

to the lands you have taken from them to hand over to the railway corporation. You will have endless difficulties, negotiations and delays in settlement of the land claimed by the company that will fall into the hands of the actual settlers; then the settlers will require to be dealt with, and so the work of the Department will practically fall behind the necessities of the case. Now, I think the hon. gentleman will not interfere at all with the chance of effectively aiding railways, if he reserves to the Hudson's Bay Company the lands they are actually entitled to under the existing arrangements. The hon. gentleman knows that under the law, as it now stands, the legal titles to these particular sections are vested in the company, not by the patent of the Crown, but by operation of Statute. You may, for the purpose of convenience, issue a patent to the Hudson's Bay Company, but the legal title is vested in them the moment the lands are set out for settlement, by operation of law. Then, why undertake to divest them of that title by a provision of this sort? If the hon. gentleman will allow the law to operate, will amend this law, so as to protect the school sections and the Hudson Bay sections, he will greatly lessen the difficulties of the Department, and he will confer quite as great a service upon the railway corporation.

Mr. WHITE (Cardwell). It is a little singular to find the hon. gentleman who has for years past been urging a system of alternate blocks rather than alternate sections, because of the injury done to settlement by these sections within townships, separating the settlers one from another, now objecting to the principle by which that may be avoided. As a matter of fact, no arrangement of this kind can be made without the consent of the Hudson's Bay Company. They have to be assenting parties to the taking of their land away out of the township and accepting land elsewhere. Therefore the two things must go together, the section of the land which they will receive at the moment these lands are taken from them, and the giving them to the railway company. Therefore I do not think there can be any possible difficulty in relation to that, and by no other means could we adopt the principle that is sought to be adopted in this Bill.

Mr. IVES. So far as the ranching companies are concerned, it is no doubt very important to provide facilities for the company to control the whole block, without having small portions here and there dotted through it which are not under their control. Many of the difficulties which have arisen in the United States between ranching companies and others, has resulted from the plan of railway companies receiving lands in alternate sections while the remaining sections of school lands were open for settlement. Now, these sections of school lands, although not fit for cultivation, are in many cases taken up, and settled upon, and homesteaded by people who did not intend to farm, but who went there for the purpose merely of taking up a section and turning on a larger number of cattle than their homestead will sustain, more than could be maintained upon their own sections, and trusting to the grass on the adjoining lands. The result is that the railway company's lessees, to protect themselves against these small homesteaders on the school section, have been obliged to fence around their own sections at their own expense. That forced the party who had the school section, and who had a great many more cattle than he could keep upon it, and who expected to pirate upon other lands that did not belong to him, to cut the fence, and that has led to innumerable difficulties. Of course, I am speaking of lands that are not fit for settlement but are simply fit for grazing purposes. I think it would be desirable that these lands should be made valuable as fast as possible, and I am quite sure that they would be made more valuable by giving to whoever owned the bulk of the land the control of the

whole quantity. It does seem to me, however, that the provision which enables a railway company that receives a grant, to acquire the Hudson Bay sections, could be brought about by agreement without this Statute as well as with it. There can be no possible objection to the provision however. When it comes to the road allowance there is a serious objection. I do not see why the road allowance might not be left, instead of the provision as proposed. It is certain that nobody will go there and make roads unless they are needed. There will only be the ordinary trail through such a country as that, such a trail as the necessities of the ranchmen, and perhaps the settlers, may require. But I think the idea which is evidently aimed at in the Bill is a good one, that of putting the ranching country in such a shape that the whole of it may be utilised. I am quite sure that you will find in future, if the country is stocked with cattle, that you will avoid a great deal of difficulty by removing it from the power of people to go and homestead on sections that are within a large block of grazing country, because I am sure the same thing will happen here that has taken place in the United States—people going there, not to farm, but to turn out great numbers of cattle, and in that way seek, by paying a very small amount, to obtain the grant of a large amount of useful land, and you will have trouble and difficulty, as they have had in various States.

Motion agreed to, and Bill read the third time and passed.

CANADIAN PACIFIC RAILWAY COMPANY—RELEASE OF BONDS.

Mr. McLELAN moved :

That the House resolve itself into committee to consider a certain proposed resolution (page 913) respecting the release to the Canadian Pacific Railway Company of the amount of \$5,000,000 in bonds under the provisions of the construction contract as security for the operation of the railway.

He said : It is proposed to ask the House to give the Government this power, so that when the road is built and in running order and when the Government shall be satisfied thereof, and that it is likely to continue, they shall have the power to release \$5,000,000 worth of bonds now held by the Government as security.

Mr. BLAKE. This power of releasing this security at present, of course, pertains to Parliament. The security is by the contract made permanent, unless and until Parliament thinks fit to release it. This is a proposal that the whole matter shall be handed over to the Government and they shall have authority on their own judgment to decide when the securities shall be handed over. I think no inconvenience whatever can arise from our forming a judgment ourselves as to the circumstances under which, if at all, it may be expedient to release this security. We meet once a year, and if in a year it be the opinion of the Government that Parliament may properly be called upon to agree that the security be released, a proposal can be laid before Parliament and its decision can be obtained. There is serious objection to handing this power over to the Government, and I interpret the meaning of the proposal to be this : before we meet next year the security will be released.

Motion agreed to, on a division, and the House resolved itself into committee.

(In the Committee.)

Sir RICHARD CARTWRIGHT. I think, before asking us to place in the hands of the Government the power to release the security, we ought to know something as to when the Government themselves expect the road to be in complete running order, and, also, we ought to obtain some estimate of the exact condition and working of the road.