

There was no mortgage in existence when the present Administration came into power and, for the form of the mortgage and the defects in it, the present Government must bear all responsibility. The proviso contained in the mortgage was not authorized by the Act of 1904, but is a direct controvention of that Act agreed to by the Whitney Government, and it is by virtue of that proviso alone that there is any defect in the security. The Act of 1904 undoubtedly authorized only a mortgage which would include all terminals in the City of Toronto and elsewhere, and if they are not now included, the Whitney Government alone is responsible for the huge blunder and Mr. Whitney's words as reported in the "Mail and Empire" quoted above react upon himself.

Mr. Whitney's statement undoubtedly deceived the Legislature. Whether this was done with wilful intent or through gross ignorance, the people may judge; either is unpardonable in the Prime Minister of this Province who boasts of the business ability of his Government.

## (2) Grant to the La Rose People.

Another wholly unjustifiable act on the part of the present Government was the rushing through in the dying hours of the Session of a grant of \$130,000 to the members of the La Rose Mining Company. Apparently a few years ago these people contended they were the rightful discoverers of what is commonly known as the O'Brien Mine. The Honorable the Attorney-General explained to the House that they desired his Department to grant them a fiat in order that they might contest in the Courts with the O'Brien people their right to this mine. The Government apparently refused to grant them a fiat but took up the fight in the Government's name, with the result that a settlement was arrived at before trial with the O'Brien people, whereby the Government got 25 per cent. of the output of the mine. During the brief discussion on the floor of the House, Mr. Foy explained that this \$130,000 was being paid to the La Rose people because they had assisted in the law suit, had procured the evidence and had given information to the Government. The Minister of Mines, on being interrogated by Mr. McDougall of Ottawa as to whether he considered it right to sanction the grant, particularly in view of the fact that Mr. Cochrane's brother-in-law, Mr. Dunlop, was one of the La Rose people, Mr. Cochrane denied that his brother-in-law had used any unfair influence to secure from the Province this sum of \$130,000.