

THE RAILWAY "CONTRACT"

Draft of Agreement Between the Government and Mackenzie & Mann.

The following is the draft agreement submitted to the House between the government of British Columbia and the firm of Mackenzie & Mann: This agreement made this day of A.D. 1902, between His Majesty the King in right of the province of British Columbia, represented by Hon. James Dunsen, Premier and President of the Executive Council, and the Hon. Wilmer Cleveland Wells, Chief Commissioner of Lands and Works for the province, hereinafter called the government, of the one part, and the Canadian Northern Railway Company, hereinafter called the company of the second part:

Whereas the company are now constructing a line of railway from Lake Superior, in the province of Ontario, to the Northwest Territories, with the ultimate object of reaching the Pacific seaboard.

And whereas the company have proposed to the government that it should be given to them by the province of British Columbia the right with all reasonable expedition, to commence the construction of a line of railway from a point at or near Bute Inlet to the eastern boundary of the province of British Columbia, at or near Yellowhead Pass, to be built by the company, as aforesaid.

And whereas the company have agreed with the government in consideration of receiving the cash subsidy, and the grant of land hereinafter mentioned, to build a standard gauge railway between the said points, on the terms and conditions, and subject to the provisions hereinafter in this agreement set forth:

Now this agreement witnesseth as follows:

1. The company covenant with the government to lay out, construct, equip, fully complete and maintain, or cause to be laid out, constructed, equipped, fully completed and maintained, a line of railway with all proper terminal facilities, from a point at or near Bute Inlet to the eastern boundary of British Columbia, in the vicinity of Yellowhead Pass, which said railway shall be completed as aforesaid, shall be a standard gauge railway and up to the general standard of like gauge transcontinental railways, and which said railway shall be the property of the company.

2. The company shall commence work on the construction of the railway on or before the first day of June, 1903, at a point at or near Bute Inlet, and will proceed to construct the same in the direction of the line from Bute Inlet aforesaid eastward, to a point in the vicinity of Quesnel, and thence to the eastern boundary of British Columbia, at or near Yellowhead Pass.

3. The company shall, before the commencement of the said work, give security for the due performance of the work herein provided for in the sum of \$50,000, not as a penalty, but as liquidated and ascertained damages, due to His Majesty in right of the province of British Columbia, in case of default, conditioned that the railway shall be completed from a point at or near Bute Inlet to the eastern boundary of British Columbia within five years of the passage by the Legislative Assembly of the province of British Columbia of an act ratifying this agreement, and upon completion of the railway the said security shall be returned to the company by their nominees, and in the event of the security before mentioned being deposited with the company in case the government will allow to the company for such time as it may require, the interest at the rate of 3 per cent. per annum.

4. To aid the company in the construction of such railway the government will grant to the company for each mile of said railway the following grants, namely:

(a) For the first 50 miles, commencing at Bute Inlet, the sum of \$4,800 a mile; (b) From the end of the first 50 miles of railway, commencing at Bute Inlet to a point at or near Quesnel, approximately 150 miles, the sum of \$4,000 a mile; (c) From a point at or near Quesnel to the eastern boundary of British Columbia, at or near Yellowhead Pass, the sum of \$4,500 a mile.

5. The said mileage grant shall be payable to the company when and so soon as a certificate from the engineer appointed by the government is given to the company in accordance with the terms of this agreement, and so on the government will pay to the company for each succeeding 20 miles of railway, until the whole line is finished between Bute Inlet aforesaid to a point on the eastern boundary of British Columbia, at or near Yellowhead Pass; provided, however, that the company in lieu of cash shall receive 50-year debentures, of the province of British Columbia, bearing interest at the rate of 3 per cent. per annum, half yearly, and at a fixed price of 95 cents on the dollar.

6. It is agreed that the government, in addition to the foregoing grant, will give to the company lands in the district of Westminster, Talbot and Carleton Place, the sum of 20,000 acres, for each standard gauge railway as aforesaid, constructed by the company upon condition of their constructing said line of railway between Bute Inlet and the eastern boundary of British Columbia, at or near Yellowhead Pass, within the hereinbefore mentioned time and according to the terms of this agreement.

7. Upon the company filing with the Chief Commissioner of Lands and Works a map or plan showing the general course and direction of the said railway and the land to be traversed, there shall be reserved a tract of line 20 miles on each side of the proposed railway, and which reservation shall have for its western boundary a line running approximately north and south, and being at a distance from the head of Bute Inlet; provided, however, that after the completion of the line of railway it is found that the reserve does not contain enough land to satisfy the proposed grant to the railway, the company shall be entitled to areas of Crown lands, in the districts contiguous to said reserves, to be taken up in blocks of not less than one mile square, and granted to the company in such manner as the Lieutenant-Governor-in-council may determine to make up for such last mentioned deficiency.

8. As the work of construction upon the railway proceeds the Lieutenant-Governor-in-council, on completion of the sections as hereinafter mentioned, issue Crown grants in favor of the company, as the company may from time to time request in the terms of the schedule hereto:

9. The land earned by the company shall be granted in the following manner, viz.:

(a) When the first 50 miles of railway, from a point at or near Bute Inlet aforesaid, is completed, the land earned under said section shall be granted to the company out of the reserved lands;

(b) When the railway is completed from the latter point to a point at or near Quesnel, the lands earned by the company between these two last mentioned points shall be granted to the company out of the reserved lands;

(c) When the line is fully completed to the satisfaction of the Lieutenant-Governor-in-council to a point on the eastern boundary of British Columbia, at or near Yellowhead Pass, the balance of the land grant shall be granted to the company.

10. The company shall be entitled to unoccupied Crown lands, and to make up for any lands which before the selection by the company shall have been alienated prior to the reserve by the Crown, or held by pre-emption or as mineral claims, upon satisfactory proof to the Lieutenant-Governor-in-council of such facts the company shall be entitled to an equal area of Crown lands in the said districts to be taken up in blocks of not less than one mile square, and granted to the company from time to time as the work proceeds in such manner as the Lieutenant-Governor-in-council may determine, and in localities as near as practicable, contiguous to the lands reserved.

11. The government shall grant to the company rights of way not exceeding 200 feet in width along the line of railway, and such Crown lands as may be necessary for terminal purposes, sidings, stations, sheds, wharves, warehouses, embankments, cuts, bridges, culverts, drains and other works, and approaches thereto. The Crown lands mentioned in this section shall be limited to such quantity as the Lieutenant-Governor-in-council may consider reasonable and necessary for the purposes of the company.

12. The land to be granted to the company shall not be subject to provincial taxation until alienated by lease, sale, agreement for sale, or otherwise by the company, whichever event may sooner happen, and the railway, equipment and station grounds, workshops, buildings, yards, rolling stock, appliances and other property required and used for the construction and working of the said line of railway, and all personal property owned or possessed by the said company, and the capital stock and revenues of the company shall be free from provincial and municipal taxation until the lapse of 10 years from the completion of the railway.

13. Nothing in this agreement, and no grant to be made hereunder, shall be construed to interfere with free miners entering upon and searching for minerals and acquiring claims in accordance with the surface of mineral rights from the company, except where such claims are within the immediate vicinity of railway depots or townships; in such cases the price to be determined shall be arrived at by arbitration under the provisions of the Arbitration Act; in other cases the price shall not exceed \$5 per acre, and the company agree to dispossess the same to mineral claim owners lawfully acquiring claims within the land granted hereunder in accordance with the provisions of the mineral laws of the province, as they stand at the time of the signing of this agreement.

14. All lands granted to the company shall be subject to all the royalties on coal, timber and petroleum according to the land laws of the province as they stand at the time of the signing of this agreement.

15. The company agree that they will, after the completion of the first 100 miles of line, enter into an agreement satisfactory to the Lieutenant-Governor-in-council, that they will maintain and operate a suitable steam ferry of the requirements necessary for the transportation of passengers and freight between the terminus of their railway on the seashore of the Mainland of British Columbia and Vancouver Island, to join with the Comox and Cape Scott railway, it being the true intent and agreement that the company will within the time for the completion of the railway, consented under this agreement in British Columbia, operate a continuous line from the eastern confines of British Columbia, at or near Yellowhead Pass, to a point on the seaboard, at or near Bute Inlet, thence by ferry to Vancouver Island, to join with the line of railway which has its terminus at or near

To Connect by Ferry With the Comox and Cape Scott Railway.

the city of Victoria, on Vancouver Island.

16. The company shall pay to the government of British Columbia 2 per cent. of the gross earnings of said railway, but in no event for a longer time than when the province shall have received a sum equal to the aid in money granted without interest; provided, however, that the company may have the option of repaying at any time the whole subsidy.

17. Before any aid by way of money, stock, or debentures, is handed over to the company for any 20-mile section, they shall produce satisfactory evidence that all workmen on the road have been paid their wages for all work done by them on said section.

18. Notwithstanding anything contained in this agreement, if the company extend the line to Frederick Arm, or any intervening point, the government will grant to the company in such manner as the Lieutenant-Governor-in-council may determine, lands in the said district contiguous as near as practicable to the reserve before mentioned, not exceeding 20,000 acres for each mile of standard gauge railway of such extension, and a cash subsidy of \$4,800 a mile, payable for each and every mile of such extension, and payable in the manner and upon the terms of the cash subsidy for other portions of the road herebefore mentioned; and provided further, that the company may at any time select as a portion of the land subsidy to be granted to them a tract or tracts of land not less than one mile square in extent between the western end of said reserve and Frederick Arm, and upon the company filing with the Chief Commissioner of Lands and Works a general map or plan showing such selection, the government will cause to be reserved the lands referred to in said selection, to be afterwards granted to the company on the construction of the said extension, and the lands to be granted to the company for such extension, contiguous to the said reserve mentioned in section 7, shall be reduced to the extent of the amount of lands included in the section of the railway to be granted under this section. The company agree that they will, within 60 days after the ratification of this agreement, as hereinafter mentioned, put on engineers to make a preliminary survey of the route proposed to be covered by the railway, and if at any time prior to November 1st, 1902, the company shall in writing notify the government that after looking over and making such preliminary survey, their engineers report that the route is impracticable and therefore they do not wish to be bound by this agreement, then in that case such notification shall amount to a cancellation of this agreement and all covenants contained herein.

19. The government will join with the company in petitioning the government of the Dominion of Canada to grant a subsidy in aid of the construction of said railway, and render and grant any and all assistance in their power to such end.

20. Whenever in these presents the company is mentioned or referred to, such reference or mention shall extend to and include its successors and assigns.

21. The said land grants shall only apply to the main line of railway, and not to any branch lines.

22. This agreement is to have no force or effect until it is ratified by an act of the Legislative Assembly of the province of British Columbia.

In witness whereof the parties herein have hereunto set their hands and seals the year and day above first written.

Signed, sealed and delivered in the presence of—

ONE TABLET AFTER EATING and what a world of distress would be saved. Dr. Stan's Pileopile Tablets cure your stomach, decrease your eating, weight on the stomach, wind on the stomach, loss of appetite, dizziness, nausea, and a dozen other troubles traceable to food digestion. One Tablet gives instant relief. A positive and pleasant cure that nature provides. 35 cents. Sold by Jackson & Co. and Hall & Co., 123.

FIRST OF SEASON. Chicago, March 5.—The first boat to reach Chicago from the east shore of Lake Michigan this spring was the Edward Buckley, which has just arrived from Manitoba. She has a cargo of 1,000 tons of salt. It is said the early opening of navigation at Chicago is due to the efforts of the salt combination in getting its product to market with as little delay as possible. The Buckley reported but little trouble in getting through the ice floes on the way over.

A Positive Cure For Cancer A New Germicidal Remedy Which Has Conclusively Demonstrated Its Power to Cure This Malignant Disease.

For some time past, eminent cancer specialists have been experimenting along the line of the germ theory of cancer, with the result that they have produced a constitutional remedy for cancers and tumors which cures these diseases by destroying the cancer germs in the blood and neutralizing the cancer poisons.

No longer need those who are afflicted with cancer live in dread of the surgeon's knife. In the quiet of their own homes they can be treated by this new remedy without pain or inconvenience, and unless their case be in the last stage, can feel assured of a positive and permanent cure, even after operations have failed to benefit. Full particulars of this new treatment can be obtained by sending two stamps to Messrs. Stott & Jury, Bowmanville, Ont.

Wood's Great Peppermint Cure. Sold and recommended by all druggists in Canada. Only reliable medicine discovered. 82 packages guaranteed to cure all forms of Croup, Whooping Cough, Sore Throat, Bronchitis, Asthma, Hay Fever, Excessive use of Tobacco, Opium or Stimulants. Mailed on receipt of price, one package \$1.00. One will cure. Will cure. Pamphlets free to any address. The Wood Company, Windsor, Ont.

Wood's Peppermint Cure is sold in Victoria by all responsible Druggists.

A PRIORITE CANYASS.

It is being claimed by Col. Prior's supporters that if the Dunsen government is defeated, a new government cannot be formed out of the present House. This is absurd. The party supporting Mr. Dunsen will go to pieces the moment the government is out, and a sufficient number of them will unite with the opposition to enable the new ministry to carry on. There is not the least room for doubt on this point. The truth of the matter is that if Col. Prior is elected and the Dunsen government lasts long enough to bring down and pass a redistribution bill, it will be defeated upon the first question of want of confidence that arises.

It is Mr. Martin's plan to get a redistribution bill passed and then bring about a dissolution, and the Canadian Northern contract may take care of itself.

COL. PRIOR, STAND UP.

Col. Prior will kindly take the earliest opportunity of pointing out wherein the answers to the subjoined questions are incorrect.

Did you not declare in your card to the electors of Victoria that you were a candidate because a contract had been made by which Victoria would become the terminus of the Canadian Northern?

I did. (This is our answer. What is yours?)

Does the draft contract submitted to the House make Victoria the terminus of the Great Northern?

It does not.

Did you say that you would retire if the contract was not such as you stated it was?

I did. (This is our answer. What is yours?)

Will you be a man of your word and retire?

We leave the answer with you.

THE DUNSNUM GRAFT.

The draft contract laid before the legislature shows Mr. Dunsen up as the very prince of grafters.

He obtained a charter for himself to build a railway from the terminus of the E. & N. railway to Cape Scott.

As Premier he got the House to subsidize his proposed railway to the amount of \$4,000 a mile. As Premier he has negotiated a contract whereby millions of money and millions of acres of land are to be given to a railway company on condition that it shall build a transcontinental line to connect with his railway.

As Premier he relies upon the votes of his employees, C. E. Pooley and Joseph Hunter and his business associates, Messrs. Hall, Mounce and Dickie, to pass this unparalleled graft through the legislature.

All other grafts fade into insignificance when compared with this monumental one.

WHY THE DISTINCTION?

When the V., V. & E. wanted to build the Coast-Kootenay line the government stipulated for The absolute control of rates.

The submission of all contracts to them for approval.

The right of the province to acquire the line.

The approval of plans and specifications by the local government.

None of these conditions are in the contract with the Canadian Northern, although the subsidy proposed to be given to that road is greater in cost per mile than that to the V., V. & E., and includes 20,000 acres of land per mile in addition.

If the above conditions were reasonable a year ago, why are they not reasonable now, when the province is giving so much more than it did then?

MR. DUNSNUM'S MISTAKES.

Mr. Dunsen says he did a mean act when he demanded the dismissal of Lieutenant-Governor McInnis and that he ought not to have done it.

In a few weeks we shall probably hear him say that he did wrong in keeping back the Victoria election and thus disfranchising the city.

He did an unprecedented thing when he asked the legislature to bonus himself to build a railway over his own lands. Perhaps he will see how wrong this was when it is too late.

He did an astonishing thing when he selected his own salaried employees as Speaker.

He did an astonishing thing when he selected another of his salaried employees as chairman of supply.

Perhaps he will see the exquisite irony of these acts when it is too late.

He is asking the House to subsidize heavily with cash and land a railway that, so far as Victoria business is considered, will be tributary to his railway. Perhaps he will realize the astonishing indecency of this performance when it is too late to save what little political credit he has left.

Wood's Great Peppermint Cure. Sold and recommended by all druggists in Canada. Only reliable medicine discovered. 82 packages guaranteed to cure all forms of Croup, Whooping Cough, Sore Throat, Bronchitis, Asthma, Hay Fever, Excessive use of Tobacco, Opium or Stimulants. Mailed on receipt of price, one package \$1.00. One will cure. Will cure. Pamphlets free to any address. The Wood Company, Windsor, Ont.

CATECHISM NO. 2.

Have you read the "railway contract?"

Yes; but it is not a contract. What is it?

It is an option given without value received to the Canadian Northern.

What is the Canadian Northern bound to do by the contract?

Absolutely nothing.

Is it bound to build a railway?

It is not.

Is it bound to survey a railway?

It is not.

What does the company agree to do?

To put on engineers to make a preliminary survey.

What will happen if the report of the engineers is unfavorable?

The whole contract will fall to the ground.

Where is the terminus of the Canadian Northern to be under the contract?

At the head of Bute Inlet.

Can you prove this?

Yes. By section 2 of the contract the company agrees to build a line from Bute Inlet eastward to Yellowhead Pass, and this is all the railway which is provided for in the contract.

Is not the company to build a line on Vancouver Island?

No.

Is not the company to acquire any line on Vancouver Island?

No.

Is not the company to get running powers over a line on Vancouver Island?

No.

Is not the company to operate a railway on Vancouver Island or to run its trains on Vancouver Island?

No.

Is Vancouver Island mentioned in the contract?

Yes. The company is to run a ferry from the head of Bute Inlet to Vancouver Island.

What kind of a ferry?

Any kind that may be satisfactory to the government in existence when the road is finished, and that government may be hostile to the interests of Victoria.

What is the object of the ferry?

To turn business over to Mr. Dunsen's railway, just as the C. P. R. turns business over to his railway at Ladysmith.

Is it to be a car ferry?

No.

Is there anything in the contract to compel the company to make Victoria its terminus?

No. Victoria is not even mentioned as its terminus.

Is there anything in the contract to prevent the company from making some other point on Vancouver Island, say Quatsino Sound, its terminus, or from making its ocean terminus at the Mainland?

No.

Is there anything in the contract about the head offices of the company being in Victoria?

Not a single word.

Does the contract stipulate in any way that Victoria shall be either a terminal point of the Canadian Northern, or that a branch line shall be built to Victoria, or that Victoria shall be on the Canadian Northern system?

It does not. Victoria is only mentioned once in the contract, and that is as being at or near the terminus of the island railway. The terms of the contract would be fully complied with if the company saw fit only to run a ferry of any kind from the head of Bute Inlet to Ladysmith, and if the government of the day approved, that ferry might be a scow towed by a tug at five miles an hour, or it might be an ordinary steamboat.

And this is what Col. Prior says is a contract whereby our fair city is to be made the Pacific terminus of the Canadian Northern's splendid railway system?

Yes. This is the contract. It is the worst kind of a gold brick.

CHATECHISM NO. 3.

If the Canadian Northern contract is ratified what does the company agree to do?

To put on engineers within sixty days to make a preliminary survey.

If the company does not put on the engineers does it forfeit anything?

It does not.

When must the company begin work of construction?

On or before June 1st, 1903.

If it does not begin work by that date does it forfeit anything?

It does not.

Does the company not have to put up anything in the way of security?

Not until it begins work.

Then it may throw the whole business up and not lose a dollar?

It may.

When does the company get its money bonus?

It gets the full bonus for each twenty miles of road as fast as they are built.

When does the company get its land bonus?

It gets the 20,000 acres per mile as each fifty miles of road is built.

Does the government retain any of the land or money to secure the completion of the road?

It does not.

Then if the company decides, after building a part of the railway, to abandon the remainder and construct its transcontinental line somewhere else, does it keep the subsidy for the part constructed?

It does.



OUR POLITICAL JANUS.

Mr. Martin's support was explained in this way: Before submitting the Loan Bill the Premier showed it to Mr. Martin, who approved it, and said it looked like one of his own. Subsequently certain supporters of the government manifested dissatisfaction because they could not get certain clauses in the bill. Then they approached the opposition to join forces to defeat the government. It came to the Premier's ears and, meeting Mr. Martin in the corridor, he told him of it. Mr. Martin replied: "They will not defeat the government; I will support you."

Continuing, the Premier said: "I knew when I had the support of Mr. Joseph Martin that I had a card up my sleeve."—Vide Premier's speech in the House.

CASH TALKS

Our currency is sound and honest. Why shouldn't it talk? You can't find a better evidence for your money than we can give you, for we appreciate your wants, value your trade, and make prices that cannot be equaled.

ROSS LAUNDRY SOAP, bar 5c.
Largest and best bar of soap in the market.
VALLEY VIOLET TOILET SOAP, box 10c.
Largest and best bar of soap in the market.
FRENCH PRUNES, lb. 5c.
A few left at this price.
NAPLE ORANGES, dozen 25c.
Large, sweet and juicy.
DIXIE CRYSTAL TEA, lb. 35c.
A value that proves itself.

DIXIE H. ROSS & CO.,

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A Full Line of Spring and Summer Blouses, also

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The Page Wire Fence Co., Limited, Walkerville, Ont.

E. G. Prior & Co., General Agents, Victoria, Kamloops and Vancouver.

POLAR EXPEDITION. News From Vessels Which Sail in July of Last Year.

Copenhagen, March 5.—Letters dated from Franz Josefand, Aug. 17th, have been received here from the Danes who accompanied the Baldwin Ziegler Arctic expedition which left Tromsø, Norway, on July 10th, last year, on the steamer America and Belgica. The vessels arrived at Franz Josefand after trying experiences. All on board were well. The

America intended to winter at Franz Josefand and then proceed northward until stopped by the ice, when the party on board of her was to start for the North Pole. Mr. Baldwin hoped that the America would reach 83 degrees north.

PILL-AGE.—Dr. Agnew's Liver Pills, 10 cents a vial, are planned after the most modern in medical science. They are as great an improvement over the 50 years old strong does pill formulas as a bicycle is over an ox-cart in travel. They never grip and they never lax. 40 doses, 10 cents. Sold by Jackson & Co. and Hall & Co.—125.

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