purchase of the part of leasehold which the company desires to acquire. It is true that the company has until the 1st October, 1907, in which to place these fifty settlers, and an additional year, that is, until the 1st October, 1908, within which to purchase the land; but until the settlers are actually on the land no guarantee should be made by your company in which you undertake to dispose of lands.

Then follow a series of communications which I shall not read, until finally the government notifies the company to give reasons why the concession should not be cancelled, and there the matter ends so far as the correspondence is concerned. There are in the return some very interesting documents. There is one showing that an attempt was made by this company to bring in some settlers, and when they got them in, the party broke up in a free fight, smashing saucepans and frying pans over each other's heads, and the gentleman who brought the party in told them that from the start the company knew that they were not going to place them on those lands, but brought them in in order to place them on some other lands, as they were going to make a deal with the government. The order in council does not say anything about reserving the even-numbered sections, although from the statement made by the gentleman who now holds the option on the company, it would seem that the homestead sections were reserved. But supposing that they were granted sixteen townships en bloc they would get 368,000 acres. If they were granted only the alternate sections, they would get one-half of that amount. It is a much more favourable concession than that to the Saskatchewan Valley Land Company which has been so much talked about; the terms are infinitely easier. The demand has been made again and again that the balance of the lands granted to the Saskatchewan Valley Land Company should not be allowed to remain with the company, and I think the government would be more than justified in cancelling instantly this concession. I desire to ask the Minister of the Interior what have been the developments, and whether he has demanded of the company to show reasons why the concession should not be cancelled? Here is a block twenty-four miles by twenty-four miles set apart for one company, which has been hawking the lands around the markets of Europe and the United States trying to sell them at \$4 an acre and then at \$7 an acre, and retailing the lands at \$11 an acre, far in advance of settlement. This is something that should not be encouraged by the government of Canada. These lands should be held on the same policy as the Minister of the Interior is holding lands in the older parts of the country-

condition of affairs now is, and what the intention of the department is with reference to this matter?

Mr. OLIVER. The matter to which my hon, friend has alluded was discussed a few nights ago on the estimates of the Department of the Interior, and the facts were then brought out so far as they were material to the case. However, as my hou. friend has again brought the matter to the attention of the House, it is perhaps necessary again to traverse the facts. As he has said, an order in council was passed in pursuance of an agreement arrived at, looking to the colonization of a tract in the Peace river country some time between 1900 and 1902. While there are great advantages of soil and climate in the Peace river region, those advantages are dormant because of thet lack of transportation facilities. It is no discredit to the Peace river country that it is not to-day an available locality for settlement. These advantages have been known for the last hundred years but have not been availed of for the reason I have stated.

Mr. SAM. HUGHES. The hon. gentleman speaks of there being no transportation advantages. I myself have been over the same country in the saddle without much trouble. I might ask the hon, minister if he did not traverse the country between Winnipeg and Edmonton many years ago under pretty much the same disadvantages as now exist in the case of the Peace river country.

Mr. OLIVER. My hon, friend is altogether under a wrong impression regarding the transportation facilities to the Peace river valley. When I travelled from Winnipeg to Edmonton, there was a fairly good wagon road the whole of the way, and the settler or trader who desired to reach Edmonton had only to provide himself with the animals of transport and vehicles and his arrival was a mere matter of time. That is not the case in the Peace river region. Although you can ride to Peace river on horseback, you could not hitch up a team and drive there during the summer from Edmonton. You could do it in the winter by using the ice of the water ways but not in the summer. At any rate up to the present no one has done so.

Mr. SAM. HUGHES. What about the trail cut into the Yukon?

Mr. OLIVER. That is overgrown with timber and is not available for travel. In order that settlement may be successful, there must be a fairly immediate possibility of having satisfactory transportation facilities both for the purpose of bringing in supplies and sending produce to market. for the actual settler. I would like to know That condition does not exist in the Peace from the Minister of the Interior what the river country to-day any more than it has