

government's consideration. I believe if they were to ask the country for two or three millions of money to build that road they would say "yes take the money, build the road, keep the country to yourselves, do not throw away the mining country, it is your heritage, do not part with it." There would not have been the least trouble in this House or the other House. We know that the government of Russia carries on as a government work enormous mining operations in Siberia and other parts of the country by convict labour. Why cannot this government do the same thing? Remove the penitentiaries up to the Klondike country, and mine there as government work. Pay off the debt of the country with it. It is a feasible scheme. Why cannot it be done? There is a capital place for convicts up there. They would be very happy. Make them work and earn their living. I believe that scheme to be feasible, and one that would pay off the national debt of this country in a few years. But whatever is done this heritage, this three million seven hundred thousand acres of land must be kept for the Dominion of Canada and its people.

Hon. Mr. SCOTT—Before proceeding to discuss the principal points that have been touched on in this debate, I wish to offer my congratulations to the mover and seconder for the clear and able statements which they have made in discussing the answer to the speech. The two principal points that have been made, or endeavoured to be made, against the government are in reference to this Yukon contract and to the giving away of what is called preferential trade. In reference to the Yukon contract, which seems to be the *pièce de résistance*, there is a very large amount of misconception, and if hon. gentlemen were right and all that they assume were true, there would no doubt be a severe indictment against the administration, but I think I can explain away very many of the objections that have been urged against this contract. In the first place, hon. gentlemen will recollect that at the time we separated last year, in the month of June, no one had any idea that there was such wealth in the Yukon district as has been announced in the last few months of last year.

Hon. Sir MACKENZIE BOWELL—
You must have been asleep.

Hon. Mr. SCOTT—I was not asleep. It was reported that gold was found, but it was not found in any such quantities as was reported in the months of October and November.

Hon. Sir MACKENZIE BOWELL—I beg your pardon.

Hon. Mr. SCOTT—That is my recollection of it.

Hon. Sir MACKENZIE BOWELL—We had specimens of it in the city in which I reside.

Hon. Mr. SCOTT—Yes, we had specimens' some found on the west side of the hundred and forty-first meridian, and some on the east side, but no announcement that gold had been found in large quantities. The question of subsidizing a railway into that country was never dreamt of until about the end of the year or the beginning of the present year. Its necessity was not pressed upon the government. There were two charters obtained last session. The British-American Yukon Company, with a great flourish of trumpets, obtained a charter and were going at once to build a railway, and there was another charter to a company to build by Takul Inlet not very far from Juneau. We heard that the British Company was composed of great capitalists, that they intended building a railroad across the of White Pass. Some expenditure I believe was gone into. A preliminary survey was made, but beyond that nothing further was done. Subsequently it was reported—I do not know with what truth—that the charter was for sale. They found the difficulties so insuperable that they did not propose to go on with it. With regard to the company who were going to build the road by Taku, no action whatever was taken. It was quite open to those parties to make a proposition to the government if they felt they could not go on and complete the road without a subsidy, but they have made no proposal, and from time to time it was announced that a line would be constructed across the United States frontier to the Lynn Canal. That was found to be the shortest way to get into the country. One route is by the Yukon, which would be over four thousand miles from Victoria, and which may be described as an impossible and