

\$10,000,000 at least, and it would be upon that basis that the agreement would be made, but there was nothing to prevent the company afterwards increasing its capital if it saw fit.

Mr. GIBBS asked if the Government would pay interest upon the deposit of \$1,000,000 during the time it remained on the hands of the Receiver General.

Hon. Sir GEORGE-É. CARTIER: No, the Government would spend more than that amount upon the surveys and other preliminary operations, the payment for which would have to be made by the company so that it was better to say nothing at all about interest. (*Laughter.*)

Then he proposed to amend the third section by adding this proviso after the words "Dominion lands": "Provided that so far as it may be practicable none of such alternate blocks of lands aforesaid shall be less than six miles, nor more than twelve miles in front on the railway, and the blocks shall be so laid out that each block granted to the company on the side of the railway shall be opposite another block of like width reserved for the Government on the other side of the railway." The reason this amendment was proposed was that in laying out the land the Government intended to adopt a rule of making each township with a frontage of six miles on the railway as a block twenty miles square would be too large for one township, in such a great length of railway. It might be well, however, to have blocks of a greater frontage than six miles and accordingly power was given to make them twelve miles in frontage or two townships.

Mr. CARTWRIGHT asked whether the rights of the Hudson's Bay Company as to the lands reserved for it by the Act transferring the North West Territory would be affected.

Hon. Sir GEORGE-É. CARTIER said that no right of the company would be affected by the bill.

Mr. MILLS asked whether the rectangular system of surveys that had been adopted in Manitoba would be applied to these townships, and if so whether the base line would follow the line of the railway, for if not, the railway might go diagonally across the lots and a greater frontage than six miles would therefore be required.

Hon. Sir GEORGE-É. CARTIER said the general policy would be to adopt the rectangular system of survey as far as possible, but it was not to be expected that the matter of detail would be rigidly settled at the outset. That would be the general plan of the survey, but occasions might arise when there would be departures from it.

Hon. Mr. MACKENZIE said that as the depth of land granted was twenty miles there would be two miles left after deducting three townships of six miles each. What was to be done with those two miles?

Hon. Sir GEORGE-É. CARTIER said the Government had thought of that. The Company would have to adopt the same system of survey as the Government, and that would leave strips of two miles at the rear of the blocks. They would have to form gores the same as was the case in many parts of Ontario. Another amendment he intended to propose was to add to the same clause, the 3rd, the following words, "and such additional lands granted to the company and reserved by the Government shall be laid out in alternate blocks on each side of a common front line, in like manner as the blocks granted and reserved along the line of railway." This referred to the lands which might be granted to the company elsewhere than on the line of railway. He also proposed to amend the 15th clause by providing that at least 10 per cent of the capital of the company which the Government may charter shall be paid into the hands of the Receiver-General within one month after the date of the charter, and shall remain in his hands till otherwise ordered by Parliament.

He then moved that the report be not concurred in, but referred back to Committee of the Whole, with instructions to make these amendments.

Mr. GIBBS said that a deposit might be made by a company with which an agreement would be made by the Government. In that case, surely it was not intended to retain the deposit without paying interest upon it until the authority of Parliament was obtained to return it.

Hon. Mr. BLAKE said the objection was unanswerable. There must be provision for the return of the money immediately in case no agreement should be made with the company by the government.

Mr. WALLACE (Vancouver Island) suggested that Government securities might be received and repaid instead of money.

Hon. Mr. ABBOTT said that two or even more companies might each make a deposit of a million, and yet an agreement might be made with only one. The Government should take power, therefore, to pay back the money if no agreement was entered into.

Hon. Sir GEORGE-É. CARTIER said the Government would have no power under the bill to retain more than the one million of the company with which an agreement would be made.

Hon. Mr. ABBOTT proposed to add a few lines to the clauses, providing that if after placing the deposit in the hands of the Receiver-General the company should not enter into an agreement with the Government, the Governor in Council would have power to return such sum.

Hon. Sir GEORGE-É. CARTIER said he had no objection to this being done.