The Weekly British Colonist.

Wednesday March 9 1870.

Free Port and Protected Industry.

It has been fully demonstrated that Canada can see as readily as the shrewdest among us the highly favored commercial position of Victoria, under Confederation, and the great advantages which would be secured to the Province and to the Dominion by the establishment of a free port here. We have never sought to conceal the fact that the free port scheme is not without its objectors; nor can it be denied that some of the objections urged are entitled to grave consideration. The chief objection to a free port is found in the fact that the entire island would be free, and therefore, thrown open to foreign productions. This, it is asserted, would prove highly detrimental to agricultural interests. We are by no means certain that this is the correct view. Vancouver Island will never owe its greatness to agriculture. Its geographical position, magnificent harbors, enormous coal-stores and its iron and copper mines would all appear to point to its greatness as a commercial and manufacturing seat. To the development of both of these interests a free port must contribute. To become commercially great we must become commercially free. Victoria has to overtake other communities; and she can alone do so by throwing her gates wide open to commerce. To become great in manufactures we must have large communities and cheap labor. 'Ah!' says one, 'but we must have protection, too.' You cannot keep your cake and eat it. Against whose manufactures do we want protection? The United States? Is not the most healthy protection against their manufactures to be found in cheap labor and the creation of a large home demand, as against the dear labor caused by their ruinous protective system? For agriculture on this Island would it not be in reality more benefitted, taking the larger view, by the creation of a great home demand, the infusion of labor and capital, than by being walled in by a narrow, restrictive system? It must be remembered that the true interest of the agriculturist is inseparably connected with the general prosperity. If, under a protective system, commerce languishes and population decreases, the farmer will only be protected off the face of the earth—or, at all events, off the Island of Vancouver. There is one point which the farmers and others are very apt to overlook in dealing with the question of free trade *vs* protection. There is a disposition to look at the margin of profit enjoyed under the customs tariff, and overlook the margin of taxation such protection costs. But let the farmer sit down some evening after supper and carefully calculate what this protection costs him every year; let him subtract that from what he gains by it, and we apprehend he will need to put on his 'specs' in order to see the remainder. He not only pays fifteen to twenty per cent upon every imported article consumed or used on his farm, but he pays that much more for labor; and we are greatly mistaken if it does not turn out, upon a careful calculation, that, taking the average of our farmers on the Island, they are paying more for protection than it brings to them; and this, too, altogether apart from the fact that protection is killing commerce and keeping away population. Unquestionably the larger prosperity and development certain to result from a free port, under Confederation, would be better for all classes and interests than a sickly, hobbled existence under protection. But, should it be thought otherwise, there appears to us to be nothing inconsistent in the idea of free trade in all we want to import, and protection to all we want to produce. For this purpose no Customs tariff would be needed. Such articles as we desired to protect could be met with a landing warrant, imposing a tax that would at once act as a protection to the home producer, and create a fund which would be available for whatever purpose might be deemed most desirable. There appears to be no insuperable difficulty in the way of adopting such a policy. Indeed it was adopted in former times, under the free port system. But we are apt to think that such protective imposts would not be long retained. All would soon become convinced that free trade—free as the winds that shall waft the ships of all nations to our inviting shores—is the true policy for Vancouver Island. Canada sees it. The Mainland sees it. Will Victoria be the last to see it? This is to become the Western gate, so to speak, of the Greater Britain of America, and that gate must be opened wide.

It has been definitely settled that the terminus of the Northern Pacific Railway shall be at Portland, Oregon, instead of at Seattle, Washington Territory.

The new opposition steamer Tacoma, now building on Puget Sound is intended as an opposition boat to Victoria.

Legislative Council.

WEDNESDAY, March 2.

DEBATE ON THE SUBSIDY TO THE W. U TELEGRAPH COMPANY.

Dr Helmcken said it was hard to know how to deal with this question. The benefits to be derived bear so small a proportion to the vast expense about to be incurred that he thought little argument was required to induce the Council to reject the proposition. He looked upon the thing as a luxury, not as a necessity, nor of any great use. The telegraph wires have been down for some time. Has anyone complained or have any suffered loss? Is the country any worse off? No doubt it will be asserted that the subsidence of telegraphic communication shows a decadence of the country, but it shows nothing of the kind. It only shows a failure of the overland scheme to Asia. British Columbia would never have had this work were it not that many supposed the Atlantic cable would be a failure and that an overland line and cable to Asia would be a paying concern. The line has never paid since its commencement and if it were likely to pay the offer now made would not have been made to this colony. We are told that the line cost $150,000. It may have done so, but to the company it is worth nothing, and to the country it is worth very little as it would fetch nothing if sold. It would become a veritable dredger. The extravagant sum we are asked to vote for this luxury can be applied to a much more useful purpose, leaving out of the question the objectionable means by which it is proposed to raise it. Now, what are the terms? It will be seen that the government has to keep the line open and in repair. It is not a free gift, for if the government do not fulfil their contract the company resume possession. In relation to this matter, he said, a revelation was made of an extraordinary character. $4500 per annum had been expended without any vote of the Council. He then revised at length the statement of Mr Lamb and the proposition to pass over the line to the government, showing that the estimate of cost for putting the line in repair was very much too low, and the statement showing the receipts for the past year was too favorable, giving a statement of summer months in lieu of winter months, as imagining the loss which the colony would sustain annually to be about $8000, and if the line was taken 400 miles further there would be an additional expense. He thought the population of Cariboo would be decreased this year and the revenue of former years would be a poor criterion for this and he believed the loss to the colony when put down at $6000 per annum is too small. The expense will be greater, the income will be less, particularly if the line is carried to Cariboo or further south. In addition to this, he said, we are to believe that the government officials are to be taught telegraphy. Can everybody learn this? He thought not. It would require also a number of men to keep the line in repair. The constant cry is, we have too many officials—too expensive a government, and yet many members desirous of retrenchment will vote for this as for the assay office. The cry of retrenchment is a humbug, it is only a cloak for further extravagance. He would rather do away with the telegraph altogether, even to England, than vote this sum. The people are to be additionally taxed for the purpose and yet members are ever calling out that the people are too heavily taxed! What is all this outlay for? A government luxury, a piece of almost unmitigated extravagance. He was surprised that the government should desire to carry out this work, they will be certainly be abused. The very people who vote for it now will be the first and loudest in complaining. They may be lambs now, they will throw off that skin ere very long. $7000 per annum might be applied to a more useful purpose, for instance, to bring out 70 productive settlers. What use, he would ask, is the telegraph? Is it needed for anything? The best proof of its not being essential is the fact that it has been a failure, a loss, a vehicle but little used. The mercantile portion of the community do not want it at the price, and particularly with its concomitant two per cent on the tariff. If they do, put on four at once and pay for the whole concern. In this way, the trade they would be supposed to gain in one way will be lost most assuredly in the other. Does the government in the United States supply a subsidy? No!—the people have to do it by subscription. Do the people want it at the price? He said emphatically, no! for the people make but little use of it, and he believed the miners did not want it. He would object to this money being squandered in this manner. Year after year it will be going out, out, out—leaving not a trace of any permanent improvement in the country behind. We have too many of these unproductive items upon the list already, put more on and bid adieu to further permanent and reproductive improvement. It is all very well taking this facile method of raising money, but what will we do when the revenue of cost me will be taken by the Confederacy, as hon gentlemen suppose it will be ere long? Is the $7000 to be supplied from the funds of the local government? He would ask the gentlemen of the Council not to be deceived by the fictitious value of the property—the first cost. Behold the dredger! Behold the assay office! It is an elephant that will cost much to feed and be of little use or ornament.

The Commissioner of Lands and Works said he rose to support the resolution. He regretted the hon member for Victoria had opposed. He [the Commissioner] was not partial to the Mainland. He thought the retaining this line would be beneficial to the whole colony and no part of it more than Victoria. He could only attribute the opposition of the hon member for Victoria to ignorance. The whole upper country desired it. He would point out how utterly false were the premises laid down by the hon gentleman: $8000, he says is the sum which is to be granted to the government to all perpetuity. This is hardly consistent with what he said a few days ago. He must know that this proposition is only an experiment. The government want to be allowed one year to try it. There is no perpetual guarantee required by the telegraph company—there is no condition named approaching perpetual maintenance of the line. The government may take it and work it as they choose, and if it does not prove satisfactory, give it back to the company. What parallel was there between the proposition and expending $60,000 for building a dredger? You have the result of a careful analysis made by Mr Lamb, and the estimate which he [the Commissioner] had arrived at was that for one year you will have to pay $7000. To prove the correctness of his estimate it is only necessary to point out the fact that the company offer to keep the line in running order for $6600. He did not think the opinion of the hon member for Victoria worth as much as the opinion of those who had been over the ground. The hon gentleman had told you that the poles rotted off in two years—what is the fact? The poles were set in 1864 and are standing yet. There was one point which he thought would touch the hon gentleman: He voted for a subsidy of $4500 for the line between Victoria and Portland. Of course he can advance a good many arguments for the subsidy, but he cannot see any advantages to the people of the upper country in the other line. He [the Commissioner] would ask the hon gentleman to revise his judgment and see if he could not discover some advantage to the interior in the present proposition. The line is valuable to the government—it gives greater value to the the police force in a way that you could not obtain with four times as much as this will cost. You are asked to allow the government to try the experiment one year. At the end of that time or sooner he, for one, would advocate the discontinuance of the line if it did not prove advantageous. He always tried to be on the safe side and thought that instead of $7000, not more than $5000 would be called for. Two per cent on the Customs revenue fully meets the expense. The people on the Mainland would feel exceedingly aggrieved if the line was not maintained. Shall we let it be known to the world that we are willing to pay $4500 for a line to Portland and are unwilling to support the line in the interior?

Dr Helmcken said rather than vote for this he would vote to strike out of the Estimates the $4500 altogether. The Governor did not want to put this on the Estimates.

The Colonial Secretary said the Governor was not only willing but desirous to keep the line, provided the Council would only find the means.

Mr Robson said the task left for him to perform had been rendered an easy one by the hon the Chief Commissioner. He had been surprised at the line of argument adopted by the hon senior member for Victoria city. Would that gentleman inform the House whether the human family was really any happier or better in this age of steam and electricity than in the former one of stage coaches, mud roads and canvas?—for that was really where his theory would bring us. [The hon gentleman quoted from the British North America Act, 1867, showing that under Confederation the telegraph would be at once assumed by the Dominion.] This was no time to abandon a telegraphic system, which would be rendered both necessary and remunerative by impending changes, and which could not be replaced for less than $150,000. But while advocating the maintenance of the mainland telegraph, both on the grounds of justice and policy, he felt that he must strongly oppose the means by which it was proposed to make provision for its maintenance. It was at all times undesirable to tinker with the Customs tariff; and especially was it undesirable to increase it at a time when all felt that it was much too high—crushing the commercial interests of the place. He would oppose that mode of raising the necessary revenue to maintain the telegraph. Such a tax would probably be the most odious and injurious which could possibly be devised.

Hon Collector of Customs said if the line was taken over he thought there should be some other way provided for raising the money. The tax would bear heavily on a few persons. There was one firm who paid about $60,000 a year into the revenue, and the duty now on flour was $22,000, and the consumer would have to pay an additional tax of $440. The first change he hoped to see in the tariff would be a reduction instead of an increase.

Mr Barnard said he thought it very strange that in 1870 it was necessary to get up a defence of a telegraph system. The hon member for Victoria City says nobody upon the mainland has asked for the line. It was well known that the wires were down or the people in the upper country would soon be heard from. Had they had any reason to suppose there would have been any opposition to this measure there would have been a petition here as long as the petition on the capital question. The people on the mainland are getting the impression that Victoria is trying to gobble up everything. They find no fault with the grant of $4500 to subsidize the line from Victoria to Portland but they expect to have an equal telegraphic privilege extended to them. The hon member for Victoria misrepresented the statement of Mr Lamb in saying the posts would rot in two years. They would require repairing every two years. How could the hon member for Victoria reconcile his inconsistency in voting for the subsidy for Victoria and Portland line and refuse to vote for this? He (Mr Barnard) believed that the figures represented more than would be required, but he could not agree with the mode proposed in the resolution for raising the money.

Mr Ring said when he was told that the people on the mainland were indifferent and when he saw all the members from the mainland advocating it he was astonished. He thought to allow the line to go down would be disastrous.

Mr Holbrook, in moving his amendment, called the attention of the Council to a dispatch from the Home Government to the Governor of this colony asking for a subsidy of $50,000 for a telegraph from British Columbia to Canada. He said the company had worked the line at a loss and he would now relieve them from a further loss. He said the most of the business was done through the telegraph and it was also very useful in the detection of crime. In regard to the mode of raising the tax he said it was not the merchant who paid it, it was the consumers. He would not say how the sum should be raised.

Mr Drake said he could not let the resolution pass without his opposition. All that had been said about the telegraph being a civilizer was bunkum. The accommodation was to very few. He was not aware that before we had the telegraph line crime was rampant or that it cost the country more from crime than it does now. He thought it unwise and uncalled for. We must cut our coat according to our cloth. He would be willing to put the people on the mainland on the same footing as Victoria by voting a small sum to keep up communication between Swinomish and New Westminster.

Mr DeCosmos said with respect to the line from Swinomish to Cariboo, he thought everybody would like it but the question was, could the country afford it? He thought it could not. The two lines would cost $11,450, and he thought as practical men we should not thus act. He thought the means sought to meet the expense objectionable. He also thought to subsidize the line between Victoria and Portland unjust to the mainland without granting them an equal privilege. He would therefore move that the Government be recommended to grant a sufficient sum to keep the line up from Swinomish to New Westminster.

Mr Alston said he did not undervalue the advantages of telegraphy, but he thought the country could not bear the expense. He also thought the means proposed to raise the money objectionable. He would oppose the resolution, but would support the amendment of the hon member for Victoria District.

Mr Humphreys said he thought the scheme illadvised, illmanaged and attendant with all the ills imaginable. He said the people of the mainland were in no sense benefitted by the line. He denied emphatically that the people of British Columbia were benefitted by the line. The W. U. Telegraph Company had attempted a speculation and failed, and now wanted aid from the government. They put this line up for their own interest and not for the interest of the colony. In making some allusion to the member for Yale Mr Humphreys was called to order by the chair as being personal. He (Mr H) denied being personal. He did not wish to offend any member. All this talk about the line was humbug. He should support the last amendment.

The Attorney General said he thought it was the desire to maintain telegraph communication within the colony with fairness to all. He did not think the mode of raising the sum as proposed in the resolution was a good one. He should propose in a resolution that this council should express the desire that telegraphic communication should be kept up within the colony, and ask the Governor to send down a bill proposing to arrange the taxation fairly over the whole community.

Dr Helmcken said he thought twenty-two people could better decide upon a bill than the Governor. He denied that from Victoria to Cariboo was the whole colony.

Dr Carrall said that three things had cropped out during the debate: First, it was conceded pretty generally that we want the telegraph; second, that we are not able to pay for it; and thirdly, that the hon member for Victoria city should make a visit to the mainland. He thought to display such ignorance and stick to it was a crime. He thought it very difficult to discriminate between a luxury and a necessity. A man could live on a clam-bed, but he did not think it a very extravagant luxury should he indulge in a little bread and potatoes or a fish occasionally. Postal communication was a necessity and so was telegraphy. He thought the tax proposed was equitable, the consumer paid, not the merchant. The community on the mainland pay their proportion of the $4500 subsidy for the line from Victoria to Portland. The expense of keeping up this line would not be great. The officers of the government would in the main keep the line in operation, only a few outside would have to be employed. At the first he felt somewhat reluctant to propose the mode of raising the means, but now he would press his resolution in its entirety. He was one of those sanguine individuals who believe that if this item was in the estimates next year it would be very much less.

The Commissioner of Lands and Works said he looked upon it as an established fact that the telegraph was very much required, and it would be a great loss to the country if it was done away with. If there had been any doubt in the minds of the people that the line would be sustained petitions would have been abundant. The hon member for Victoria city said the Governor did not desire the line. The remark was not just. His Excellency did not feel justified in placing it on the estimates without consulting the council. He would not adopt the amendment of the hon Attorney General. The mode proposed for raising the tax was vague and indifinite. The question was, are we willing to adopt the tax in the way proposed by the mover; Is the game worth the candle? He thought it was and moved the following amendment:

'That this council, impressed with the conviction that the disestablishment of the telegraph line between Victoria and Cariboo will prove detrimental to the mercantile and other interests of the colony as well as injure our prestige abroad, respectfully recommend His Excellency the Governor to take measures to secure the continuation of such telegraph service during the present year; and if provision cannot be made for this service from existing sources of revenue, to send down to this council a bill imposing an additional Custom due of 2 per cent on the Customs Revenue to meet the expenditure that such telegraph service may require.'

A long discussion took place as to which motion should be first put, there being four amendments to the original motion. The Chairman decided that the last amendment should be put, and if carried, all other amendments and the original resolution were lost. An appeal was taken from the decision of the Chair and the Chair was sustained. Several motions were made to rise and report progress, and for the Chairman to leave the Chair, which failed to carry, and the amendment of the Commissioner of Lands and Works was put and carried by a vote of 12 to 6.

THURSDAY, March 3d, 1870.

Mr Holbrook and the hon Attorney General both disclaimed having intended to say that besides Mr Claudet there was not another man in the colony who could make a correct assay. Mr Holbrook said he meant 'analysis,' and the Attorney General, that he confined his observation to the Mainland and not to 'the Colony.'

Mr Humphrey gave notice of a motion to ask for information relative to the sale of strychnine to Indians. Also, for a return of revenues collected at Lillooet.

Mr Drake gave notice of a bill to amend the County Courts' Ordinance.

Upon the item of $4500 subsidy to the Western Union Telegraph Company, Dr Helmcken moved that after the word 'Portland' and 'New Westminster' be added.

Mr Robson moved, as an amendment, that the Governor be respectfully requested to ask the Telegraph Company to maintain telegraphic communication between Victoria and New Westminster as well as between Victoria and Portland for the subsidy of $4500, as down in the Estimates.

Mr Dewdney moved as an amendment to the amendment that an address be sent to His Excellency requesting the line mentioned be entered into with the Telegraph Company, unless the resolution of this Council of the 2d of March regarding the line on the mainland be carried out. Lost.

Mr Robson's amendment was put and carried.

Mr Barnard moved that a respectful address be presented to His Excellency expressing a desire for the removal of one of the 'Sisters.' Carried.

Mr Drake moved an address asking His Excellency to cause the sum of $3918 to be paid to school teachers for services in 1867 and 1868. Carried.

The hon Colonial Secretary said the Governor would order such amount of arrears paid as might be recommended by the special committee and passed by the Council.

Mr Robson moved that the item of $5000 for immigration purposes be struck out and appropriated to the Telegraph subsidy.

Mr DeCosmos moved as an amendment that the sum be applied to assist emigrants already in the Colony in engaging in agriculture.

Amendment and resolution both lost.

Mr Robson moved that the item be struck out. Lost.

The Committee rose and reported progress.

Adjourned to meet on Friday at 1 p m.

Friday March 4th.

UPPER COUNTRY NEWS.—We have news from William Creek to the 19th ult. Although occasional falls of snow were experienced, the weather was comparatively mild and the sun shed a kind of spring like warmth upon the otherwise wintry landscape. The bed-rock drain was still found to be so choked in some places as to offer an obstacle to the progress of work on several of the claims above Barkerville. The Foster Campbell and Barker companies were preparing for work. In the Chipps and Cariboo claims the ground improves in appearance. The Independent company, at the lower end of the creek, were doing well and the Ballarat company had resumed work and were pushing the drain ahead. On Stout Gulch a good prospect was found on the high bed-rock on part of the Tallvale ground, through which the Jenkins company had been allowed to run a drift for prospecting purposes. This discovery is of very great value, as a considerable bench, hitherto deemed worthless as mining ground, will be entirely worked and is likely to prove rich. It will also indicate the course of the lead, which hitherto, had not been satisfactorily defined. On Conklin gulch the Felix co washed up 38 oz for the week ending Feb 19, and the McDowell co 44 oz for the same time. On Lowhee creek the Victoria company have reached bed-rock but found nothing, they are going to open out in an upper streak. There was no news from Peace River when the express left. Provisions are moderate in price and plentiful in supply. Boats are still being built at Quesnelmouth for the Peace River diggings. The roads are in fine order; there is good sleighing to the Junction, though rather soft in some places. Mr Pearson the elder, had quite recovered from his accident. The river was entirely clear from all obstruction.

LOWER RIVER NEWS.—The steamer Enterprise arrived from New Westminster at 4 o'clock yesterday afternoon, bringing Hon Mr Bell, Mr Newton, Mr and Mrs T Bute, Mr H Nelson, Mr Claudet, and Capt Sabiston.....Coal has been struck near the Chilliwack river..... Mr Carey, of New Westminster, was thrown from his wagon and had two ribs broken, on Thursday of last week.....A public meeting was held at New Westminster on Tuesday last, when the member for the district was instructed to vote for certain alterations in the Terms of Confederation.....A petition signed by 150 persons, calling for the extension of telegraphic privileges to the Mainland, has been forwarded to His Excellency.....Double the quantity of wheat will be put in this year than last.....The people of Burrard Inlet and New Westminster have petitioned for a trail from the B C & V I Mill site to New Westminster.

OWNERS of lots at New Westminster who have not paid the Municipal rates are informed that the sale of their property to satisfy the arrears will take place on or about the 17th inst. No notification has been served on Victorians who own property at New Westminster nor has any been published in this city. If property-owners don't look out they will lose their lots.

PISCATORIAL.—We learn that the Hon A DeCosmos has instructed his Solicitor, Mr Courtney, to bring an action for damages against J E McMillan, proprietor of the *News*, for libel; in that the said J E McMillan, in the said *News*, did assert that the said A DeCosmos was an 'old fish,' etc. From appearances we should say that the *News* has floundered into troubled waters by its piscatorial illustration.

NICHOLAS LAKE VALLEY WHEAT.—A train load of fine wheat has been received at Mr Fortune's grist mill, on Tranquille River, from Nicholas Lake Valley. It was raised by the Moore Bros, farmers, who represent the valley as an excellent grain growing section.

DELUGE ENGINE COMPANY, No 1.—The annual election of officers for this company took place last evening at the Engine House. Mr Geiger was unanimously re-elected Foreman. Mr Crowther was elected First Assistant, Mr Frank Saunders Second Assistant; Mr J Davis Secretary, and Mr J Bell (re-elected) Treasurer.

RUN OVER.—A little son of Mr Wm Harrison was run over yesterday by a buggy on Johnson street and severely injured in one of his legs.

NEW SIDEWALKS are being laid in every direction. The Corporation are rigidly enforcing the Bylaw.

The Government Assay Office — Card from Mr Claudet.

BANK OF BRITISH NORTH AMERICA,
VICTORIA, March 3, 1870.

EDITOR BRITISH COLONIST.—I see in your issue of this date that in the debate on the Estimates for the government assay office two of the members, Messrs Holbrook and Crease, so far forgot themselves as to make the unwarrantable assertion that no man in the colony, with the exception of the government assayer, could make a correct mineral assay. I should probably have treated this bombast, coming from the sources it did, with the contempt it deserves, but that I am credibly informed that it is by no means the first time such an argument has been adduced in justification of the continuance of an office which is universally known to have been carried on from its commencement at a heavy loss to the colony. Of the incumbent of that office I wish to say nothing but what is most kind. Mr Claudet is a personal friend of mine and I know him to be of high professional attainments; but I think it rather too bad when gentlemen get up in the House and make statements on a subject of which they are totally incapable of forming any correct opinion. In conclusion I beg to inform you that I hold my certificate from the principal assayers in London as a qualified bullion and mineral assayer, which is quite at the disposal of any person entertaining a doubt on the subject.

I have the honor to be your obed't serv't,

CHAS. A. BACON.