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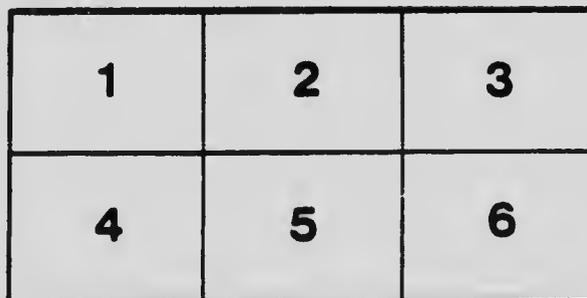
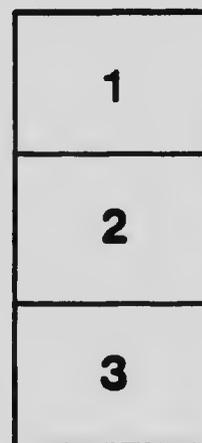
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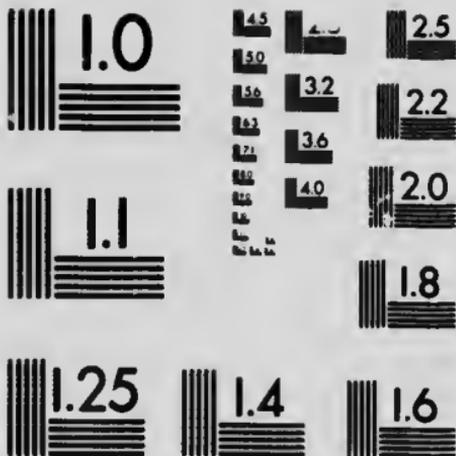
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ADDRESS

BY

THE HON. G. W. ROSS

TO THE ELECTORS

In the Pending Bye-elections.

~~1902~~

As it is necessary to hold bye-elections at a period of the year when, owing to the usual condition of the weather, it is difficult for the electors to attend public meetings, and as it might be impossible either for myself or any of my colleagues to meet as many of the electors as we would like, I take this method of addressing the electors in the Constituencies recently opened by the Courts.

THE GENERAL ELECTION

At the General Election, which took place on the 29th of May, the Government, according to the official reports of the Returning Officers, carried 50 seats and the Opposition 48. The returns should really have been 51 seats for the Government and 47 for the Opposition, as the Judges at the trial of the petition in North Perth struck off one of Mr. Monteith's votes on account of personation, and added to the vote of Mr. Brown, the Government candidate, a tendered ballot which could not have been counted by the Deputy Returning officer. I admit this majority was less than I expected, and were it not for the over-confidence that prevailed in a few constituencies, a good deal less than I would have obtained.

OPPOSITION TACTICS

I need not remind you that the Opposition, during the Election, did not attempt to discuss the policy of the Government or present an alternative policy. While the leaders of the Party were attempting to discredit the Government by a subtle criticism of some minor detail of Government Measures,

which really did not affect their validity at all, their candidates in the different constituencies were appealing to the electors on the ground that the Government was too long in power; that they would do as well for the country as the Liberal Party had been doing, and perhaps better; that it would be a great advantage to the Party at Ottawa if the Opposition were in power here; that the Government was not as efficient as we claimed it was; that there was nothing to fear from a change and so on. In many cases, some local issue or the personal relationship of the candidate to the constituency, municipal or otherwise, took the place of political issues. This with the cry of universal corruption everywhere, except among themselves, and of exaggerated and untruthful statements as to irregularities that were alleged to have taken place in a few places, made up the impoverished story of the campaign.

CORRUPT PRACTICES

One would readily suppose from the vehemence with which the leaders of the Opposition denounce corrupt practices, that their Party had never lent itself, through any of its members or agents, in any corrupt way or at any time, to influence the electors. I do not propose to plead the offences of my opponents in justification of what may have happened within my own Party; I shall not, however, allow my opponents to shelter themselves behind a mask of political virtue to which they have no claim. The evidence given in the Election Courts within the last few weeks proves that the agents of the Opposition did not pay the highest respect to the laws against illegal practices at elections, and I warn the electors against the deceit which is being practised by the Opposition in this respect.

THE LAST ELECTION

Previous to the last election, Mr. Whitney advised his followers to appoint committees of able-bodied men to guard the polls and to watch the Deputy Returning Officers and others lest poll books should be tampered with and the election law placed at defiance by personators and heelers, etc., etc. Well, the elections have passed over and what has he to show by way of proof that there was any foundation for such outcry. Not a single case of corrupt practices, not a single suspicion of any irregularity, except in one case, and that was only a suspicion, declared by a Judge of the Court of Appeal to be unwarranted.

A brief survey of the election machinery is the best way of showing how admirably and fairly the election has been conducted: (1) The writs for a General Election pass through the hands of 98 Returning Officers, with an equal number of election

clerks and constables—total 294. Each Returning Officer has to hold a public nomination of candidates for the riding. No complaint has been made nor has there been a suspicion expressed that one of the 98 Returning Officers or their assistants unduly favored the Government candidate to the slightest extent.

(2) The ballot boxes passed through the hands of 4,191 Deputy Returning Officers, with an equal number of poll clerks and constables, or a total of over 12,000 persons. The Deputy Returning Officers in charge are required to administer the oath of qualification to the electors, when called upon to do so by one of the scrutineers on either side, to sum up the results of the election when the polls are closed and return the ballot boxes within the specified time to the Returning Officers. Out of the 4,191 Deputy Returning Officers appointed, chiefly from the ranks of the Liberal Party, no suspicion was cast upon any act of one of them, except in the polling Sub-division in the Township of St. Vincent in the Riding of Grey. Where, then, were the personators that Mr. Whitney conjured up? We have not heard of one except in North Perth, who voted for the Conservative candidate. Where were the ballot-stuffers? Not a single ballot has been shown to be marked except by an elector during the whole election. The number of votes cast was 427,463. No complaint has come from a single voter out of this great army that his vote was refused or that he was treated uncivilly by any of the officers appointed to take the election. Mr. Whitney called aloud for help to prevent the ballot-boxes from being tampered with. Why this fear? Was he afraid the Liberals would adopt the methods of his own party in the Dominion? Or was he raising a false and needless alarm for party purposes?

ALLEGED IRREGULARITY IN NORTH GREY

Now let us examine the alleged irregularity in No. 9 Polling Division of the Township of St. Vincent, in North Grey.

It appears that when the ballots at this polling sub-division were first counted, no marks, except the ordinary cross used by the elector in indicating his vote, was noticed upon any of the ballots and they were accordingly counted for the respective candidates. When the full returns were received for the riding and the vote summed up Mr. MacKay was found to have a majority of nine. Believing that this majority could be increased, if the ballots were properly counted, Mr. MacKay called for a recount, which was held by Judge Morrison. On the recount, the ballots for this polling sub-division passed the Judge's hands without his discovering any other mark upon them than the ordinary cross. Mr. Watson, counsel for Mr. MacKay, on ex-

aming them more closely, found two ballots marked for Boyd with a distinct cross opposite his name, and a small obscure cross opposite MacKay's name in addition, and Mr. Du Vernet, counsel for Mr. Boyd, found two others similarly marked. On completing the examination the County Judge reported Mr. MacKay elected with a majority of five.

Against this, appeal was taken to Mr. Justice Maclellan, of the Court of Appeal, who examined the ballots at Osgoode Hall in the presence of the representatives of both parties. The result of his examination was to give Mr. MacKay a majority of five, treating the four ballots thus marked as spoiled ballots, but even counting the so-called spoiled ballots for Mr. Boyd, Mr. MacKay would still have a majority of one. On the conclusion of the examination at Osgoode Hall, Mr. Justice Maclellan is reported as follows:—

JUSTICE MACLENNAN'S OPINION.

"I am unable," said Mr. Justice Maclellan with great respect, "to agree with the learned Judge that there is any evidence that the MacKay crosses were made after the count at the close of the poll. I think they were simply not observed in the hurry of counting, while the crosses for Boyd being conspicuous, caused them to be at once counted for him. The same thing exactly seems to have occurred on the recount, when the Judge, without observing the two crosses, handed all four ballots as Boyd ballots to Mr. MacKay's agent for examination, when two of them escaped the notice of the agent also, and were not discovered until after the second examination by the agent of Mr. Boyd. Under these circumstances it appears to me that there is hardly room even for a suspicion that the marks complained of were made after the counting of the votes."

If the opinion of a Justice of the Court of Appeal, whose impartiality was never questioned, is of any use, then the contention of the Opposition that the ballots in North Grey were tampered with, fails.

ELECTION TRIAL—NORTH GREY

Further proof that the Opposition had no confidence in the charge that the ballots were tampered with was furnished at the Election trial, which took place on the 4th of November last, when it was proven that the conveyance of certain voters, on the day before the election, from Meaford to Owen Sound, where they were to vote, was paid for by an elector whose agency was admitted, and as this was an illegal act the election was accordingly voided. If the Opposition had any faith in the charge that the ballots were really tampered with, as they alleged

during the summer, why did they not proceed with the examination before the judges to establish that charge? But knowing that it was without foundation, and that it could not be sustained by any evidence that could be brought into court—evidence which they no doubt had sifted in the meantime—they abandoned the charge, as they abandoned all other charges made against Mr. MacKay and the Liberal Party, except the one on which he was unseated. It appears, therefore, that in the case of the only Liberal unseated so far there were no corrupt practices proven nor any irregularity, except the payment for the conveyance of voters, which, by statute, is an illegal, not a corrupt, act. Indeed, so hopeless was their case in North Grey that not a single witness was put upon the stand to give evidence of corruption, and we are therefore obliged, even on their own showing, to assume that they had no evidence to produce.

WHITNEY'S FALSE ALARM

In the *Mail* of the 18th July, Mr. Whitney is reported as having said at a Conservative gathering in North York:

"He was in possession of information to show that in the ninety-eight ridings in this Province, an organized attempt had been made to steal one at least and sometimes two of the ballots in each sub-division in the respective constituencies. This was the reason that the returning officers had experienced such difficulty in summing up the results."

Well, it is barely possible that some hysterical organizers in the Conservative interest had conveyed to Mr. Whitney information such as he alleges to have had. But now that the elections are over and no evidence of the truth of this statement has been given, I expect Mr. Whitney at the earliest moment to say that he was misinformed, otherwise his statements will have to be regarded as slanderous beyond precedent. He has already had ample proof that in no case were the ballots tampered with in constituencies where recounts were made, and so far from proceeding against the party in all the constituencies, as his threat implied, when put to the test his supporters and agents had the courage to investigate the ballots in only fourteen constituencies.

RECOUNTS AND HOW THEY ENDED

The following statement shows the constituencies and the number of ballots cast where recounts were made by the county judge:—

Bruce, South.....	3,800	ballots cast
Middlesex, East.....	4,935	" "
Lennox	3,129	" "
Norfolk, South.....	3,371	" "

Hastings, East.....	4,970	ballots cast
Grey, North.....	5,855	" "
Welland.....	5,590	" "
Perth, North.....	6,582	" "
Halton.....	4,714	" "
Huron, West.....	4,895	" "
Simcoe, Centre.....	3,670	" "
Wentworth, North.....	2,772	" "
Prince Edward.....	4,430	" "
Muskoka	4,092	" "
Total	62,805	" "

At no previous elections, either for the Legislature or the House of Commons, were the ballots in so many constituencies examined before a county judge. If the Liberals had intended to take undue advantage of their control of the ballot-boxes, or if they were tainted with corruption, as Mr. Whitney alleges they are, surely in the scrutiny of 62,305 ballots, some proof of their evil purposes would have been found. No party ever passed through an election with a cleaner record. In Halton the judge expressed his surprise at the accuracy and intelligence shown in marking the ballots. Other judges used similar expressions in other counties. I was always proud to say that although offences may have been committed in isolated cases the Liberal party as a whole was not responsible for these offences. I am glad now to find that what I said of the party, as a whole, turns out to be true in regard to every officer connected with the elections held last May.

RESULTS

The result then of the General Election shows that the charge of ballot-stuffing, or tampering with ballots, did not apply to a single ballot-box, out of the 4,191 used, or to a single ballot out of the 427,463 cast in the last election. Could the Conservatives say as much of the Dominion Elections held under their auspices? What about the Dominion Election in Haldimand in 1891, where the Deputy Returning Officer at Hagersville spoiled 8 ballots in the interests of the Conservative candidate; of the election in West Hastings where Mr. E. Gus. Porter, now member for the House of Commons, was convicted of personation and sentenced to the County Gaol; the South Grey case of 1891, where 7 ballot-boxes were opened after the election and 26 ballots marked for the Liberal candidate, abstracted and 26 ballots marked for Mr. [redacted], the Conservative candidate, substituted; Muskoka and Parry Sound where the contents of two ballot-boxes, containing Liberal majorities, were

burned; the South Wentworth case, 1891, where more ballots were found in the box than the Deputy Returning Officers had recorded in their books; the London case of 1892, where 131 illegal votes were polled in the interest of Mr. Carling, the Tory candidate; the North Ontario election case of 1896, where 21 ballots marked for Mr. Graham were extracted and 21 marked for the Tory candidate substituted, etc.? Similar frauds prevailed in the Provinces of Quebec and Manitoba at the Dominion Elections of 1896, and yet the Conservative Party never made the slightest movement to bring to justice any of the persons guilty of these irregularities.

MEMBERS UNSEATED

At the Conservative Convention held in Toronto, as reported in the *Mail* of September 11th, Mr. Whitney said:—

"I do not believe they will unseat one of our men who have been elected. I am bound to say that if they do succeed at all it will be to the extent of one only."

Mr. Whitney should take to heart the saying of the American humorist—"Never prophesy unless you know." So far from being unable to unseat one man, the Courts have already unseated two Conservatives (and there are probably more to follow) and only one Liberal.

In North Perth the seat was vacated on a scrutiny of the vote. The majority reported by the Returning Officer for the Conservative Party was two. On a scrutiny of the vote, it was found that one Fraser personated an elector of the same name and in this way voted for the Conservative candidate. It was also shown that a tendered ballot, which could not have been counted by the Deputy Returning Officer, contained a good vote for the Liberal candidate. The changing of these two votes made the result a tie and the Judges accordingly declared the seat vacant without proceeding further with the scrutiny. The irregularity shown in this case was personation by a Conservative elector.

In North Norfolk it was shown that five voters had received transportation in order to vote for the Conservative candidate, Dr. Snider. As the majority in this case was only twenty-six, the Judges deemed the act sufficient to void the election. To pay for transportation is an illegal act and exposes the offending party to a penalty of \$100.

In East Middlesex the Judges have not yet reported. What their decision may ultimately be, I am unable to say.

In North Grey, the Liberal Member-elect was unseated because an agent paid for the transportation of voters from Meaford to Owen Sound the day before the election. The case is in law similar to the North Norfolk case, and the offending party is liable to a penalty.

The Election Court has not, therefore disclosed any corrupt practices whatsoever on the part of any Liberal candidate, and only one case of personation on the part of the Conservative candidates. In the examination of the candidates prior to the election trial, however, certain important facts were brought out which are somewhat significant.

DR. SNIDER—NORTH NORFOLK

In the case of Dr. Snider of North Norfolk, we have his own testimony, taken under oath by the Court examiner in Toronto, that he received \$500 from a Central Fund, the cheque being signed by E. B. Ryckman and endorsed by E. B. Osler. It would appear, that Mr. Ryckman was the Treasurer of some fund and that Mr. E. B. Osler, Member of Parliament for one of the Divisions of Toronto, was aware of such a fund. Dr. Snider swore, however, that he did not spend all the money placed at his disposal.

BOYD—NORTH GREY

Mr. Boyd, the elected candidate in North Grey, in his sworn testimony taken before the election trial, stated that he received \$700 from Mr. Ryckman.

CARSCALLEN—LENNOX

Mr. Carscallen, the Conservative Member-elect for Lennox, in his sworn testimony also stated that he received \$500 from the Central Fund and \$100 from his cousin, the member for the House of Commons for North Hastings, and another \$100 from Uriah Wilson, the member of the House of Commons for Lennox.

LENNOX—NORTH YORK

Mr. Lennox, the Conservative candidate in North York, swore that he, too, received \$500 from the Central Fund for election expenses, which he admitted to have spent.

Here, then, we have, on the sworn testimony of four Conservative candidates, evidence of a Central Fund, or what Mr. Whitney would call a Reptile Fund for election purposes. Who contributed to this fund? Was it the corporations that Mr. Whitney said he would relieve from taxation if he were returned to power, or was it the promoter of some enterprise to which assistance might be granted if the Opposi-

tion carried the elections? The sum of \$500 for each constituency would mean about \$50,000 for the whole Province, assuming that this amount of money was equally distributed. Mr. Boyd, however, said that he received \$700. What was the limit? Did larger sums go into closer constituencies? Did the candidates receiving this money apply part of it to their own use, as Mr. Carscallen and Dr. Snider swore they did? What was done with the unaccounted balance—will Mr. Whitney explain? Did the other members of the Executive Committee, of which Mr. Ryckman appears to have been the Treasurer, know of this expenditure?

We were to have extraordinary revelations of the corrupt practices of the Liberal Party, and instead of that, we have been furnished with extraordinary revelations of the doings of the Conservative Party. Mr. Whitney has denounced the Government for having robbed him of seats by corrupt and illegal practices, and now he and his Party have been caught red-handed in robbing the Liberals of two seats, with others to be heard from, which rightly belong to us. It is for the electors to say how such shameless conduct should be treated.

SOUTH OXFORD

In South Oxford and Lennox the Conservative members-elect hold their seats. The judges differed in regard to some of the evidence. One of the judges would have gone so far as to disqualify them both for personal bribery. Until the judgment of the Court of Appeal is obtained it cannot be said whether or not these ridings will be opened. It also appears that improper methods were adopted for obtaining evidence in regard to some of the charges in South Oxford.

Progress Since the General Election

At the General Election held on the 29th May, the record of the Liberal Party during the past thirty years was discussed and explained as fully as circumstances would permit. In these discussions it was shown that the administration of every department of the public service was progressive, efficient and economical. It was also shown that the Attorney-General's Department, under three successive Attorneys-General, had protected the interests of the Province against wanton attacks made by the Dominion Government, and were it not for that defence, what is now known as New Ontario would have passed from under the jurisdiction of the Province. Since the General Elections of May last three cases have been decided by the Privy Council in favor of the Province, which shows the continued vigilance of the Attorney-General's Department over the interests of the Province. The first of these referred to the

COMMON SCHOOL FUNDS

Under the Confederation Act, the Province of Ontario is required to pay into the Dominion Treasury, in trust for its own use and for the use of the Province of Quebec, all moneys collected from the sale of what are known as Common School Lands; that is, of lands set apart by the old Parliament of Canada as the basis of a fund for the maintenance of common schools in the two Provinces of Ontario and Quebec, then united under one Legislative Assembly. The Province of Quebec held that the unpaid balances on the sale of these lands should at once be placed in the hands of the Dominion Government. To this Ontario objected, on the ground that the Province was not liable for this money until after it was actually collected. The amount involved was \$485,000, of which two-fifths properly belonged to Quebec and the remainder to Ontario. If the contention of Quebec was held valid, the Treasury of Ontario would be required to advance this money. This view was resisted by the Government and carried before the Privy Council, the Attorney-General of the Province, the Hon. Mr. Gibson, being present at the argument. Judgment was given on 12th November in favor of the Province, thus rendering the payment of this money unnecessary until it is actually collected from the sale of the land. A less vigilant Government might have allowed the case to go by default. The second case is known as

THE SEYBOLD CASE

This case arose out of the contention by the Ontario Mining Co., that a lease for the sale of mining lands in the Thunder Bay District, in regard to which the Indian title was not extinguished, should be issued by the Dominion Government, and not by the Provincial Government. As against this, the Ontario Government contended that the title to these lands was in the Crown as represented by the Ontario Government, and that the assertion of any other principle was an abnegation of the territorial rights of the Province. The decision of the Privy Council on the same date confirmed the contention of the Province. These two instances are given as recent evidence of the continued vigilance of the Government in protecting Provincial rights.

\$113,000 SAVED IN INTEREST

A dispute arising out of the arbitration between Ontario and Quebec with respect to unsettled accounts, the Government appealed to have the matter settled before the Exchequer Court. The appeal sustained the contention of Ontario with regard to the liability of the Province, and saved Ontario the sum of \$113,000 on this unsettled account.

NEW ONTARIO

The Liberal Party announced as an essential part of its Policy that that section of the Province generally known as New Ontario should receive special attention, with a view to its settlement and to the development of its natural resources. The Canadian Northern Railway was liberally subsidized, in order to open up the mineral lands west of Port Arthur, and especially to render easy of access the rich agricultural lands of the Rainy River valley. The efforts of the Government in this respect have been crowned with success, and easy access is now afforded to that district during the whole year, and from present indications all the lands available for settlement will soon be occupied. To place on the market at least one million acres of land that were heretofore the camping ground of the Indian is an achievement of some importance to the country. Through the assistance given by the Government 285 miles were added to the railway mileage of the Province, and another route opened to Manitoba during the summer.

THE ALGOMA CENTRAL RAILWAY

By liberal grants of land to the Algoma Central Railway we have secured the construction of a railway running north from the Soo a distance of 140 miles. Already the road is graded

nearly its entire length and trains are running regularly along a considerable portion of it. As a consequence of the aid thus given, American capitalists under the management of Mr. F. H. Clergue have invested at least twenty-two millions of money in the railway and other enterprises on the Canadian side of the river. A striking evidence of the result of this investment is the fact that the population of Sault Ste. Marie has increased from about 5,000 seven years ago to about 13,000.

THE TEMISKAMING RAILWAY

In order to afford access to the fertile belt, said to contain 16,000,000 acres of good land, lying west of Lake Temiskaming, the Government proposed building a railway from North Bay a distance of about 110 miles to the west side of Lake Temiskaming. The construction of this road was to serve the double purpose of affording an entrance to the district, and of furnishing a guarantee for cheap transportation in the interest of the settler. When this road was projected, the Opposition declared it would never be built, and that the whole object of announcing its construction was for political effect. Our answer to that is that the road is now under construction, and that probably within a year, or certainly within eighteen months, it will be completed. The contractor has already graded a considerable distance northerly from North Bay, and the work will be carried on, where practicable, during the winter.

MINING DEVELOPMENT

As the result of the policy of the Government in connection with the Algoma Central Railway, the iron mines on the east side of Lake Superior in the neighborhood of Michipicoten are now in full operation, and during the year 1902 at least 400,000 tons of iron ore will have been mined to supply the smelting furnaces of Ontario or to meet the demands of the smelting furnaces of the United States. These mines now employ 500 men, and a fleet of sixteen steamers on Lake Superior for transportation.

NICKEL MINES

During the year the Victoria Nickel Mines have been worked to their full capacity. Three hundred men are now engaged in mining operations at this point, and \$1,000,000 have been invested in construction and development.

SUDBURY NICKEL MINES

The International Copper Company, with a capital of \$11,000,000, and employing 2,200 men, are meeting with great

success in the development of the nickel industry at Sudbury. Last year they employed less than one-half as many as they now employ.

MINING GENERALLY

From the report of the Bureau of Mines it is found that the product of our mines for six months of 1901 was \$1,200,000, as compared with \$2,709,000 for the six months of 1902. There is no doubt that the mining policy of the Government had something to do with bringing about these results.

THE PULPWOOD INDUSTRY

The pulp works at Sault Ste. Marie have been running steadily during the entire summer, producing an average of 150 tons of pulp per day. The capital invested in this industry at the Soo amounts to \$3,000,000.

SPANISH RIVER PULP WORKS

The Spanish River Pulp Works are now nearly completed, and early next year will be producing pulp at the rate of probably 100 tons per day. The capital invested when the works are completed will amount to \$600,000.

STURGEON FALLS

The Sturgeon Falls Pulp Works will be producing pulp at the rate of 100 tons a day early in January. The investment at this point already has been \$950,000. It is the intention to manufacture the pulp into paper for the markets of Canada and the United States. This company has under consideration the investment of a further sum of \$1,000,000 with a view to developing an export trade to Great Britain. The efforts of the Government to develop the pulp industries have met with success.

SUGAR BEET INDUSTRY

During the year, and since the Elections in May, four sugar beet factories have been completed and are now running. From 12,000 to 15,000 acres of beets have been cultivated, which will yield to the farmer a clear profit, after paying all expenses of labor, from \$20.00 to \$25.00 per acre—say \$250,000. We are looking to the production of at least 25,000,000 lbs. of the best quality of refined sugar in the Province this year. The investment in these four refineries will probably exceed two millions of dollars. This venture of the Government has also been successful and will, no doubt, lead to the establishment of other refineries in the near future.

GOOD ROADS

The proposal of the Government to appropriate \$1,000,000 for the improvement of highways has been received with the greatest favor. Already five counties have passed by-laws adopting the proposition of the Government, and as one of the incidents of this measure the County of Wentworth has freed itself from toll roads at an expense of nearly \$70,000, and proposes expending in addition to that \$98,000 for the further improvement of its highways.

DRAINAGE LAWS

As a result of the Drainage Laws passed in 1899, the Government has voted \$36,000, affecting the drainage of 287,289 acres of land.

These specific instances of some of the efforts of the Government to develop the natural resources of the Province are given in detail, as they can be more easily set out in figures than in any other way. There are, however, many other departments of the Government service in which the progress has been equally satisfactory, but which are not capable of being set out in statistics.

AGRICULTURE

For instance, in Agriculture the evidences are apparent on every hand that the work of the Agricultural Department is adding yearly millions to the wealth of the country. The improvement of live stock, the establishment of cheese factories, creameries and dairy schools have drawn from the markets of the world millions of money for the use of the farmers of Ontario. The Agricultural College at Guelph is filled to overflowing with young farmers anxious to study improved methods of agriculture. The attendance at the three dairy schools of the Province is increasing steadily, and no one can question the prosperity which is apparent on every hand, as a result of the improved methods of industry now prevailing.

EDUCATION

There is no abatement in the interests of Education. The attendance at all the training schools for teachers is on the increase. Public and separate schools are doing better work than ever before. Several cities have already established technical schools for the training of the artisan classes. The Provincial University has called for greater assistance from the Government the appropriations for which this year (1902) will amount to \$40,444.75. The public library system has been extended to the lumber camps, and many public schools are availing themselves of the offer of the Government to establish public school

libraries. The changes made in text books during the year show that the Department of Education is alive to every measure by which the work of the teacher can be facilitated.

PUBLIC INSTITUTIONS

There has been no slackening of the efforts of the Government to provide for the accommodation of the insane and the helpless, and the operations of our Public Institutions for another year show a degree of efficiency and an absence of all public grievance most satisfactory to the Government.

DEFALCATIONS OF THE SOLICITOR FOR SUCCESSION DUTIES

Mr. Alfred McDougall was appointed Solicitor to the Treasury Department under the Succession Duties Act in 1892. It was his business to see that all estates probated paid the duty required by the statute, and to watch the interests of the Treasury lest any estate should escape its proper share of duty. The Surrogate Court Clerks were required by the Act to report to Mr. McDougall any estate which in their opinion was liable for duty. The Solicitors or the Executors, as soon as the amount of the duties was ascertainable, were expected to pay the duty into the Treasury Department. In some cases, however, cheques were made payable to Mr. Alfred McDougall's personal order. This the Department could not prevent, as cheques were drawn up sometimes by Solicitors and sometimes by the Executors. In all legal business it is the common practice to have the cheques affecting estates made payable to the solicitor for the estate. Many lawyers followed this practice with regard to the payment of Succession Duties. In some cases Mr. McDougall paid these cheques to his own personal account, instead of paying them over to the Treasury Department. Where cheques were made payable to the order of the Treasury Department, no loss was incurred, as all such cheques were promptly paid and placed to the credit of the Treasury. The actual loss to the Department from Mr. McDougall's defalcations has not yet been accurately ascertained. It is believed to be slightly in excess of \$25,000, but under \$28,000.

The Treasury Department is blamed because such defalcations were allowed to occur, and its methods are condemned as faulty; otherwise there could have been no loss. Everybody concerned with the collection of revenue knows that it is an exceedingly difficult matter to prevent persons of dishonest intentions from concealing their dishonesty for some time. This has been the experience of all of our banking institutions and Loan Corporations, and in fact of Municipal Councils in Canada,

for the last half century. Is it any wonder, then, that the Ontario Government should occasionally suffer loss? Indeed, it is very gratifying to know that in 35 years the losses from any cause whatsoever have not exceeded \$15,000, although over \$200,000,000 have passed through the Treasury Department in that time.

The method adopted by Mr. McDougall to conceal his appropriation of money was skilfully conceived. Where cheques were made payable to his order, no entry was made in his books, and no correspondence placed on file with regard to the transaction, and a most careful audit would not discover that any defalcation had occurred. All returns with regard to probates were made to his office and to his alone. Since the defalcations occurred, orders have been issued to the Surrogate Clerks to make a double return of probates, one to the Treasury Department proper, and the other to the solicitor, so that one office can furnish a check upon the other. This precaution will, it is believed, render all but impossible any irregularity in the future.

Although the loss in the first instance amounts to the sum above stated, it is believed that the actual loss to the Treasury will be comparatively insignificant, as the Department holds assignments of insurance policies (life plan) amounting to \$20,000, and a policy from a Guarantee Company amounting to \$5,000.

THE REFERENDUM

On the 4th of December, "The Liquor Act" passed last summer was referred to the electors of the Province for their approval. Full returns have not been received from a few of the northern Districts, but so far as heard the vote stands:—

For the Liquor Act	-	-	-	166,050
Against	-	-	-	88,022
Majority in favour	-	-	-	78,028

The total vote required to put the Liquor Act in force was 212,723, so that the vote falls short of this by over 46,000.

But while the vote polled was not sufficient to put the Liquor Act into operation, it is an expression of opinion on the question of Prohibition which must be exceedingly gratifying to all concerned in the temperance movement, and it will be the duty of the Legislature to consider the significance of this vote in future legislation. What that legislation should be can only be settled by a careful interchange of opinion between the Members of the Legislature and those who have given time and study to the operation of the liquor laws of Canada and other countries.

Toronto, December 12, 1902.

