

clause, but a clause for better securing the trade and business of the Yukon district for the Canadian people. The clause was in fact forced upon Messrs. Mackenzie & Mann: it was not forced upon us, but was forced upon them by us. I repeat what I said before. The company desired to build that line. We said: No, we cannot permit it. Well, then, they said, somebody else will build that line if we go on and build by the Teslin route, it being, from a business point of view, the most favourable. We said: We will not allow it for a term of years, at all events; and in our own interests it was done, not in theirs, because the contract could not have been entered into unless we were prepared to give them some protection against the destructive competition which would arise if this other route were built—destructive not only to the company, but, as I have suggested, destructive to Canadian interests, we believe. The clause is not inserted therefore in their behalf, but for the protection of our own interests. It provides for a line of railway from the Lynn Canal through the Chilkat Pass to Fort Selkirk, if the Government authorized or required it to be built; and if they were disposed to aid it, the aid should be given to them and no others. If we felt that the work ought to be proceeded with, then we would simply yield to the request when the time arrived, which they pressed upon us now. That is to say, we should allow them to take the work up which otherwise, in the absence of our refusal, they would have taken up at the present time. I have said that this line of railway would doubtless be authorized into that portion of the Yukon country as the best commercial route. The railway contractors would feel like making use of this route as the one most desirable from a business point of view. But the Government felt that they could not reasonably expect a responsible company to take up the Teslin Lake route if they were liable to be met with competition at the hands of a company who should own a route from the Lynn Canal, and the clause was for this reason, chiefly, inserted in the contract. It is quite unnecessary to say, but I may perhaps say it, that this does not in the slightest degree interfere with any existing charters which have been granted. We only engage to ask Parliament to consent to stay its hand for a term of five years, from the incorporation of another company in that neighbourhood, or from the incorporation of a company from the boundary into the Yukon country. We have had present in our minds this fact, that between now and the expiration of that date, we will be able, by exploration surveys, and by careful examination of the ground, to determine whether or not an assured all-Canadian route from east of the Rocky Mountains, can be found running in that direction from Edmonton west, and whether, in that period,

Mr. BLAIR.

such a line could possibly be constructed. In the meanwhile, five years will afford us an opportunity to investigate that question, to which, I think, I may say, in passing, it is the intention of the Government to direct its early attention. Now, by clause 5, the company are entitled to receive, during ten years from the 1st of September, 1898, in preference to any other company, such land or money subsidy as the Government may authorize to be granted in aid of the extension of the railway from the Stikine River to an ocean port in British Columbia if we decide that it is necessary to do so, if Canadian interests demand that it shall be done; and we engage that they shall have the first offer of any aid that we are willing to give for carrying out that undertaking.

Clause 6 provides that the tolls to be collected by the company upon its line of railway from Stikine River to Teslin Lake shall be fixed by the Governor in Council, and the tolls so fixed shall not be liable to reduction until the railway has been in operation for four years; then, at the expiration of which time the tolls shall be reduced by 25 per cent; in other words, for seven years from the date of the going into effect or operation the original tolls as fixed may be reduced by 50 per cent. The rate so fixed may continue three years longer, when the general railway laws of Canada will take effect as respects the company's tolls.

Mr. CHARLTON. Has any determination been arrived at as to the granting of tolls?

The MINISTER OF RAILWAYS AND CANALS. None.

Mr. CHARLTON. So much per mile, per passenger, or per ton?

The MINISTER OF RAILWAYS AND CANALS. No; those are details that, I may say, Mr. Speaker, we have not yet had time to deal with officially.

Under clause 7 of the contract, the lands granted to the contractors shall be free from taxation for ten years from the granting thereof, except as respects municipal taxation by any incorporated city, town or village in the Yukon provisional district.

Clause 8 is an important one, and imposes on the company the obligation within six weeks from the 25th of January last to construct a practical sleigh road from the mouth of the Stikine River to Teslin Lake, and to provide suitable shelters or stopping places for travellers at intervals of not more than 25 miles along such road.

Clause 9 compels the company to provide, or to arrange with others to provide, steam-boat transport for freight and passengers between the terminus of their railway on Teslin Lake, or any other terminus or from any extension thereof, northerly to and from Dawson City.

Clause 10 requires the company, within ten