

its board to ascertain what it is doing, with the inland revenue officer watching over its operations—a company, I say, can be formed with a capital of \$20,000,000 to give one half of the profits of its operations to the government as a revenue. If you go to England with a proposition and say: here, is a concession obtained from the government to mine for the benefit of the government, and to give one-half of the profits that are derived from the operations of this company, you can, to-morrow, form a company among the investing public to the extent of 25 million dollars to carry out the scheme. While they are dividing the profits with the government, investors realize that there is no speculation behind it, and they know the government is represented upon it and they have a joint interest with a company of that kind with these terms, that the company is going to get as fair play as the government themselves, and, therefore, if the investment would not appear so remunerative, at any rate it would present itself to them as the safest, and, therefore, I say that it is practicable. It is impossible for the government to mine on their own account. That would not be profitable. It would not be wise to place the mines for sale in the same way as we put our lands up in the province of Manitoba during the boom there, because there would immediately be a combination of buyers, as there was on that occasion when the land produced only \$2.55 an acre, 5 cents over the government price. So it would be in this case if the lands were up for sale. But such a scheme as I have formulated and suggested to the government myself, from my knowledge of affairs, would be quite practicable and might return a revenue of one million or a million and a half per year, when in full operation, always assuming that the mining claims would be held as our odd and even-numbered agricultural lands, the even numbers for free occupation by the public, the odd for the revenues of the government. With the present proposition there is nothing to prevent Mackenzie & Mann opening an office at the head of their railway and handing out mining licenses on a ten per cent royalty and pocketing nine per cent without investing a dollar.

Hon. Mr. MILLS—Does the hon. gentleman suppose he could attract a population

to that country, going into it to work as labourers, in the same way as a man at liberty to take his own mining lot and mine for himself?

Hon. Mr. BOULTON—I say if you put in the proper machinery and capital, put up comfortable houses, and furnish the proper means for supplying a population, that there would not be the slightest difficulty in attracting 200,000 or 300,000; and if the population is going to be attracted there at all Mr. Mackenzie and Mr. Mann will have to do the same thing except that Mr. Mann and Mr. Mackenzie only give 1 per cent, while I propose that this company should give 50 per cent.

Hon. Mr. MILLS—But the hon. gentleman will see that that is not quite a fair statement, because while he says the government will get 50 per cent, that is out of the net profits; the other includes the gross earnings.

Hon. Mr. BOULTON—In reference to what the Minister of Justice suggests, I may say in laying my views before the government, I suggested that the government should have 40 per cent of the gross profits or 50 per cent of the net profits. I put the two ideas before them. However, they were only crude ideas, and only formulated with the idea of offering a friendly suggestion as to the best mode of dealing with that. In order to make my views more forcible, and to bring them before parliament in some form, I myself put into the *Gazette* in December last an application for the formation of such a company as I speak of, which may or may not come before parliament for enactment.

It was in order that I might put the views I hold more forcibly before the government. If this contract goes through, of course, that puts an end to any further ideas in regard to the disposition of those lands; but I wish to say that it is exceedingly ill-judged in my opinion to, at the present moment, alienate any portion of those lands in the imperfect knowledge that we possess of them, because any knowledge that we do possess is of a very crude nature and exceedingly favourable to the country. But there is another feature I wish to point out, and that is, that one great argument that is used in regard to this route, that it is an all-Canadian route.