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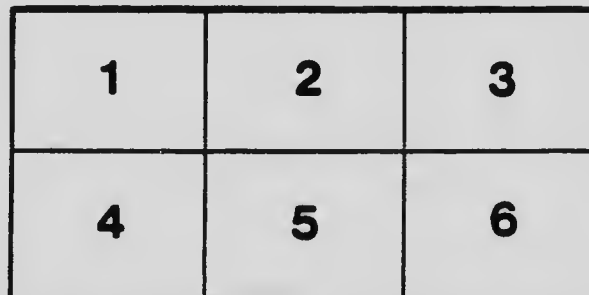
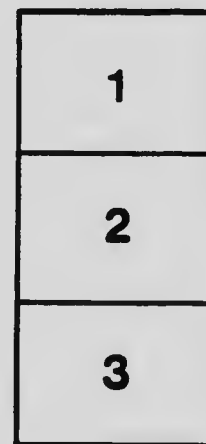
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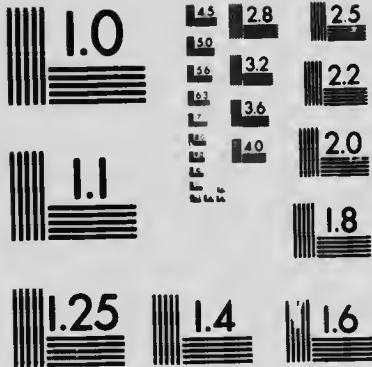
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MR. LUCAS ON THE BUDGET

The contribution of Mr. I. B. Lucas, M.P.P. (South Grey) to the Budget Debate in the Legislature on March 26th, was one of the best thought-out speeches of the session. Mr. Lucas' remarks always command the attention of the entire House. While trenchant in criticism, his utterances are always dignified in tone, and fair, and marked by considerable independence of thought. His criticism of the dual role of member and editor, essayed by the Opposition's financial critic, Mr. Pense, of Kingston, was one of the cleverest touches of the entire debate. His story of the old and the new methods of administration, and the lost opportunities of the Ross government showed careful research, and his own frank statement of his position in reference to temperance legislation was in striking contrast with the studied evasiveness of the Leader of the Opposition, who could not be "brought down". Mr. Lucas, who was loudly applauded, said :—

MEMBER: I assume as no hon. gentleman on the opposite side of the House has arisen to follow the hon. member from Brockville that the last word, apart from what the Leader of the Opposition has to say, has been said from the opposite side of the House, and that so far as the Budget Debate goes the last word of criticism has been heard. I might have preferred, from a debating standpoint, to have followed some hon. gentleman from the opposite side of the House. On the other hand, perhaps the fact that I do not directly follow any one from the opposite side leaves me a better opportunity to take a general survey of the character, effect, and result of the criticism of the financial administration of the present Government than if I were to directly follow and reply to the remarks of some hon. gentlemen on the opposite side.

This budget debate brings into question the financial record of this Government since its advent to power, and the speeches of hon. gentlemen opposite comprise all in the way of criticism and all that can be urged against the present Government after their Parliamentary career of less than four years. And, I think, even the hon. gentlemen opposite as well as the members on this side of the House will agree that at any rate there is not a very strong case made out against the Government of the day. If then, we take the speeches of the hon. gentlemen opposite as all that can be reasonably said in the way of criticism—and, I think, that what has been said by hon. gentlemen opposite is all that can reasonably be urged against the administration that has had

charge of the affairs of the Province of Ontario for four years for their weakness has not been in manner but in matter—their, eliminating the small things, the financial criticism that has been made amounts to this and nothing more: there has been an increase in the expenditures of the Province of Ontario under the present Government. We had that in different forms from each gentleman who spoke from the opposite side; they have elaborated that one idea and put it in as good form and in as plausible shape as possible from an Opposition standpoint. But hon. gentlemen must see that they must go very much further than that before their criticisms can be considered as serious or as at all effective. Criticism should be specific.

Must be Explicit

Last year, I endeavored to point out in the few remarks that I made during the Budget Debate that before the hon. gentlemen can make any point in this House or in the Country they must go a great deal further than merely to say: "There is an increased expenditure; therefore condemn the Government." I said then and I repeat now that criticism of the total expenditure of the Government in order to be effective must be specific. You must say what you object to. I thought I made that clear but it does not appear to have made any very great change in the character of the criticisms offered by hon. gentlemen opposite. A year ago, I said to my hon. friend from Kingston who is the recognized financial critic of the Opposition in this House, and he did not forget it, because, during his remarks he referred to it—I said, "You should be specific." And the hon. gentleman in opening his remarks upon this year's budget, said, that he objected to the bouquets that had been thrown to him across the floor of the House upon his speech of last year on the ground that it was such an eminently fair one in that he had made no objection and practically had no criticism to offer to any single item of Government expenditure. Therefore, he said "I object to that and this year I will be specific." And the hon. gentleman started out to be specific, and I sat up and took paper and pencil to take down the specific objections that the hon. gentleman had to offer to the financial expenditures of this Government. Now, the hon. gentleman was specific in some particulars. I have his remarks before me. The hon. gentleman, after referring to the fact that bouquets had been thrown to him which he did not want to accept because of his address the previous year, said "I will be specific this year." Specific in what respect? The meaning is, of course, as the hon. gentleman knows very well but I must repeat it again to him—specific in pointing out items of expenditure in the Province of Ontario that can be objected to

as items extravagant or unjustifiable upon any ground that he dare stand up in his place in this House and say "Here is an item of expenditure I challenge and object to; the charge is extravagant or the expenditure unjustified." But the hon. gentleman did not do that. Having said that he would be specific, here is the way in which he made good his promise. He pointed out again that there was a large total increase since 1904 and then follows statements of the percentages of increase. Administration of Justice had been 20%, Education (excluding the University) 50%, Colonization Road Grant, 116% (I think that percentage is an error), Agricultural College 16%, Charities 39%, Public Buildings 33%, and miscellaneous services 43%.

Government Simply Trustees

Now, Sir, the hon. gentleman failed entirely with one exception, which I will refer to later, to point out one item in the expenditure that he objected to. What is there in that sort of criticism? Absolutely nothing. The Government of Ontario are the trustees for the time being for collecting the revenues of the Province, and for paying them out again for the benefit of the people of the Province. They must pay out the necessary costs of Civil Government, the necessary costs for Administration of Justice, and so on through all those branches of the public service which concern the carrying on of the machinery of Government, and outside of that the Government hold the balance of the revenues in trust to be paid out, for the benefit of the people. The Government are simply the trustees of the revenues of the Province handing them back for the benefit of the people. So I am not startled by the statement that the expenditures of Ontario have increased. I hope the legitimate Provincial Revenues may continue to increase as they have during the past three years under the wise, sane, business-like administration of this Government—so that we may have the money to spend—and then we'll spend it for the benefit of the people.

Mr. WHITNEY—"Hear, hear."

Mr. LUCAS—I hope some day and a not far distant day the legitimate Revenues arising, not from direct taxation, but from a proper conserving, and gathering in of the revenues of the Province of Ontario will provide ten millions to give back to the people for the relief and benefit of the people in the various ways in which this Legislature may think it is right to spend the money. Not given away extravagantly not thrown away but given back to the people for Education back to relieve the burden of taxation in its various forms; back to Agriculture and

back to the many interests that can be served and are entitled to consideration if we have the revenues to justify the expenditures. (Applause.) Now then, I say that the hon. gentleman from Kingston, while what he gave was specific enough as to percentages of increase under each head of Government, was not specific in that he did not challenge particular items of expenditure.

About Law Costs

The hon. gentleman just before he closed did refer to the expenditure for law costs. I have a note of the hon. gentleman's remarks before me and I think I am right and fair to the hon. gentleman when I state that nothing said by him throughout his address could be construed into a criticism of any expenditure, except his reference to legal fees or costs paid out and in respect to another small item of expenditure for entertainment. The hon. member for Grenville in replying to the hon. member for Kingston went over these law costs items and showed what these fees were incurred for and showed to the satisfaction of, I fancy, every member of this House that they were quite justified by results. If the hon. member for Kingston had said the Attorney General should look after all law cases, do all this legal work or employ more solicitors under the direct control of the Department to do it there would be something in my hon. friend's criticism. He only says "You have paid out to lawyers a large amount of fees." He does not attempt to say whether paid out for proper purposes or that they are extravagant fees or that the results did not justify the expenditures, and when he stops short of that he does not make any proper criticism.

Dr. Jekyll versus Mr. Hyde

But if I am unable to convince my hon. friend as to what ought to be done, and that a financial critic ought to be specific in his objections and criticisms, I know I can quote to my hon. friend something that will carry conviction, and not only carry conviction to him personally, but will, I am sure, have a great weight with other hon. gentlemen on the opposite side of the House. There is in the city of Kingston a paper, "The Kingston Whig," whose editor is the hon. member for Kingston in this House. The editor of the "Whig," in his private capacity as editor, gives the most effective answer that can be given to the argument of the hon. member for Kingston in this House, when he stands up and attempts to criticize the Government because of the increased expenditure. The hon. gentleman, as editor, heads his article in the Kingston Whig, "What is the Kick About?" and then refers to an article in another newspaper

which has been asking farmers to write their members of Parliament and protest against the large expenditures which the Dominion Parliament is authorizing at the present time. Mr. Pense, as editor of the Whig, and I am quoting him for the benefit of Mr. Pense as financial critic of the Opposition in this House, says. "The question is, is it for the good of the country that these expenditures should be made?" Mr. Editor Pense goes on to argue in this article that there are certain fixed charges and certain other expenditures which everybody must approve of; and then again, referring to the objection to the increased expenditure and the advice that electors should write to their members and object, Editor Pense declares: "The advice would be better if it were more specific." (Laughter and applause.) The very words I used last year to the hon. member himself. And again: "They should tell just what it is they dislike," and again he gives himself good advice. "It is unreasonable to say that there should be a kick without indicating what the kick is about."

Neither Logical, Nor Reasonable

And so I answer the hon. member for Kingston with some of his own advice, and say to him: "It is unreasonable to kick about increased expenditures without indicating what the kick is about." With one breath he objects to increased expenditure just because it is an increased expenditure, and in the next breath calls for more expenditure. He regrets there is not more money for the Agricultural School at London. He regrets there is not more money for a Home for feeble-minded women. He regrets there is not more money for our Dairy School. In fact, he is full of regrets, the gratification of each one of which would mean the spending of more public money and necessarily an increased total expenditure, which he also regrets. So you see the circle the hon. gentleman is travelling in. I am not surprised that at times in the whirl the hon. gentleman forgets to be either logical or reasonable. The hon. gentleman then winds up his speech by taking feeble exception to one small item of expenditure out of the seven million.

Now, I do not know that it was necessary to quote so fully from the hon. gentleman's own newspaper article, and I do not suppose that it was necessary, but it is not very often that one can so effectually answer an honorable gentleman in this House with his own words and his own arguments. (Applause.) One was spoken in the excitement of making a speech in the House; the other was written in the quiet calmness of the editorial room of the Kingston Whig, and the article was headed "What is the Kick About Anyway?" One answers the other. I prefer to

accept, and I think the hon. gentleman himself will prefer to accept the latter as containing the sound advice. And again I ask my hon. friend in the Kingston vernacular, "What is the kick about anyway?" (Applause.)

Promises Kept

Now in respect to finances, what did we promise in Ontario? We promised two things. We did not say "We will cut down John Jones' salary \$5 a month," we did not say "We will pare a little here and pinch a little there, the salaries of the civil service"—a sort of a five-cent policy. We propounded nothing of that kind, either in opposition or in practice since the Government has been in power; but we did make the statement and the present Provincial Treasurer did make two things clear when occupying the position of financial critic on the other side of the House, namely; that when we crossed the floor we would collect the revenues in a business way, and we would live within our income. (Applause.) We are doing both to-day. (Applause.) If honorable gentlemen opposite had collected the revenues that legitimately belonged to the Province in a business way, and if they had seen that the proceeds derivable from the sale of Provincial assets properly reached the Provincial Treasurer, the position of the Province would have been very much better than it is to-day, and the old Government would have had more money to give back to the people. We stated years ago, and repeated it many times in Opposition in speeches which I could quote from, in essentially the same language, that the increased revenues that could properly be collected without collecting one dollar in taxes from the people, would be sufficient not only to carry on the affairs of the Province, and to meet all fixed charges, but as well to make increased grants to assist the people in various ways. In performance we have carried out our promises.

Living Within the Income

Now, Sir, we are living within our income, and we will continue to live within our income while the present Provincial Treasurer is in charge. Nay, more, if the Minister takes my advice, he will continue to pay out the money we collect without taxation for the benefit of all the people of Ontario, to relieve taxation, to help distress, to aid hospitals and charities, to aid education and agriculture, and he will also see that all the revenues to which the people are entitled reach the Treasury Department, so that we may pay it out again for the benefit of the people of Ontario whose trustees we are. (Applause.) We say, "Collect the revenues." See that for every dollar's worth of Pro-

vincial property disposed a dollar reaches the Treasury; and, Sir, the result has been simply astonishing. We are doing far better than we thought we should be able to do. Both the Provincial Treasurer and the Minister of Lands and Mines are doing better than we thought it possible for them to do. I had a great deal of faith in them, but I frankly admit that they have both exceeded my expectations. I desire to be frank and say, in respect to some of these increased revenues, this Government cannot claim very much credit. The succession duties, for instance, reach the Treasury because rich men die; perhaps we see that these revenues are looked after a little more closely. We no doubt look after the patients in the asylums and see that those who are able to pay do so. We have to our credit in this way perhaps a few hundred thousand. Business administration has brought increased return from the public institutions, and I am safe in saying that we have in the Province of Ontario in this way a very substantial increased revenue that would never have reached the Treasury had the old Government remained in power and old methods been followed. (Applause.) These, however, are the small increases.

Changed Methods--Better Results

There are some directions in which we have completely changed the methods of the previous administration. Take the sale of our timber. In all cases we have laid down as an essential principle and one that cannot safely be departed from, that when a timber limit, a pulp concession, or a great mineral location such as Cobalt Lake, is contemplated, in all cases public competition is the only safe principle upon which the Government can act and the only principle which is justifiable in dealing with the disposal of the assets of the Province of Ontario, whatever their description may be. (Applause). We are here today with a brimming, overflowing Treasury—and let honorable gentlemen think for a moment as they look back and ask themselves—Where is the money coming from? Not from the taxation of the people. Not from the sale of our great timber areas. During the few years I was in this House under the old Government we had to have timber sales, great pine timber sales, the great asset of the Province, the capital of the Province of Ontario, from year to year to keep the old ship going and to get enough money to administer the affairs of the Province as it went on from day to day and from year to year. It may surprise some honorable gentlemen to learn, from figures which I have before me, that in the first four years during which I was in this House, from 1899 to 1903, there was received by the old Government from the sale of great pine limits in the north in cash more than

\$5,000,000—\$5,000,000 in cold hard cash capital—going into the ordinary revenues of the country, an average of a million and a quarter a year out of the capital wealth of the country from the sale of pine, spent as ordinary expenditure. Since this Government came in there has been no substantial sale of pine timber. We haven't had to sell our pine to meet current expenditure. If we had followed the course of the old Government and the sale of pine timber had been continued, at the same rate, we would have had five millions more than we have in the Treasury of the Province of Ontario.

Mr. CLARK (West Northumberland)—How do you know the amount of the sales?

Mr. LUCAS—I know what was sold. I have the figures from the Department before me. No doubt it greatly surprises the honorable gentleman. He cannot believe it. Let me give him the exact figures, \$5,143,675.00—about 1600 square miles of pine sold by the old Government in four years to meet current expenses. He and his friends talked about a surplus of four millions of dollars for thirty years, a surplus given them by John Sandfield.

This Government has been able to gather in sufficient revenue without resort to any new form of taxation, not only to pay our way but to give the splendid increase in grants back to the public that has been referred to and called—and wrongly called—expenditure. And we have done this as I have pointed out practically without the sale of a single square mile of pine timber.

Mr. CLARK (West Northumberland)—But you sold Cobalt Lake—was not it as good as a pine limit?

Money Invested for the People

Mr. LUCAS—Yes we sold Cobalt Lake—and we sold Kerr Lake—and we sold a good many other things in the Cobalt country and got the money for the people of Ontario—not one dollar of which would ever have reached the cash box of the Province of Ontario if the old Government had remained in power, as I will show the honorable gentleman—I will take him on a trip to Cobalt before I sit down, and show him the opportunity the old Government had to collect legitimate revenues from that country for the Province, and I will show him too how they failed to follow the plain path of duty. In the meantime, if the honorable gentleman will excuse me, I wish to point out that what the honorable gentlemen opposite call increased expenditures, are really not increased expenditures in the sense that the Government should endeavor to keep down expenditures. Who will tell me that the six hundred thousand dollars we are giving

back to public education and public schools, is an expenditure of that kind? It is wrongly named. It is not an expenditure in the proper sense of the word. Who says that the money we are giving to assist the people's University is money expended? It is merely money invested by the Government as trustees for the benefit of the people of the Province of Ontario. We paid out to the municipalities in the past two years, \$162,000 as their share of the increased Provincial tax on railways—a new source of revenue to the municipalities. It is down there as an expenditure—an increase of expenditure—but who in this Province objects to it? Who challenges the increased money paid out to hospitals and charities? Who challenges the increased grants, to advance the great agricultural interests in the line of scientific agriculture? Who challenges the road grants to the struggling settlers in New Ontario?—hundreds of thousands of dollars paid out in these ways. These are not expenditures. We are trustees merely administering the affairs of the Province of Ontario. We are collecting the revenues and paying them out again to the public institutions of the Province for the benefit of all the people. We are simply administering a great trust and we are doing it honestly and well. (Applause).

A Trip to Cobalt

The honorable member for West Northumberland wants me to go to Cobalt Lake and explain to him wherein a sale of this lake and a pine limit differ and I must do so because he is laboring under exactly the same delusion as my honorable friend from Kingston, and as also my honorable friend from East Huron. They say, "What about Cobalt?" And I say in reply, "What credit does your Government deserve in respect to it?" There never would have been a Cobalt Lake sale if the old Government had remained in power and I'll prove it. (Applause). Now I want to point out to the honorable member for East Huron and show him that he is just as much mistaken as is his honorable friend from West Northumberland in regard to Cobalt Lake. The honorable member for East Huron stated that large sums of the present revenue had been received from the sale of Cobalt Lake and from royalties and these sums would never have been received had it not been for the far seeing policy of the late Government. I also have a note of the remarks of the honorable member for Kingston, who said it was found the total receipts for Ontario were so much and so on, and then he goes on and states that there was received \$1,184,000 from the mining sales and leases. The honorable gentleman includes in that the sale of Cobalt Lake, and \$207,905 from royalties, and this came to a total of so and so, and for the receipt of these amounts the honor-

able gentleman states the people should be very thankful to the previous administration." The nerve of the honorable gentleman! (Applause). The issue is clear now. Let us look at the records—What do these honorable gentlemen mean? One is sometimes at a loss to characterize their attitude and statements. Now, if they mean anything, and I do not think they do, but if they want us to think they mean anything, they mean that some years ago the late Government by the unanimous consent of this House decided to build a railway into New Ontario. Everybody said that was the proper thing to do and they mean that the discovery of Cobalt Lake and the rich silver area up there was the result, and so they argue the late Government deserve credit for these mines. So far as the members of the Government are concerned, Mr. Speaker, the discovery of these rich silver areas was an accident for which none may claim credit. If we had known of their existence, we would perhaps have gone upon foot in advance of the railway and staked a few good claims and joined the millionaires. Because incidentally the building of that railway led to the discovery of Cobalt and Cobalt Lake, therefore they claim all the credit. Let us test it. Honorable gentleman on this side know a great deal better, honorable members on the opposite side of this House ought to know better and I think do know better but lest they forget, I'll try and show how empty is the pretence that any credit can be claimed for the old Government. When we decided to build a Government railway we passed an Act in this Legislature, which appropriated all the lands and all the timber for ten miles on each side of the railway, as a special fund to pay for the building of the railway. We thought that was a proper act and a wise provision and the members of this House accordingly made it. The Act passed this House and is on the Statute Books of the Province today. What then happened? In the Fall of 1903 the wonderful discoveries at Cobalt were made—discoveries made by the building of a Government road, practically so, absolutely so, I think.

A Lost Opportunity

Then, Sir, what did the late Government do? It is worthy of the closest attention of the honorable gentlemen opposite in order that they should clearly understand the singular opportunity that came to that Government. The path of duty was clear. It was pointed out to them. There were no obstacles in the way, but deliberately they turned aside. The late Government, I say, knew the situation. This House can be excused when it fails to protect public interests if we haven't the information. The old Government could be excused if they could say they were ignorant of the situation, because men must act with

whatever light they have before them at the time and be judged accordingly, and it is because of the light, and because of the information that the late Government had in the fall of 1903, when that wonderful discovery was made at Cobalt, that I say they utterly failed, absolutely failed, disgracefully failed, to stand for the rights of the people of the Province of Ontario. An opportunity came to that Government to make a record that seldom comes to a Government, and may not come for a generation again, as trustees of the great heritage of Ontario for the time being administering the assets of the Province, to bring into the Provincial Treasury in the form of royalties on the Cobalt Mines an annual income of—I do not care to fix the amount. You might think it was fairyland, but at any rate an annual income of some millions for years to come, and would have placed this Legislature in a financial way in the proudest position of any parliament under the British flag. (Applause.) In October or early November, 1903, shortly after the discovery, and when only a few mining locations had been taken up, the wonderful character of the discovery was pointed out by Prof. Miller, the Provincial Geologist. Mr. Miller went up there and came back and made his report to the Deputy Minister of Crown Lands. We do not know what private reports he made, but do know that in the report we have access to he pointed out the immense wealth, the possible millions there were there and the plain duty of the Government. And the Government of that day started out in the right direction, as we shall see, but fell down utterly when the real test came, and it was necessary to stand up in defence of the clear rights of the people of the Province against friends who saw the opportunity to make the Cobalt millions.

On the 11th day of November, 1903, when these discoveries were, as I have stated, practically unknown to the public, the Government of Ontario, starting right, passed an order-in-council upon the report of the Deputy Minister, which was based largely upon the result of Prof. Miller's investigation. Let me quote extracts from this order-in-council. It is dated November 11th, 1903.

“ Upon consideration of the memorandum of the Director of the Bureau of Mines, dated November 9th, 1903, “ setting forth that new and valuable discoveries, have recently “ been made on the line of the T. & N. O. Railway, and “ recommending for the time being under sections 9 and 33 “ of the Mines Act, the withdrawal of the tract or belt of “ land ten miles in depth on both sides of the said railway, “ etc.”

Why did they recommend this withdrawal? Again let me quote from the order-in-council.

"In order that the same may be thoroughly explored by the Government, and to enable such measures to be taken in regard thereto as might be required in the public interest and upon the recommendation of the Honorable the Premier, acting for the Commissioner of Crown Lands, the Committee of Council advise that the territory be, for the time being, withdrawn as suggested, saving and excepting therefrom any lands upon which bona fide discoveries of valuable minerals have heretofore been made, and which have been applied for in conformity with the provisions of The Mines Act."

That was the situation on the 11th day of November, 1903, when this order-in-council was "passed." After the Deputy Minister had pointed the way to wealth for Ontario, and with the report from the Geologist of the Department as to the richness and extent of the deposits before them, the Government could not plead ignorance. I will read some extracts from the Deputy Minister's report to the Government. "These deposits certainly contain some of the most wonderful samples that we can conceive of," and "the discovery is a most notable one," and "the value of these lands will be very much in excess of the price charged for mining land," and "In view of the fact that the T. & N. O. Railway is being constructed through the region at the public expense and that the proceeds of the sale of lands lying along both sides of the railway are by virtue of Chapter 9 of 2 Edward VII to be applied toward defraying the cost of the same, it would appear to be in the public interest that something more nearly approaching the fair value of the lands should be obtained." The Deputy Minister then goes on to recommend the withdrawal as adopted in the order-in-council; and why? So that a policy may be adopted by which Ontario may share somewhat in the great wealth of the discovery made by the building of her own railway, pointed out by her own geologist, and as recommended by her own Deputy Minister. In the face of this situation, what was the plain duty of the Government?

Glittering Millions to the Favored

If the honorable member for West Northumberland (Mr. Clark) does not understand the wonderful opportunity that came to the Government of that day, then it would be hopeless for me to explain it further. (Loud Government applause.) That was the situation in the fall. The winter went on, the months went

by, and on April 11th, 1904, another order-in-council was passed—doing what? Adopting some policy under which Ontario would get some revenue? Nothing of the kind, but, without any reservations, revoking the original order-in-council withdrawing the territory. In the meantime the territory had been further explored—the pressure was too great—the glittering millions were in sight, and the Government said in effect to those on the inside: “Go up, take these millions.” And “the boys” went up, and the railway officials went in, and the millionaires are in Ontario to-day, but not a dollar of revenue by reason of any action of the old Government for the Province. (Applause.) And yet these gentlemen say they deserve some credit for the money we got for Cobalt Lake! The new Government came in and some of the things that were covered by water—Cobalt Lake, Kerr Lake, and the little 99-ft. strip on which the railway was built—were still held by the Crown. Cobalt Lake had not been gobbled up by reason of an accident—it was not known that there was mineral under it. Gillies Limit was supposed to be outside the mineralized area, and, at any rate, it was covered by timber license and had not been gobbled up. And out of these little fragments and remnants that had not been gobbled up, the Province will receive millions of dollars. By reason of the adoption by this Government of a policy in the interests of the people—the policy of the sale of Provincial assets by public competition—we have already received from this source and by reason of this plain, honest policy: For Cobalt Lake, \$1,085,000; for Kerr Lake, \$178,500; O'Brien royalty, \$272,360; for Cobalt townsite, bonus, \$35,000; for right of way bonus, \$50,000; Wright Mining Company bonus, \$22,000; Ferguson mine bonus, \$38,100; City of Cobalt royalty, \$19,200; Right of Way Mining Company royalty, \$30,421; Cobalt Townsite royalty, \$3,920; and other amounts the details for which I have not at hand. (Applause.) And yet these gentlemen, in cold blood, claim here that they deserve credit for what we got for Cobalt Lake. They deserve censure and not credit. They allowed a great opportunity to pass, and did nothing for the Province.

Millions Lost to the Treasury

If they had adopted the policy of the present Minister of Lands and Mines, or if the then Government had done what their own Deputy Minister said they ought to do, these rich mineral lands, the property of the Province of Ontario, would have been put up at public competition—as we did the Cobalt Lake and the few things that were left when we came in; the sale at public competition subject to payment of royalties of these rich mineral

lands would have brought in some millions of revenue annually to the Provincial Treasury for years to come. (Applause). It was a great opportunity, and is a lost opportunity, and the Liberal Government deserve the greatest condemnation from the people of Ontario and will more and more be condemned as the people more clearly see how the Government utterly failed to protect the public interest. The old Government boasted of their surplus. Let us see for a moment the kind of a surplus we could figure up. It would look like fairyland. Add to the annual cash surplus we have the average amount received from the sale of timber limits by the late Government for say four years, call it \$4,000,000. Capitalize the royalties we are receiving. Instead of an annual income from year to year from the O'Brien mine and other mines we might have insisted on the payment of a lump sum. Calculate the life of a mine and capitalize the royalties we received last year and add it as a lump sum to our growing surplus in the Treasury and the surplus of the Province of Ontario would amount to at least \$15,000,000—that is the actual situation—and it is at least as reasonable a way to figure up a surplus as the old Government followed, and we have all this because we have a Government that is business-like and honest in its methods and not afraid to stand up and say, "We will sell the assets of the Province of Ontario in a business way to the highest bidder." (Applause.)

These gentlemen say they deserve credit for the money received for Cobalt Lake. Why, Sir, the Honorable leader of the Opposition when the Government legislation in reference to Cobalt was before the House a year ago jumped up in his impulsive way and moved an ill-considered resolution, the effect of which, if the House had not voted it down, was to give to certain private parties a right on absolutely technical grounds to claim Cobalt Lake as their own, and if they had succeeded Ontario would not have received one dollar. That was the attitude of the present leader and his party only one year ago—now they claim credit. I hope my honorable friend from Northumberland now understands the difference between Cobalt Lake and a pine timber limit. (Laughter).

Pulp Concessions No Longer Given Away

Now, the Honorable Leader of the Opposition had some criticism to offer in regard to the Montreal River Pulp Concession. Just follow me for a moment and see if the Liberal members of this House are going to stand by their Leader and allow us to go to the country and say The Liberal Party of the Province of Ontario by the declaration of their Leader are still sticking to

the old idea that if this Government has Pulp Wood Areas to sell it should sell by private sale behind shut doors in the Minister's room? That is the attitude of the Honorable Leader of the Opposition? He says the late Government had the proper conception of the way that New Ontario should be developed. Well now, we may get a proper conception of the honorable gentleman from his methods. Just compare the two policies for a moment and only a moment—When in opposition we declared over and over again by resolution in the House for sale of these pulpwood concessions by public competition. We said, fix all your conditions and terms and subject to these sell to the highest bidder. The old Government fixed the conditions and then granted the concession to some Syndicate with a pull without payment of one dollar, and the Honorable Leader of the Opposition still thinks the late Government "had the right conception of the way to develop New Ontario."

He says when the time comes so that the acts of the late Government in respect to these pulpwoods concessions appear in proper perspective we will then see they had the correct conception of how to develop New Ontario. His idea practically means to give away these concessions without public competition and a dollar of bonus, as every member knows the late Government gave the Montreal River Pulp Concession away without payment of one dollar. The opportunity came to this Government to cancel the concession—they did so and sold the same territory by public auction and got \$300,000, and yet my honorable friend still says, so anxious is he to defend the old Government, that even if it could be sold for five times \$300,000 the same policy would be pursued.

Opposition cries of "No, No."

Mr. LUCAS—I think it is five times, he said. Wait until I see. Let me read his exact words. "I do not believe that \$300,000 or three times \$300,000 would make the difference between our conception of the policy and the manner in which we should develop New Ontario." (Applause.)

I apologize to the honorable gentleman, it was three times—not five times he said. Develop New Ontario by giving away its natural resources, is his idea of development, so that somebody may make some money out of it. Well, Sir, if the honorable gentlemen opposite are ready to go to the country upon that issue, if that is still their attitude in respect to the sale of mineral rights, pulpwood areas, timber limits or other assets of the Province, then, Sir, we are ready. I think the people will soon get a right perspective of the honorable gentlemen opposite, and I think that time will be the date of the general election. (Applause).

The Three-Fifths Clause

Now, another matter has been referred to, and, as the member for Brockville has said, it has been touched on very gingerly in this House. The honorable member for Brockville has referred to it, and I propose to refer to it also and to state as fairly and as clearly as I can my position in regard to it, and that is the temperance issue, if we have a temperance issue in the Province of Ontario. I desire to refer to the Three-Fifths Clause of the Liquor License Act, and to make my personal position and my attitude in respect thereto clear, and I desire to do so in the House so that you may note, and everybody may note, just exactly where I stand upon it.

Now, in my view, no more important question can possibly be considered in this House unless perhaps the general question of education. No more important question can occupy the attention of this House than the consideration of legislation calculated to lessen the evils of the liquor trade. I assume that the judgment of all men on both sides of the House goes with me upon that. We are spending millions of money in this Province every year for free public education, and the man with children and the man without children contribute alike, because the general good of the community demands it. It is a principle well established in this country that for the general good of the community we should have an educated people, and we should all, because of that general good, contribute towards the cost of general public education. We do so in order that we may have an educated and not an illiterate people. We say to the parents: "You shall send your child to school not only because it is in the interests of the child, but in the interests of the general community." To that extent we interfere with personal liberty, and we are as far as possible, and I am glad to say we are succeeding better, endeavoring to enforce that law. We should soon be able to boast in this Province of Ontario that practically every native born man and woman can read and write and has a reasonably fair public school education. Now, we are spending all this money to banish from this country ignorance, to give education to every person we can possibly reach. Public education, as I have said, is perhaps the greatest question that this Legislature can deal with, and next in importance, in my opinion, is the consideration of such legislation as may come before us, calculated to so control the liquor trade as to lessen and finally, as nearly as possible, to altogether banish the evils of intemperance from this Province. All other questions are of secondary importance. A sober, educated, and intelligent people will satisfactorily settle all other questions. When we have these two prime requisites,

I will not worry much about the balance. We will have an educated electorate, intelligent discussion of public questions, and with a sober and intelligent people, all other questions will satisfactorily adjust themselves.

Duty of an Opposition

It is unfortunate, in this country, and I am not finding fault with anybody in particular, that educational problems, and perhaps more often the general question of temperance, are discussed in this House and outside of it, in an exceedingly intemperate manner. Both of these questions are of infinitely more importance than any mere party question this House can divide on. I cannot name, nor does any question suggest itself to me, which is of greater importance, and I mention that only to point out that in my opinion it is an unfortunate thing that we have any political discussion in the ordinary sense, on these two essentially important matters. My honorable friends opposite have the whole scope of Provincial administration upon which to wage a party warfare—that is surely room and scope enough. No government ever existed which an alert Opposition sitting on the other side would not have a particular duty to perform in criticizing their legislation, in seeing that the Government of the day does not depart from any sound parliamentary position, and in seeing that the rights and privileges of the members of this House are preserved, and that the executive do not run away from the House. These are all things that every parliament should jealously guard, and it is primarily the duty of the Opposition to so guard them; and so, while we have a good Government here, no matter how good this or any government may be, we will have better government if we have an Opposition along these lines closely watching the trend of public affairs. (Applause.)

Mr. Mackay Under the Barn

But in the consideration of great moral questions such as temperance, we should have the best judgment of this House uninfluenced by party considerations when the Government of the day are endeavoring to deal with so delicate, so difficult, so important a question as the curtailment of the liquor trade of the Province. (Hear! Hear!) I regret I cannot believe that my honorable friend the leader of the Opposition, and some of the honorable gentlemen around him, are uninfluenced by purely and absolutely party and partizan considerations in their opposition to the three-fifths clause in the License Act. If we are to have this question thrown into the political arena, then the

honorable gentlemen opposite are responsible for it, and we have a right to judge of their motives in doing so.

I do not know what my honorable friend's attitude in respect to the local option movement in Ontario is. I do not know that he cares to tell this House what it is. I have heard that he had not very much sympathy for the local option movement in his own town; perhaps I am wrong. If I am wrong, then I want him to correct me.

Mr. MACKAY (North Grey). Baiting, baiting.

Mr. LUCAS. My honorable friend won't be baited. He prefers to remain under the barn. (Hear, hear, and laughter.) Does my honorable friend think that is good politics? Does he not want the public to know where he stands? I think we should know where my honorable friend stands on this question, and I think he should not be afraid to say, because his attitude will have a great deal to do in helping us to decide how much weight may be attached to his declaration against the three-fifths clause and whether it is dictated by a desire to help the great cause of temperance in the Province of Ontario or simply by a desire to embarrass the Government upon a delicate and difficult question and make a little cheap political capital for himself.

With a difficult and gloomy outlook, the leader of the Opposition apparently is saying to himself: "Shall I clutch at the three-fifths clause as the only straw in sight in the hope that somehow it may land me into power?" (Applause.)

If that is the honorable gentleman's position, then I think we should know it, and we will understand the honorable gentleman's motives better if he tells us where he is upon local option. He was not always opposed to a three-fifths majority. You will remember the old referendum vote when there were 199,749 votes polled for prohibition in this Province and 103,000 against, or 66 per cent. in favor of the temperance legislation then before the country and the House. But that was not enough for the honorable gentleman then. Has he changed his views?

Mr. MACKAY. I was not in the House.

Mr. LUCAS. No, the honorable gentleman was not in the House—nor was I in the House. But he was a Government candidate at the time, asking the support of the people on the record of the Government and their promises for the future.

And the honorable gentleman was in the House a few months later, in 1903, when the Speech from the Throne came down, and promising temperance legislation, temperance legislation that never came down—and he can't escape responsibility. (Applause.)

Who Led the Revolt?

The honorable gentleman was then in the House when the time for action came, and we now know from what we only suspected before, why that legislation was never brought down on the floor of this House. The hon. member for West Northumberland (Mr. Clark) stated the then leader of the Government would have brought down his temperance legislation, had there not been a revolt in his own ranks, and he was prevented carrying out his pledges.

Mr. CLARK (West Northumberland). That is right. (Applause.)

Mr. LUCAS. And my honorable friend from Northumberland can, if he sees fit, give us a little more information. He is now absolved from the secrets of caucus. I cannot give it. I can only give what rumor has said, and rumor says that the present honorable leader of the Opposition and the Hon. Mr. Graham, who occupied that seat last session, were the leaders in this revolt.

Mr. CLARK (West Northumberland). And I don't think you know it all.

Mr. LUCAS—I may not know it all, but I know enough. We all now know that the Honorable the Leader of the Opposition won't be baited into stating his position upon this public question. But we don't have to get inside the caucus room to find out where he stands. We have rumor as to the caucus and we know that at the Liberal Convention he and Mr. Graham were the leaders of the extreme liquor element. Referring to his attitude then the Executive of the Ontario Branch of the Dominion Alliance expressed by formal resolution its conviction and its idea and its opinion of the honorable gentlemen upon the temperance question when by formal resolution referring to that Convention, it said "At the dictation of Messrs. MacKay and Graham the Convention dispelled all hopes that the Ross Administration would ever fulfill its pledges to the temperance people of the Province of Ontario." (Applause.) And yet now he is an anti-three-fifth clause man but won't be baited as to where he is on local option. The whole public career of my honorable friend has been entirely opposed to advanced temperance legislation, and he must not be surprised if the country and this House are questioning the sincerity of his attitude, and surmising that it is not dictated by any desire to help temperance legislation but to throw into the arena the whole question in the hope that somehow, some way, somewhere he will gain some advantage by so doing. (Hear, hear.)

A Personal Explanation

Now, I want to be frank with this House and with the members of this House and therefore I say that, while I voted for the Liquor License Act which contained the three-fifth clause, I personally never favored the clause itself. We have party government in this country, for better or for worse. It seems the best system and perhaps the only system under which we can work out our affairs under the British Constitution, and under party government no man in any party can have his own absolute way upon every detail of every government measure. There must be some question of relative importance, there must be some spirit of compromise, there must in the framing of Government Legislation be some "come" and "go"—or we could never move in any direction, and so I accepted the Government Liquor Act as it is with the three-fifth clause, because, in my own opinion, viewed as a whole it was the most marked advance in temperance legislation this Province has had for many years. (Applause.)

There are fourteen clauses in it, to which no temperance man can object, and which every temperance man approves of, and one clause, and only one clause, the three-fifth clause, to which any temperance man can object—and upon the desirability of that clause equally good temperance men differ.

The Provincial Secretary says the three-fifth clause is on trial, and if time proves that there is no longer any necessity for that clause to give permanency to local option, then it will be for this House to consider the repeal of that clause.

License Law Better Enforced

I believe Hon. Mr. Hanna will make local option a success by his vigorous and fearless enforcement of the law. That is his plain duty. He has expended in round numbers \$20,000 last year in his efforts to enforce the law—more money in one year for that purpose than the old Government expended in 30 years. The old Government wouldn't be a policeman, and, Sir, this Government are receiving credit for the better enforcement of the Liquor License Law and with that law well enforced many of the evils of the liq traffic disappear. But some honorable members upon the opposite side of the House say that the Liquor License Law is not enforced any better than it ever was. They are entitled to their opinion. I might get up and say it is better enforced.

Mr. CLARK (West Northumberland)—Then it would be a toss up between us.

Mr. LUCAS—Exactly so. Each of us may be prejudiced and therefore I go outside this House for my authority and what do I find "The Pioneer" says? In substance it is this: "Last year there was a marked improvement in the enforcement of the Liquor License Law in the Province of Ontario." That refers to 1906. Another year has gone by and the same paper referring to 1907 practically repeats the same statement. I find I have not the exact quotation but at any rate it states that there has been a GREAT IMPROVEMENT in the manner in which the Liquor License Law is enforced in the Province of Ontario.

This then is the view of the official organ of the temperance party and I put it against the statement of the hon. member for West Northumberland, that there is no improvement.

Some Amendments Adopted

Let me refer to some of the amendments adopted by this Government which have enabled them to better enforce the law, amendments which all temperance men approve of—but which I fear some temperance men fail to give the Government credit for—in their desire to attack the Government through the three-fifths clause. The first step for a Government that wants to enforce the law, whether license or local option, is to make the law a workable one and for that purpose the Government introduced their amendments. One of these amendments clearly defined Liquor. In the old days those of you, who had any experience with the Liquor Act, found that at a picnic or temperance hotel perhaps some kind of beer with a fancy name would often be sold as a temperance drink. It made people feel very good in a short time. It was a temperance drink, but it had the same effect upon the spirits of those who drank it as liquor had. Liquor under the old Act was defined to be whatever intoxicated a man. In a prosecution you had to prove that the drink was intoxicating. I think it was a Provincial Secretary who said that as long as a fellow could hold on to the grass he was not intoxicated. (Laughter.) The way was wide open for legal quibbling and for perjury. A clear definition of liquor was wanted. And so it was provided that any liquor that contains more than two and one-half per cent. of proof spirits shall be conclusively deemed to be intoxicating. The inspector or other prosecutor now simply takes a sample, has it analyzed, obtains a definite statement as to percentage of proof spirits and there is no more humbug. That was a decided advance in the practical work of enforcing the law.

Then there was under the old Government the farce as to second prosecutions. A man might have twenty convictions standing against him and yet be prosecuted in each case as for a first offence. Now it is the duty of the Inspector to prosecute a second offence as such and if he fails to do so, the Inspector may be prosecuted; then in the case of a third conviction, the license is cancelled and the licensee disqualified. These are all more stringent provisions than anything in force under the old Government and were all adopted to help the Government to carry out its pledge to use every effort to enforce the law. The old Government while professing to do something for temperance quietly dropped a section of the Act, which made for its enforcement a section which had been in force for twenty-five years. This clause provided that defects in proceedings and convictions before the magistrate might be remedied and so convictions could not be quashed on technical grounds. This section was quietly dropped by the old Government in 1902. This Government just as quietly brought the section in again and it is now in force. Then this Government compelled the submission of Local Option By-laws upon the presentation of a petition signed by 25% of the ratepayers. This Government compelled the Council to pass the By-law if it received the required majority. Under the old Law the Council could refuse to pass the Local Option By-law no matter how large the majority at the poll for it. This Government gave the Councils of Municipalities the power to appoint and to pay special officers for the enforcement of Local Option—these are some and only a few of the provisions in the Government Liquor License Act which go to justify my statement—that the Act that contains all these provisions, viewed as a whole, is the most marked advance in real Temperance Legislation this Province has had for many years, and I accepted it as such and voted for it.

Improvement Suggested

Now, I do not know that I should say anything more. I think I have made my own position clear, and that is what I mainly desire to do. There are other amendments still required—some are urgent—I would like to see them brought down this Session. There is the question of leased bars. Legislation is necessary to stop this practice. John Jones has leased a bar and is fined for a violation of the License Act. Then Sam Jones takes the bar over under a new lease and he is fined. Then Bill Jones leases it and runs it until he is fined, and the law which says that the owner in possession is liable where he sub-lets is evaded

for the lease is always made by some one not in possession. The Department should bring down some legislation to put an end to what is known as the "leased bar."

The Government has taken sound ground in reference to the quashing of by-laws. It should go further. To-day the law in respect to the quashing of local option by-laws is in some respect in an absurd position. Having carried your by-law it is open to attack and can be successfully attacked if you can show that enough men voted without regard to how they voted to wipe out the majority for the by-law—in other words all bad votes on both sides are deducted from those cast in favor of the by-law. So that the result is that the local option by-law majority may be reduced, first, by reason of a large number of unqualified voters voting against local option, and then by legal proceedings the by-law is quashed because these unqualified voters must be again deducted from the majority, and in that way the by-law is quashed.

These are some suggestions that I venture to make, and I have no doubt will from time to time receive the attention and I hope the favorable attention of the Government.

There is another suggestion—I do not know that the country is ripe for it just yet. I am not sure that it is. That is that the county should be made the unit of local option. The time may be coming when that would be a wise provision.

I have said I do not like the three-fifths clause, and would never have enacted it myself had I been the Government of Ontario. I would have left it as it was, but it is, however, a question upon which there is room for a wide difference of opinion. Clergymen and many prominent temperance men approve of the three-fifths clause, but Mr. Speaker, it is, in any case, of minor importance as compared with the necessity for honest, earnest, vigorous enforcement of the law, and I prefer to trust the future of local option, even with the three-fifths clause, to the present Government rather than to the gentleman who today opposes the three-fifths clause but who will not say where he stands on local option; to a gentleman, who, if rumor is correct, assisted in preventing his own party carrying out its temperance pledges. (Applause). I prefer to trust the Provincial Secretary, who is not given to making rash promises but when he does promise carries it out, and in three years of vigorous enforcement of the Liquor License Act has gained the confidence of the temperance people of the Province of Ontario and has done much to make

local option the success it is in the municipalities where it is in force to-day, and he has also done much to elevate the status of the hotelmen in the Province of Ontario who desire to live up to and within the law. (Applause).

Temperance people cannot reach the final goal by a rush, and it would not be advisable if they could. All those things that are good and good permanently in legislation are the result of a growth. We are travelling in the right direction, and perhaps travelling fast enough. (Applause).

