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EDWD. TROUT, MANAGER.

TORONTO, CAN., FRIDAY, APRIL 17, 1885

THE BETTER TERMS GRANTED TO MANITOBA.

It appears by a message from the Governor General to the House of Commons, that the arrangement made between the Dominion Government and the Province of Manitoba was to be accepted by the Local Legislature "as a settlement of all questions in discussion between the Province and the Dominion up to the date of this letter," January 10, 1885. The Legislature, when it met, accordingly ratified the agreement, by which the Dominion is to pay to the Province the sum of \$100,000 a year in lieu of lands. In consideration of this payment the debt capital is to be allowed on a population of 12,000 instead of 150,000, and the Province agrees to waive its claim to re-imbursment by the Dominion of costs incurred in the government of the disputed territory and the reference of the boundary question to the Privy Council. The trouble is that there seems to be no end of these demands. In 1881 an annual cash payment was made to the Province in lieu of the lands which were then as now claimed, and the chances are that some future demand will be declared not to be barred by the present arrangement.

The report of the committee of the Privy Council, May 30, 1884, deals fully and satisfactorily with the claims made by the Province on the Dominion. The Province had claimed a right which certainly did not exist, to the "control, management and sale of the public lands within its limits, for the public uses thereof, and the mines, minerals and timber thereon, an equivalent therefor, and to receive from the Dominion Government payment for the land already disposed of by them within the Province, less the cost of surveys and management." As we have frequently pointed out, no ground whatever exists for such a claim. Not only were the lands purchased by the Dominion from the Hudson Bay Company, but the additional cost was incurred of extinguishing the Indian title of occupation, so that, in the words of the committee's report, "the Dominion Government has a very large pecuniary interest in the soil, which does not exist in respect of any other of the confederated provinces."

On account of railway construction, the Dominion Government gives figures to show

that \$28,650,000 has been expended "to make connection with and through the province of Manitoba." This is an extreme view of the case, since the expenditure of \$10,000,000 on the road from Callendar to Port Arthur, cannot be said to be exclusively for the benefit of Manitoba. It is true that the construction of the Pacific Railway was one of the stipulations made with British Columbia when it agreed to become a member of the Confederation, but the railway is not less valuable to Manitoba than to the Pacific Province. If there had not been an extensive intervening territory to be passed over, it is safe to say that no agreement would have been made by the Dominion to build the railway. And parliament agreed to construct the railway on the distinct understanding that its cost would be ultimately defrayed by the sale of the lands which the road would make valuable. Land subsidies have formed part of every scheme of construction by a private company; and the cash expenditure was incurred in anticipation of the sale of the rest of the lands, which was not offered for homesteads. Lands in Manitoba, which the Dominion bought twice over, have been given in aid of the local railways in the Province. The Committee of Council shows that "the success of all the undertakings by the Dominion Government, in and for the North-West, depends largely upon the settlement of the lands. Combined with a great expenditure in organizing and maintaining an immigration service abroad and at home, Parliament pledged its faith to the world that a large portion of those lands should be set apart for free homesteads to all coming settlers, and another portion to be held in trust for the education of their children. No transfer could therefore be made without exacting from the Province the most ample securities that this pledged policy shall be maintained; hence, in so far as the free lands extend, there would be no monetary advantage to the Province, whilst a transfer would most assuredly seriously embarrass all the costly immigration operations which the Dominion Government is making, mainly in the half of Manitoba and the Territories." The Dominion having promised free homesteads to settlers must keep itself in a position to fulfil its obligations. The Dominion was willing to give all the swamp lands in the Province to Manitoba irrespective of the \$45,000 a year which it was previously paying in lieu of lands. But the local government wants money which it again takes in lieu of lands. Even in respect of the lands set apart for education the Dominion Government has had to make an advance prior to the making of sales. If it were not that the Province could not do without such an advance, there would, perhaps, have been no good reason why it should not have the control of these lands, in which it has a greater interest than the Dominion can have.

The right to charter railways to the International boundary line was foregone by the Province as a condition of the enlargement of its area, in these words:—"That the said increased limit and territory hereby added to the Province of Manitoba shall be subject to all such provisions as may have been or shall hereafter be enacted respect-

ing the Canadian Pacific Railway and the lands to be granted in aid thereof." Having got the consideration for which this claim was foregone, it is difficult to see the good faith of the revived demand, or a reason why it should be granted. But this is not the only bargain that is binding on the contracting parties; that made between the Dominion and Pacific Railway Company is equally so, and the claim made by Manitoba is one which the Dominion is no longer at liberty to grant; in another bargain it has bound itself not to do so. The Province asked a further extension of its boundaries which would have added 180,000 square miles to the existing area, made it much larger than any other Province was in 1882:

Provinces.	Square Miles.	Acres.
Ontario.....	109,460	70,087,300
Quebec.....	193,355	123,747,300
New Brunswick.....	27,322	17,486,080
Nova Scotia.....	21,731	13,907,840
Prince Edward Island..	2,133	1,365,120
Manitoba.....	150,000	96,000,000
British Columbia, including Vancouver & other islands.....	390,344	349,820,160
North-West Territory..	1,868,000	1,195,520,000
Kewatin District.....	309,077	197,809,280
Islands in Arctic Ocean	311,700	199,488,000
Islands in Hudson Bay	23,400	14,976,000
Total.....	3,406,542	2,180,186,880

The reasons for refusing the further extension asked are that it "would add about 180,000 square miles to the already large area of the Province, and would be viewed with disfavor as well by the old Provinces as by the new Districts of Assiniboia, Saskatchewan, Alberta and Arthabasca, which have been created in the North-West Territories and which will ultimately become Provinces of the Dominion. It would largely add to the expenses of the Government without increasing the resources of Manitoba, already pronounced by the Government of the Province to be insufficient to meet its normal and necessary expenditure." These reasons will, we think, generally be held to be conclusive.

There are in Manitoba persons who, for party purposes, declare that the acceptance of the "better terms" by the legislature of the Province was a "violent and tyrannical usurpation." They profess to believe that the resolves of a party meeting carry higher authority than the deliberate decisions of the legislature. There is no real distinction between the doctrines of these persons and those on which Riel is acting.

DISTRIBUTION OF ASSETS.

The president of the Belleville Board of Trade, Mr. Thomas Ritchie, sends us for insertion, two letters, in which, as he states, "the seeming apathy and indifference of the people in regard to the Insolvent Debtors' Act, complained of by Sir John Macdonald, are explained." These letters are of such a length as would occupy five or six of our columns, which may explain why, as Mr. Ritchie laments, they were refused insertion by both the *Globe* and *Mail*, even if paid for. But we observe that the *Globe* of Wednesday last gives a summary of the first letter.

It is contended in these letters that the Insolvency Bill now before the House would be, if made law, a mischievous piece of class