

Mr. TEMPLEMAN. The letter was signed by Mr. McBride and addressed to Frank W. Morse, vice-president and general manager. This was an application for that very land. So that the request to the province to waive their reversionary interest is not a new question, they had an intimation of it a year before the order in council requested them to waive their reversionary right. All that has been done under the sale of the 13,000 acres of land, as I understand it, is that the title of the Indians to the occupancy of that land has been sold by the Dominion government, and having sold the property they have asked the provincial government if they are willing to waive their reversionary right. And in view of the fact that a year before they had refused to waive their reversionary rights, this government still takes the stand that it was only right and proper that the Minister of the Interior should make the request to the provincial government. If they were willing to do so, all right; but as they were not willing to do so, and as the Grand Trunk Pacific was willing to accept the title as they could get it, leaving to the province its claim for the reversionary interest in this 13,000 acres of land, I fail to see wherein the charge can lie that this government has undertaken to interfere with the provincial jurisdiction over its own lands.

Mr. HAGGART. Were the Indians in possession of this property when this bargain was made?

Mr. TEMPLEMAN. It was an Indian reserve.

Mr. HAGGART. Were they on it?

Mr. TEMPLEMAN. I am not aware of that.

Mr. HAGGART. I understood they were removed. If so the whole property was in the province.

Mr. OLIVER. I understand that the Indians are in occupation of the reserve at present.

Mr. FOSTER. That portion?

Mr. OLIVER. Some are on that portion, and it was necessary to make arrangements to pay them \$15,000, as compensation for improvements they had made.

Mr. TEMPLEMAN. I understand that some thousands of dollars were paid for individual claims for improvements. How can it be claimed that the sale of 10,000 acres of land at \$1 an acre—sold illegally because, under the statute, no land of that class in British Columbia can be sold at \$1 an acre, and none can be sold, without the consent of the legislature, to a railway company—how can it be claimed that such an illegal sale of those lands was a better bargain for the province than the sale of 13,000 acres immediately contiguous, the Indian right only to which has been sold at \$7.50

Mr. R. L. BORDEN.

an acre. And that price was agreed to between the Indians, through their representatives, and the representatives of the Grand Trunk Pacific. In that order in council of April 2, the minister simply asks the government of British Columbia to waive its claim to any reversionary interest it may have in the land, under the agreement between the province of British Columbia and the Dominion in 1876. No argument was used; no attempt was made to convince the British Columbia government that it ought to do so. My hon. friend no doubt knew that it had declined doing so before, but as it was necessary to give whatever title we could to the Grand Trunk Pacific, a title was given that company to the extent to which this government could give it, and no more, so that the rights of the province have been fully safeguarded. But in the case of the sale of the 10,000 acres, these rights were not safeguarded in any respect. It will be utterly impossible for my hon. friend, the leader of the opposition, to create any political capital in British Columbia on this question. If there is one thing more than another which is going to defeat the McBride government, it is the Kaien island scandal. That will have more effect in turning that government out of power on February 2 next than anything else in its record. These are the facts of the case. They are all on record. There is nothing in them derogatory to this government. We have done only what is right and are quite willing to accept the verdict of the people.

Mr. W. A. GALLIHER (Kootenay). Evidently this matter was brought up with the view of rapping the department or the government over the knuckles for having communicated with the British Columbia administration regarding a waiver by it of its reversionary interest in certain lands—some 13,000 acres—which the Grand Trunk Pacific were trying to acquire. I shall not go into the Kaien island deal because that has been very thoroughly discussed by the hon. minister (Mr. Templeman) who has just spoken. But I shall endeavour to meet the argument of the leader of the opposition and the hon. member for St. John county (Mr. Stockton) who are claiming that this government was unnecessarily interfering with provincial rights. Let us examine into the matter. We find that there is a certain area of land in an Indian reserve on the Pacific coast of British Columbia, which the Grand Trunk Pacific desire to acquire for the purposes of a terminal. Knowing that the Dominion government are the guardians of these Indians, they naturally approached it. The Dominion government informed that company that it could not give them an absolute title to these lands, even with the consent of the Indians, because, under certain conditions, these lands reverted to the province. There-