

Legislative Council.

Monday, 11th January.
Present—Hons. Crease, Ring, Robson, Holbrook, Helmcken, Humphreys, Davie, Hamley, Carrall, Havelock, Bushby, Alston, Sanders, Walkem, O'Reilly, Wood, Pemberton, Trutch, Ball, Drake, and Young [presiding].

NOTICES OF MOTION.
Hon Havelock brought in a petition from the citizens of Lytton, praying that a public government school may be established in that city.

RECIPROCIITY.

The Council then went into Committee of the Whole to consider the question of Reciprocity with the United States.
Hon Helmcken would rather that any other member than himself should bring forward the Resolutions. In his Excellency's speech the passage occurs to the effect that several gentlemen in England had endeavored to have British Columbia added to the Reciprocity Treaty now being negotiated between Canada and the United States with the consent of the Imperial Government, and on this the Executive asks the opinion of the Council. He did not think the Council could give any opinion without knowing what the treaty was or upon what basis it was being framed? What was the meaning of Reciprocity? Reciprocity meant the exchange of an article, the produce of one country for an article the produce of another country free of duty. A treaty between two countries need not necessarily be a treaty admitting similar articles, the articles might be of different kinds. Another difficulty was to decide on what basis such a treaty would be framed so as not to create too great a deficiency in the revenue, but he took it for granted that reciprocity could be made advantageous to the Colony without attempting to prove that such a treaty can be made. As far as British Columbia is concerned, he had no doubt the United States would be perfectly willing, if she could see it was of advantage to herself. Let us see what we have to send away in exchange for the produce of the United States. We had coals, timber, gold, silver, lead, lime, limestone, marble, slate, horns, hoofs, oil, &c. But let us confine our attention to two subjects, coal and lumber. The hon members knew as well as he did that Vancouver Island was one vast coal field, then passing beyond Vancouver Island they had mines of anthracite at Queen Charlotte Island of inestimable value to the Colony. We ought to use these mines as capital for the use of the Colony; coal was only exported from one mine at Nanaimo, but when the other mines were opened the amount exported would be something enormous. We had any quantity of the best lime. The waters around the Colony were teeming with fish of the finest and most valuable kind. Those who had embarked in the whale fishing were convinced that it would become one of the staple interests of the Colony, and be productive of large profits. Here we have any number of articles, our natural resources, and all we desire is a large market. Hon members must not be carried away by sentimentality, or they might perhaps ruin the Colony. In the matter of coal, the Colony could supply the whole Pacific Coast, and as our mines were opened more coal would be taken out and of course more sold. The things we have to send away are precisely the things our neighbors require. There were the Railways from the Pacific and the constantly increasing lines of steamers to China, the East Indies, Panama, Alaska, &c which must all be supplied with our coal, and it was therefore the interest of the people on the Pacific that the duties be taken off coal, as it was very probable they would be without any treaty at all. It was more to the interest of the United States to receive our coals, than for us to send them, and the results of the importations of coal would be most beneficial to the United States, so that we must not consider that we derive any advantage from the remission of duties by the United States and we cannot therefore be expected to remit duties here as a set off to any alleged loss of revenue on coals by the United States. We should hold on to coals as our capital, having that which our neighbors have not, and should make the most of it. Then if we take lumber the importation of our lumber into the United States would be a great benefit to the American people, as by reciprocity they would obtain a better and cheaper article than they can produce. He did not anticipate any opposition from lumbermen on the Sound, they had nothing to fear from competition with us, as they have a much larger number and more expensive mills than we had. When we came to oil we have a market for that, but the Americans would be very glad of all our produce as it would all serve to enrich them. There was a great distinction between our products for export, and those of our neighbors, ours being nature's gifts and only require the hands of man to raise them; whereas the other were the products of industry and science. There was a great difference between the two classes of articles, the first not interfering with any class of industry, whilst the second came into competition with labor. Coal was our basis and it could not interfere with any kind of industry in the United States. They might object that a large portion of their revenue was derived from coal, and that the quantity of lumber being so small that the difference would be quite immaterial; it must be recollected however, that so far from the remission of duty on coals being an injury, it would be an advantage to the Californians, as the increased enterprise it would give rise to, would more than repay any loss to the revenue. Then the opening of more mines here would increase the amount of mining labor employed so much that the consumption of articles required from the United States would increase in proportion as the consumption exceeded our production. That such increase would take place should the duty be remitted, there can be no doubt; as American capital would be sent up here sufficient to open all the new mines available in the Colony; the new mining law making our

mines a good and secure investment for such capital. But it was possible if a very large number of men were required at the mines that nearly the whole of the articles consumed would be bought from the United States. On lumber the loss of duty would be small as the quantity exported to the United States is very little, and not likely to be very great at any time, their own mills being good paying concerns, their advantage lying in their supplies being produced close at home. The Americans would be only too glad to get our iron. How long will it be before they have their own smelting works, rolling mills and all the other branches of the iron trade in full blast? Looking at San Francisco as it was ten years ago, compared with what she is now, we must admit that her progress has been like that of a comet. What will she be ten years hence? If they admit the ores, coal, &c., of this Colony they will certainly be doing themselves good, as, of course they would be helping us to some extent also. He had strictly confined himself to our natural productions, and without exception Vancouver Island was the richest place in Her Majesty's dominions as the more the Island was explored, the greater, the riches revealed; this was easily understood if we looked at the very large revenue derived from so small a population. He would omit from the treaty anything that was the production of men's hands. He had omitted agricultural productions because if such articles were allowed in duty free, the whole of our farming population would be ruined. He was quite certain that if this Colony was brought into competition with the United States in breadstuffs, we should have no chance. In fact he felt so strongly that to be the case that he would rather give up the treaty altogether than concede the point. He would say to the Americans "We should not ruin our farmers and so be dependent on you for supplies; if you take the duty off of coal, it is to please yourselves." He simply asserted it as his belief. Had our farmers come here on condition of free trade they would have had no reason to complain, but after encouraging them to settle under protection and then take them from them would be to do them a grievous wrong, particularly as they would still be compelled to pay duty on all they consumed. He did not see that the United States needed to demand the admission of cereals. Our coals and lumber would be an advantage to themselves, hence there would be no objection for the United States to demand the admission of these things. Again we could not keep pace in our production with our consumption so that the United States would still have to supply us without any mention in the treaty. It was the admission of our productions, not the admission of theirs, that was the question, and it was not under these circumstances a one sided treaty. Ours were natural productions which they wished to be admitted, and when admitting them they knew what they were, but that we should admit cereals would be decidedly unfair. The Americans would always have surplus supplies raised by machinery, while we were compelled to raise ours by the work of our hands. To draw all our supplies of grain from our neighbors might give an impetus to the Colony for the time, but at the same time it would be building up rival towns that must ultimately eclipse us; we should be giving away the gifts with which nature endowed us, in order to foster the interests of our rivals. The treaty may be made beneficial to both countries, but it may be made so as to ruin this Colony. The working of coal and lumber produced no farming land, in ten years time we might have the holes in the earth where the coals once lay, the stumps of the trees that once grew on our timber lands, but the lumberman would then shoulder his ax, the coal miner his spade, and they would leave us, our wealth being exhausted, to solitude, the farmer having left us long before. It was better to legislate for the welfare and happiness of the people than to fix our minds on the acquisition of a few millions of dollars. He had no inspiration from the Government; his views were his own.
Hon Carrall knew but very little about treaties, he knew more about treating and being treated. Although he cherished the highest respect for the hon proposer of the resolution, he, hon Carrall, regretted to say he must differ with him on this occasion. The Governor asked for the advice of the Council, and it would be proper to respond—but he, hon Carrall, was not in a position to speak on the subject. It was true that we had the treaty lately abrogated to refer to—the one about being negotiated, rumor says, is far more liberal. The few objections he was about to express were derived from salient facts. The treaty proposed by the resolution was like the bundle of a jug, all on one side. The late Canadian treaty had been obtained at enormous cost. Our exports were so trivial, and we had no positively worth speaking of, that we could not possibly make any impression at Washington. But supposing the United States willing to treat with us, he did not see that the results to us would be what his hon friend had desired to make them appear. There were other sources whence the United States could draw their supplies of coals, as Bellingham Bay, Mount Diablo and other places. Then the quantity of our lumber consumed being so small, would not be of any consequence to us. Our ventures in that article of export had not been profitable; and the Australians could send coals to San Francisco cheaper than we can. In attempting a treaty to have our coal admitted duty free, we should have to buck against all their own coal producers. Our only hope of success in a treaty with the United States was in being embraced in the treaty now being negotiated with Canada. If they take our coal and lumber, they will look for reciprocal advantages, and compel us to take their grain and flour. What had the resources of Vancouver Island ever done for it? It would be absurd to keep up a small number of agriculturists at the expense of all the rest of the Colony. If the farmers could produce sufficient grain to supply us, they would do it without protection at our hands. If we admitted the necessities of life we should make labor cheap; and if we acted in unison as we had done for the last two years, we should soon be independent of the United States, and command the markets all over the world. The Canadian people were not ruined by the abrogation of the late treaty; on the contrary

it forced them to look for other markets which they found, and are now richer and better off than ever. The present question was one of the most important that could be given to them to consider; they could not ruin the Colony, its resources were too great—but they might retard the progress of the Colony by giving bad advice.
Hon Davis thought hon members were only exhausting themselves discussing a treaty upon which they appeared to be talking in the dark. If any treaty was negotiated, they should do it on their own feet. We had nothing to do with the Dominion of Canada; he thought the less we had to do the better. Let each form their own treaty—that which was applicable to Canada, an old country, was quite inapplicable to us. An old country could dispense with protection, but a new one required it. The American people never threw off protection, and have prospered with it. If we thought we could do without protection, we only showed our ignorance. The Governor had no intention of ruining the farming interests which, after a severe struggle, had attained their present importance.
Hon Walkem said with regard to the principle enunciated by the hon member for Victoria, if he desired that hon members believed they would cut both ways, and merchants took a view adverse to it. If the demand was greater than the supply, the profits would be greater as the supply was increased; then our profits would be proportionally greater and we should not require a treaty with the United States. We must show first that we have a superior class of articles, and this had not been done. If the facts as stated by the hon member be true, it would make no difference in the San Francisco market because the dealers there would not sell coal a cent less because the duty was taken off. Hon members must not be led away with the glowing picture drawn by the hon member if the coals were so valuable, how was it that \$20,000 of American capital could not be obtained to develop one of the finest mines on the Island? The Americans would not advance a dollar unless they were sure of making a good investment. If it were otherwise this Government would give them every facility for opening all the coal mines they chose. The resolution favored of partial legislation. A pound of flour would always sell for the same price in Cariboo, no matter what amount of protection they put on here. It was impossible to legislate for two portions of the Colony separately. It was strange that the farmers on Vancouver Island, with all the protection, could be undersold by producers 400 miles away. There may be a slight difference between the quality of the lumber across the Sound and that at Burrard Inlet, in favor of the latter; and the men carrying on these mills appeared to be prospering; but it is ridiculous to suppose that a difference of two dollars in the price would have any effect in inducing the American people to take off the duty; the price to consumers would be just the same. If the value of our lumber was so great as supposed in this Colony, more would find its way to San Francisco. He was not of Dr. Davie's opinion, that we should stand on our own bottoms. He thought if the treaty was of advantage to us we should avail ourselves of the treaty being negotiated for Canada. We were surrounded by the United States, and if we had nothing better to offer than what had been stated by hon member for Victoria, depend upon it the United States will refuse us. If we joined with Canada we might reap some benefit. The revenue of the United States in connection with us was too small to consider, and he did not believe that they could do without our coals.
Hon Havelock would vote for the resolution; he thought that tendered by hon member for Victoria very good advice. Vancouver Island could produce all its own supplies. He also agreed with the hon member in thinking this Island one of the richest places in the world, and would take this view of the case in framing a treaty. The United States will reap the most advantage. It would be well to move for a return of the number of agriculturists on the Island before we framed a Reciprocity Treaty, and we could then form a better judgment as to whether it was proper to admit grain and flour or not. The opinion of the hon member for Cariboo did not apply; protection was necessary for our farmers, and he (Hon Havelock) would decline to make any treaty in which the principles, as laid down by the hon member for Victoria. If the farmer above Yale had not been protected by freight and road tolls they would not have been in existence now.
Hon Robson begged to submit an amendment, that the Reciprocity Treaty be referred to a Select Committee; it was inadvisable to occupy the House with the matter in its present crude form. It would be absurd to accept the treaty as between the United States and Canada without knowing what it was; the conditions of the two countries were quite different, and it was our bounden duty to protect our own people. The Canadian Treaty would never suit us. As to the crude draft in the shape of a resolution, he should object to a great deal in that; if we made a treaty it should be special and distinct, and adapted to our Colony. The hon member for Victoria had made a speech which he conceived was merely special pleading, and our neighbors would never be caught with that clap-trap; they would never admit our lumber duty free as we would not take lumber in return, and our coals being the only thing likely to be to their advantage would certainly not be admitted as we would not take their coals. He hoped the question would be sent before a Select Committee.
Hon Helbrook seconded the amendment, but would also support the views as laid down by the hon member for Victoria.
Hon Drake was opposed to a Select Committee, as he conceived the House was perfectly capable of dealing with the question. The treaty between Canada and the United States was not adapted to this country; the protection for farmers proposed in the resolution was very proper; when we were able to stand alone it would be well enough to bring in free trade. We were almost dependent upon two mining camps, but once our land was brought under cultivation we should secure a permanent population. The miner did not pay one cent more for his goods than he would if the duty was off altogether. There was a very considerable advance in Island productions, there being about three hundred farmers in Cowichan and vicinity alone. It was very important that public opinion should be expressed in order, that Her Majesty's Govern-

ment should understand what they required. If the subject went into the hands of a Select Committee it would be thrown over entirely.
Hon Pemberton thought it advisable to have the Select Committee as we could then obtain statistics that would serve as a guide.
Hon Hamley—The United States showed no signs of taking our coals, they occupied themselves in taking care of their own interests and we should follow their example. The duties as they stood at present, he thought, might be materially reduced, say, on some things; from one-fourth to one-half.
Hon Young thought the hon members had cooped up a myth in thinking that there would be any difficulty in adding our treaty to that with Canada and the United States, if the Home Government made provision for one colony she would make provision for another. The importations for 1867 did not say much for the value of our agriculture on the Island; we had paid duties to the extent of \$104,000 on grain and provisions. He conceived that the farmer succeeded better under free trade than he did now; he paid no more taxes than the Indian. In relation to our coals, he was told by the gentleman in charge of the mine at Nanaimo that the coals from Bellingham Bay were not so shabby as the Nanaimo coals from the market at San Francisco.
Hon Wood would not vote for the resolution because the second clause contained an exception in favor of agriculture, and the treaty to have any effect must be on equitable terms. The intrinsic value of coal or lumber arose from the amount of labor expended in procuring them. It was absurd to suppose that the Americans would listen to our arguments about coal and lumber when they had the same material at home. If our farmers are the only sufferers by free trade let us give them some advantage in another way and not insist upon the industry of the entire Colony suffering to support a single class. No such thing as a Select Committee should be thought of; it would occupy weeks and conclude by shelving the question.
Hon Ring—The question of the advisability of involving ourselves in a treaty with the United States was one that required mature consideration. It was true that England was slow to adopt free trade, but there was no reason why we should follow her example; if that were necessary, we might as well return to the days of torture with all its cruelties; we have had her free trade, if we wanted to protect and encourage our farmers, we should give them good roads and easy communication with the nearest market.
Hon Trutch thought that nothing could be obtained by referring the question to a Select Committee, and he thought that it would be better to adjourn the debate till an early date; he would therefore propose that the committee rise and report progress.
Committee rose accordingly, and the debate was adjourned till Wednesday next.
Hon Carrall asked leave to bring in an Ordinance for the establishment of Loan and Investment Societies. Leave granted; bill read a first time, second reading fixed for this day week.
The Council then adjourned till 1 o'clock p.m. on Tuesday.
Tuesday, Jan 12th, 1869.
Present—Hons. Robson, Crease, Havelock, Ring, Humphreys, Helmcken, Hamley, Drake, Walkem, Holbrook, Carrall, O'Reilly, Sanders, Davie, Alston, Trutch, Young (presiding).
AMALGAMATION OF LAWS.
Hon Drake asked the Attorney General whether it is the intention of the Government to bring in any measure to amalgamate the Laws of this Colony, and whether any steps will be taken to grant to the Supreme Courts of this Colony concurrent jurisdiction. We were in an absolute state of darkness; we had two Bankruptcy Courts, both incompetent, in which a bankrupt who had obtained his certificate at one was liable to be sued when within the jurisdiction of the other. There were two systems of Registration in the Colony, the best of the two being that in Victoria; the one at present in use on the Mainland led to enormous expense. The Common Law Procedure Act applied to one part of the Colony, was unapplicable to the other. A very useful form of the Jury Act was in use in Vancouver Island, but not in the other portion of the Colony. The Paternity Act, by which children illegitimacy was avoided, was only in practice on this Island. The Common School Act had never crossed the Gulf, and the Joint Stock Act, actually recognized here, was that of 1858, while our fellow-colonists on the Mainland indulged in the Act of 1862. In the Land Ordinance there was a perfect state of confusion; it was quite different on the Mainland to that in use here. The Imprisonment Exoneration Law was of a very different character on the Mainland to the law as practised on Vancouver Island; it was quite impossible for people to know by what laws they were governed. The greatest difficulty however existed in the Bankruptcy and Registration Acts as practised by the different sections of the Colony. Hon members were aware that we had two Courts, two Chief Justices, who would on no account allow one another to extend the jurisdiction one foot beyond their nominal lines. They looked upon one another as the English Judges regarded Baron Nicholson. Not long ago the Chief Justice in this Island claimed over a vessel in Burrard Inlet. He (Hon Drake) intended at a future time to advocate the creation of a Court of Appeal.
Hon Crease found great difficulty in answering the first portion of hon member's question, and with his permission would post the reply for a few days. In reply to the second portion, he might state that it was the intention of the Government to deal with the question this session.
Hon Ring asked for a return stating the amount of public funds expended by the Government on the roads and bridges in the district of Nanaimo since the Union, also the amount of revenue contributed or collected since the Union; Nanaimo paid a large amount of the revenue of this Colony. They had a market near at hand, but the roads were so bad that it was often next to impossible to reach it. The bridges near the mines were in such a dilapidated condition that three or four children fell through it. His object in desiring to have the returns was to know how much of their funds would be a fair sum to ask to be applied to the repairs.
Hon Trutch could afford the hon member the necessary information as to the first portion of his question; no money had been expended by Government on the roads in that district since the Union, these roads were administered by Road Commissioners and no application had been made to the Lands and Works Department, or he (hon Trutch) would have gladly afforded all the advice in his power.

In the course of the Helmecken's resolutions with the United States with a view to securing with that country, the terms—who ought to be in all matters conjoined, and who enjoy of wasting as little bread as possible. He reported to have said duties may be materially some things, from one-fifth of the duties on our importers, should ask for a reduction. Customs' dues could be refused. It is notorious articles of daily wear and too heavily taxed, and of Victoria merchants probably curtailed in consequence, two years back, it levied a duty of .15 per cent. The importers suggested and the Government fixed medium rate, 12 1/2 per cent on dry goods, provisions, cigars and to relatively still higher unshipped being, that must be supported. Governor's speech and letters of "Self-Reliance" is in a flourishing vast economies have been Civil List; and for the creation of the colonies and expenditures about remark (quoted above) dent gentlemen who important branch of revenue, must have been careful examination. Treasurer as well as a burser as well as receipt on financial subjects quite as much weight drop from the Colony. Hamley undoubted present tariff, "in so too heavily upon a of the community, w any, because the duties the most ardent pe hope to retain, and greater than the wa demand. He, therefore, at a reduced scale, so tile class may be pl to win back their our port be restored to mercial position it position which Na should hold. We are evident desire on the Government to return to with respect to its will be warmly w citizens, all of who direct or indirect. No sweeping cha no session need be reduction of "from o half on some thing every purpose w with the interests of ing establishment i the limits of the Co on agricultural prod ties to the farmer, v vestments upon t tariff being main alteration; but a tariff to 7 1/2 per ear clothing, hardware, and stationary, wh the purposes of the afford a margin of porter in dealing foreign customer. should be one-half wheat ought to com Colonial farmers ha they can raise suffi to supply the loca the Governor's spee told that no "incra contemplated. Arc from Mr Hamley's that his Excellency but a roundabout of expressing a con of taxation? From hear of the hon C he is about the l