do, and a hawser was made the two steamers between 7 that morning. But at noo was carried away. The A succeeded in taking the Bul but once more the hawser The Antillian stood by the morning of February 9 proceeded on her voyage.

Early during February 17 sighted the Norwegian bar asked to be reported all wh ruary 18 and 19 the severe tinued, but it moderated on In the meanwhile the crew garia had been working h the disabled rudder, and at the morning of February 21 was again under control. February 22 she came in tow and at noon February 23, 2 had been covered. The b distance was covered by 7: ing. During the storm an the cargo, etc., the passen crew of the Bulgaria sustai juries, a number of arms a broken.

THE CAESARIAN OP

Performed at Royal Vict
With Safety for Mot
Child.

Montreal, Feb. 24.— (S Caesarian operation was the Royal Victoria hospit ing by Dr. Webster, as Gardner, in the presence of physicians of the city and medical students. The ope successful. For a time i the life of the child woul sacrificed, but it was sav mother and child are doing

RUSSIANS KILLING

Three Hundred Slain for
Demand for Ta

Pekin, Feb. 24—The Dow is greatly incensed at the Russians at Talienwan on t peninsula, near Port Arth 300 Chinese during a confli inated in a question of tax on February 19.

Her Majesty has instru nese foreign office to pr strongest possible language "unwarrantable action of t who, it is added, distinct terms of the Port Arthu which does not give the R ority to collect taxes.

THE POPE ON AMER

Archbishop Ireland Writes
tion of the Views Dec
the Pontiff.

Rome, Feb. 24.—The Obse ano to-day publishes the te from Archbishop Ireland regarding the pontiff's lette Gibbons on "Americanism. bishop thanks the Pope fo esteem and love for Americ and says that now that shed light on the situati standing will cease, "for able to determine the fait desire to conceal under Americanism, and define t ism such as