Hon. Sir FRANCIS HINCKS said if his memory served him right the very statement was made in the House last session and the truth of it distinctly denied by the hon. Secretary of State for the Provinces.

Hon. Mr. MORRIS said that he had telegraphed to James Turner a merchant in Hamilton who had been the intimate companion of the hon. Secretary of State while in Red River on the occasion referred to and had received a telegram in reply which stated that there was not a word of truth in the statement respecting the flag, nor did he believe such words had ever been used by the Secretary of State, nor did that hon. gentleman ever do or say anything while in the North West to give foundation to the rumour.

Mr. SMITH (**Selkirk**) said he had heard the rumour but he had never yet been able to find one individual who had heard the Secretary of State make use of the disloyal words attributed to him. On the contrary he (Mr. Smith) had heard that the hon. gentleman had advised the people of the North West not to stand up for the supposed rights but to go in and make the best of the connection with Canada.

Hon. Mr. McDOUGALL (Lanark North) said in justice to the hon, member for Lambton, that the hon, gentleman was justified, not in using the expressions quoted, but in saying that such language was reported to have been used, for there were several gentlemen from Red River who asserted that it was so. If the hon. Secretary of State denied that he had used such words he (Hon. Mr. McDougall) should be very loath to doubt the denial even in such a critical case as this. But there was a circumstance which the hon. member had admitted, viz, that a flag was raised on a pole near the residence of Mr. Schultz; that it was a British flag and with the word Canada, and that some question having been raised as to whether it should be raised or not, the Hon. Secretary of State had said it should not. So it would not do to deny the statement of the hon. member for Lambton in the absolute and unqualified manner in which the Secretary of State had done. He (Hon. Mr. McDougall) had submitted in silence to many an attack on himself, personally, during this session, to which he could easily have replied, but he had refrained from doing so, feeling that it was to the interest of all parties, and feeling that it was his duty as a Canadian and a public man not to add to the irritation and ill-feeling which the events in the North West had excited in our midst. He did not desire to awaken reminiscences, but he would say that looking to the past career of the Hon. Secretary of State, and remembering that he was an old man failing in health, he (Hon. Mr. McDougall) had rather a feeling of sympathy than otherwise towards the hon. gentleman and was disposed to forget the past.

Hon. Mr. HOWE said he was an old politician and was accustomed to hard knocks, but he would say that he regretted that the hon. member for Lanark North should have allowed himself for a moment to take up floating rumours at a time, no doubt, when the hon. member was placed in a position and surrounded by circumstances calculated to create irritation—he regretted that the hon. member should have done this and entertained hard feelings against an old friend and colleague without better foundation. If the

hon. gentleman had come to him (Hon. Mr. Howe) and said, "Did you do this or that," he would have frankly explained on the instant, not only his own conduct, but the part he had taken in public affairs in which they were both mixed up at that time. It was due to himself to say that he (Hon. Mr. Howe) urged upon the hon. gentleman to accept the governorship of the North West, and from the time that he (Hon. Mr. Howe) parted with the hon. member on Lake Superior till he returned to Ottawa, his defence and support of the hon. member's personal and public character, whenever assailed, was loyal and true, and he declared that until he found himself assailed in a most unfair, and what he conceived a most ungenerous manner by the hon. member for Lanark North—until that time, he (Hon. Mr. Howe) had never entertained anything but a feeling of friendship for the hon. gentleman. (Hear, hear.)

With regard to what took place in the House during the discussion on this matter last session, he (Hon. Mr. Howe) did not remember what explanation he had made, but this was the statement that he would now make. He saw the flag with the word "Canada" on it, but he never presumed to give orders as to whether it should be taken down or not. He referred to his forty years of public life, to his speeches and writings in proof that he had never at any time uttered a word which could be construed into disloyalty. On the contrary, in public meetings both in this country and in the United States, he had always spoken with pride of the connection of this country with Great Britain. His own history and his family history were the best evidences of his loyalty to Britain. (*Cheers*.)

The subject was then dropped.

LANDS IN MANITOBA

Hon. Mr. McDOUGALL (Lanark North) said he was willing to withdraw his proposed regulations respecting lands in Manitoba, as the Government had expressed their readiness to adopt the most important of them.

Mr. SMITH (Selkirk) asked whether the Government would modify the Manitoba regulation to extend the grant of lands to old settlers of 1812, 1820, who were not half-breeds, but of English and Scotch birth and parentage. These men had done a good deal of service to the country and had helped to form the community, and were entitled to as liberal treatment as their children the half-breeds. He hoped Government would accept this suggestion.

Hon. Sir GEORGE-É. CARTIER explained the effect of the Act as to the distribution of lands to the half-breeds, and that Government could not depart from its previous decision.

Mr. FERGUSON had hoped that the Government would have imposed settlement duties. The half-breeds were no mere raving tribes, and ought to perform the same settlement duties as emigrants. He was told that 163 acres would come to each person, but the member for Lisgar told him they would not get more than