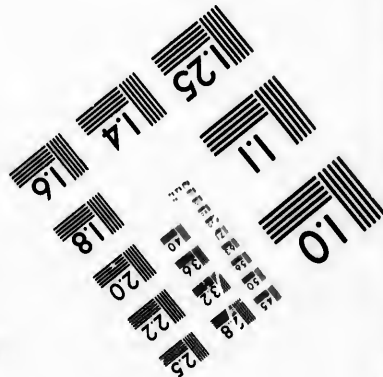
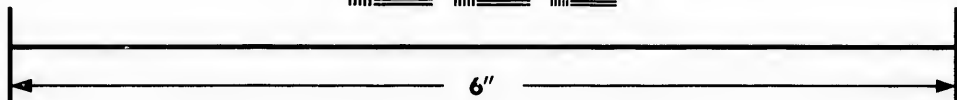
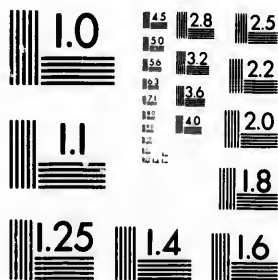


**IMAGE EVALUATION
TEST TARGET (MT-3)**



**Photographic
Sciences
Corporation**

23 WEST MAIN STREET
WEBSTER, N.Y. 14580
(716) 872-4503

15 28
32 25
36 22
40 20
44 18

**CIHM/ICMH
Microfiche
Series.**

**CIHM/ICMH
Collection de
microfiches.**



Canadian Institute for Historical Microreproductions / Institut canadien de microreproductions historiques

10

© 1981

Technical and Bibliographic Notes/Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured covers/
Couverture de couleur
- Covers damaged/
Couverture endommagée
- Covers restored and/or laminated/
Couverture restaurée et/ou pelliculée
- Cover title missing/
Le titre de couverture manque
- Coloured maps/
Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black)/
Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations/
Planches et/ou illustrations en couleur
- Bound with other material/
Relié avec d'autres documents
- Tight binding may cause shadows or distortion along interior margin/
La reliure serrée peut causer de l'ombre ou de la distorsion le long de la marge intérieure
- Blank leaves added during restoration may appear within the text. Whenever possible, these have been omitted from filming/
Il se peut que certaines pages blanches ajoutées lors d'une restauration apparaissent dans le texte, mais, lorsque cela était possible, ces pages n'ont pas été filmées.
- Additional comments:
Commentaires supplémentaires:

- Coloured pages/
Pages de couleur
- Pages damaged/
Pages endommagées
- Pages restored and/or laminated/
Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- Pages detached/
Pages détachées
- Showthrough/
Transparence
- Quality of print varies/
Qualité inégale de l'impression
- Includes supplementary material/
Comprend du matériel supplémentaire
- Only edition available/
Seule édition disponible
- Pages wholly or partially obscured by errata slips, tissues, etc., have been refilmed to ensure the best possible image/
Les pages totalement ou partiellement obscurcies par un feuillet d'errata, une pelure, etc., ont été filmées à nouveau de façon à obtenir la meilleure image possible.

This item is filmed at the reduction ratio checked below/
Ce document est filmé au taux de réduction indiqué ci-dessous.

10X	14X	18X	22X	26X	30X
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12X	16X	20X	24X	28X	32X

The copy filmed here has been reproduced thanks to the generosity of:

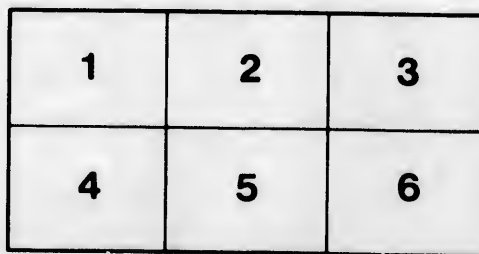
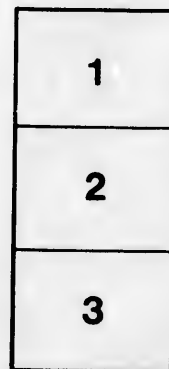
Library Division
Provincial Archives of British Columbia

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol → (meaning "CONTINUED"), or the symbol ∇ (meaning "END"), whichever applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:



L'exemplaire filmé fut reproduit grâce à la générosité de:

Library Division
Provincial Archives of British Columbia

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole → signifie "A SUIVRE", le symbole ∇ signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

M

THE

HO

T

CAN

Mr. F
of all co
and n
between
British
ing the
also a c
1877 an
ernmen
at Esqu
lution
rated
knew o
son wh
any ob
The H
year, n
Govern

S P E E C H E S
OF
M R . D E C O S M O S
ON
THE ESQUIMALT GRAVING DOCK AND CANADIAN
PACIFIC RAILWAY,
AND
THE ALASKA BOUNDARY LINE.

HANSARD REPORT

(Corrected.)

HOUSE OF COMMONS.

Thursday, 21st Feb., 1878.

CANADIAN PACIFIC RAILWAY.

MOTION FOR CORRESPONDENCE.

Mr. DECOSMOS moved for a copy of all correspondence in 1877 and 1878, and not now before Parliament, between the Imperial, Dominion, and British Columbia Governments respecting the Canada Pacific Railway; and also a copy of all correspondence in 1877 and 1878 between the said Governments respecting the Graving-dock at Esquimalt. He said that this resolution might have been separated into two parts, but he knew of no good or sufficient reason why the Government should make any objection to it as it was drawn. The House would recollect that last year, notwithstanding the fact that the Governor-General had visited British

Columbia, and notwithstanding the fact that despatches had passed between the Government of British Columbia and the Imperial Government—and he presumed that despatches had passed from this Government to the Imperial Government—they had had no copy whatever of the despatches which had passed with regard to the position of the Dominion Government respecting the Canadian Pacific Railway; that was, so far as the settlement of the difficulty relative to British Columbia was concerned. They had had a despatch, however, he believed, from the Imperial Government, which had been communicated to the House, and the hon. the Premier had last Session stated that the Government were in possession of no despatches, leaving the House to infer that His Excellency the Governor-General had taken the business of settling the British Columbia difficulty apparently out of the hands of his responsible advisers, and had done as he thought proper in the matter. In other words, they were to assume that the despatch of His Excellency the Gover-

nor-General last year was sent either with or without the consent of his Ministers. Now, there was a point in that connection that might be discussed. It was not his wish, however, to deal with it at the present moment. All he asked for under the first head was that all the despatches between the Imperial, Dominion and Provincial (British Columbia) Governments should be at a very early day placed before the House, in order that the House might intelligently discuss the question of the Canadian Pacific Railway. The next point would occupy a little more of the time of the House, and, in order that he might place it intelligently before the House, he craved its indulgence. He asked, in this regard, for a copy of all the correspondence that had taken place, in 1877 and 1878 between the said Governments, respecting the Graving-dock at Esquimalt. Some correspondence on this subject could be found in the Sessional Papers of this House, and some in the Sessional Papers of the Province of British Columbia. He would state the case briefly, from the commencement. The Government of the Dominion, led by the right hon. gentleman who now led the Opposition, agreed with British Columbia to aid it in the construction of this dock. The hon. gentleman who led the Government of to-day, also confirmed that agreement. The aid was to be given as a bonus by both Governments. The members of the late Government had agreed that it was to be a bonus; and the hon. the leader of the present Government said he would strictly carry out what the late Government had agreed to perform; but, in that respect he (Mr. Mackenzie) had not done so. As he (Mr. DeCosmos) understood it, and as the Province of British Columbia understood it, the hon. the leader of the present Government had violated a plain and distinct bargain. He made this brief statement at present with the view of preparing the House for what he intended to lay before it, and then hon. members would be able to see how this question stood. The first point to which he would draw the attention of the House was that, in the 1873 Session of the Legislature of British Columbia, he moved the following resolutions:—

“Resolved—That Article 12 of the Terms of Union between this Province and the Dominion of Canada provides for the construction of a first-class Graving Dock, in the following words: ‘The Dominion Government shall guarantee the interest for ten years, from the date of the completion of the works, at the rate of five per centum per annum of such sum, not exceeding £100,000 sterling, as may be required for the construction of a first-class Graving Dock at Esquimalt.’

“That the Terms above specified were adopted in the full belief that the proposed guarantee would be sufficient to secure the construction of the dock by private enterprise.

“That although tenders have been publicly invited in England, Canada, and the United States, yet none have been received since the close of last Session of the Legislature.

“That only one tender had been received previous to the close of last Session, and that the Legislature refused to accept.

“That, from trustworthy information, it is certain that the guarantee for the construction of the Graving Dock is not sufficient to induce private enterprise to engage in the undertaking.

“That it is highly desirable, from a naval and mercantile point of view, that the Graving Dock should be constructed without delay.

“That Article 9 of the Terms of Union states—‘That the influence of the Dominion Government will be used to secure the continued maintenance of the naval station at Esquimalt.’

“That the construction of the dock would be a powerful inducement to Her Majesty’s Government to continue Esquimalt as a naval station; and that the continuance of Her Majesty’s ships in the waters of British Columbia would contribute most materially to preserve peace between the white population and Indians, and by that means save to the Dominion Government large sums that might otherwise be expended in suppressing Indian outbreaks.

“That the Graving Dock partakes more of a National and Federal than of a Provincial character. This is especially the case in view of the necessity of a first-class dock for the repair of Her Majesty’s ships in the North Pacific, and also in view of the early construction of the Canadian Pacific Railway, and the consequent development of an extensive trade carried on in steamships and sailing vessels of the largest class, between China, Japan and Australasia on the one side, and British Columbia on the other.

“That, as the true intent and spirit of Section 12 of the Terms of Union was to secure beyond a doubt the construction of the dock, and as the guarantee in Section 12 is insufficient, this House respectfully recommends His Excellency the Lieutenant-Governor to secure its construction without delay, on one of the following conditions:—

“1.
sterlin
ten ye
tum p
“2
crease
ment
“3.
this P
lieu o
Term
Gover
of the
These
of su
late
respec
and th
the T
ceede
subjec
Gover
\$250,0
but ha
again
was v
comm
Gover
for the
every
guaran
prise v
tions v
they
in lieu
words,
certain
guaran
that t
before
with t
to gran
money
It wou
ments,
ask a l
of thos
to the
the ho
Lange
words:
“The
Terms
was to
first o
insuffi
constru
pay to
than \$2
That l
of Pub

the Terms of Union and the for the con- g Dock, in the ion Govern- erest for ten plation of the centum per ling £100,000 for the con- vng Dock at

pecified were to the proposed to secure the private enter-

been publicly a, and the been received of the Legis-

been received Session, and accept.

formation, it is the construc- ot sufficient to engage in the

, from a naval view, that the ructed without

Terms of Union of the Domi- d to secure the naval station

the dock would Her Majesty's equimant as a continuance of ters of British most materially white popula- means save to t large sums pended in sup-

partakes more of a Provincial ly the case in first-class dock esty's ships in so l. view of the Canadian nsequent devel- e carried on in ls of the largest and Australasia Columbia on the

and spirit of Sec- on was to secure tion of the dock, ion 12 is insuffi- ally recommends ant-Governor to ut delay, on one

"1. To increase the guarantee in £100,000 sterling from five per centum per annum for ten years, to £120,000 sterling at 7½ per centum per annum for twenty-five years.

"2. In lieu of the present or proposed increased guarantee, the Dominion Government to construct the dock.

"3. The Dominion Government to grant to this Province such sum of money in cash, in lieu of the guarantee in Section 12 of the Terms of Union, as may enable the Provincial Government to undertake the construction of the dock."

These resolutions were really the basis of subsequent negotiations with the late and the present Government respecting pecuniary aid for the dock, and they were based on Section 12 of the Terms of Union. Before he proceeded to quote other authorities on the subject, he might state that the present Government refused to give the \$250,000 as a bonus to the Province, but had offered to charge it as a debt against the Province. The next point was that there never were any communications with the Dominion Government asking it to loan money for the construction of the dock; but, in every case, after it was found that the guarantee of interest to private enterprise was insufficient, the communications with the Government were that they would grant a certain sum in lieu of the guarantee, or, in other words, pay to the Province a certain sum in lieu of that guarantee. It would be observed that those resolutions were passed before any communication was had with the late or present Government to grant to that Province such sum of money in cash in lieu of the guarantee. It would be observed, from those statements, that they had no intention to ask a loan. In 1873, after the passing of those resolutions, he wrote a letter to the then Minister of Public Works, the hon. member for Charlevoix (Mr. Langevin), in which were these words:—

"The intention of the negotiations of the Terms of Union, as you doubtless well know, was to secure the construction of a dock—first class. The guarantee, however, is insufficient, hence I advise you either to construct the dock at Dominion expense, or pay to us a lump sum of money of not less than \$250,000."

That letter, written to the ex-Minister of Public Works, in September, 1873,

showed that the question of borrowing money, or taking money as an advance to be charged against the debt of the Province, never was entertained by the Provincial Government. In the autumn of 1873, he came to Ottawa, opened negotiations with the late Government, and, in the absence of the hon. the Minister of Finance, he carried on negotiations with the hon. the member for Charlevoix, then the Minister of Public Works, with respect to this dock. When the hon. the Minister of Finance returned, it was arranged that the sum of \$250,000 should be granted to the Province to aid in the construction of the Graving Dock, and that in lieu of the guarantee to which they were entitled under the Terms of Union. He would read for the information of the House a letter of the hon. the ex-Finance Minister, addressed to himself on that subject:—

"OTTAWA, Nov. 3, 1877.

"DEAR SIR,—With respect to the conversation I had with you respecting the Dominion aid towards the Graving Dock, and your application to the Minister of Public Works upon the subject, I have consulted my colleagues, and we are prepared to submit to Parliament a formal proposition to the following effect: That in lieu of the interest of £100,000 for ten years, which was secured by the 12th Section of the Order in Council dated July 1st, 1871, we propose that advances should be made to you from time to time, upon certificates of the progress of the work, not on the whole to exceed £50,000 sterling.

"I have, &c.,

"S. L. TILLEY.

"To Hon. A. DeCosmos, M.P."

It would be seen from that letter that the Finance Minister of that day understood that the \$250,000 as to be paid to the Province from time to time, as a gift or grant, and not charged against the debt of the Province. The Ministry of that day retired, and the hon. gentleman who now leads the Government formed the present Administration. As his (Mr. DeCosmos') mission at that time was both to the Dominion and to England with regard to the dock, he considered it his duty, before going to England, to obtain the confirmation of the present Government to the agreement he had made with the late Government. He found, at the outset, that

they called in question the nature of the guarantee. He communicated, he believed, first, semi-officially with the hon. the Minister of Marine and Fisheries, and next, he thought, with the hon. the Premier, and after the question as to whether the Province was bound to pay back any sum of money advanced on that guarantee or not, it was decided, as the House might fairly infer from the following statement in his report, that the guarantee mentioned in the Terms of Union, could not be made a charge against the Province. In his report, drawn up on his return to British Columbia, dated 2nd February, 1874, the words were as follows:—

“As a matter of record, it may here be stated that the nature of the guarantee in Section 12 of the Terms of Union respecting the Graving Dock, was considered during the negotiations with Mr. Mackenzie, and that the decision was that the £50,000 sterling in lieu of the guarantee of interest, in Section 12 of the Terms of Union, should be given to the Province as a grant or bonus, and was not to be charged as a debt against the Province.”

In order to go to the Imperial Government with a confirmation from the new Dominion Government, he communicated with the present Premier, and he agreed also to grant the \$250,000 in aid of the Esquimalt Graving-dock. The question of the repayment of this money, or of charging it against the debt, was not a part of that agreement in any shape, way, manner or form; and he believed he could conclusively show the House, outside of the letter he now intended to read, that such was the case. He would read the letter from the Premier to himself:—

“OTTAWA, 14th Nov., 1873.

“MY DEAR SIR,—With reference to the proposal you submitted on behalf of the Government of British Columbia, viz., to advance £50,000 to aid in the construction of a Graving Dock at Esquimalt, in lieu of the guarantee of interest at five per centum on £100,000 for ten years, provided by the Terms of Union, I have to say that any change in the mode of aiding in the construction of this work, from that agreed to, will require the sanction of Parliament.

“I can only say, at present, that the Government will submit a measure to Parliament to carry out your proposal, or some scheme equivalent thereto.

“I am, &c.,

(Signed), “A. MACKENZIE.

“Hon. A. DeCosmos.”

They had in that letter a statement from the head of the Government that he would submit a measure to Parliament to carry out his (Mr. DeCosmos') proposal. His proposal did not ask for a loan to assist the construction of the Graving Dock. His proposal to the Government, dated 29th October, 1873, stated:—

“I (the Province) proposes therefore to construct the dock if the Dominion Government will pay to the Province the sum of \$250,000 in lieu of the guarantee provided under Section twelve of the Terms of Union.”

There was nothing whatever in this proposal which authorized the Government to interpret it as an application for a loan. He might go beyond that. Here was another proof that in the negotiations, so far as he was concerned, there was no reference whatsoever to a loan:—

“OTTAWA, Nov. 11, 1873.

“British Columbia Representatives to the Hon. A. Mackenzie:

“Sir,—We fully agree with the proposal of the late Government to ask Parliament to grant to British Columbia £50,000 sterling, in lieu of the guarantee under the Terms of Union, for the construction of a first-class Graving Dock at Esquimalt, and now have the honour to say that, if the same be submitted by the present Government to Parliament for its sanction, it will receive our undivided support.

“We have, &c.,

(Signed), “A. DeCosmos,
“E. DEWDNEY,
“J. S. THOMPSON,
“R. W. W. CARRALL,
“H. NATHAN,
“H. NELSON.”

This was an additional authority showing the intention of the agent of British Columbia to ask for a grant, and not for an advance. Sometime later he wrote two letters to the Minister of Finance, asking when the Government would be prepared to bring forward a measure in respect to the Graving-dock, and he also had, at interview with the Premier on the subject. The latter brought in some resolutions on the subject, but, when these resolutions were before the House, and when the Bill was framed, he (Mr. DeCosmos) found there was a clause added by which it was proposed that this money should be charged against the debt of the Province. He immediately remonstrated with the hon. the Premier against putting a new face upon the agreement with the Province, or, in other words, for havin

violat
this cl
be ve
words
see w
Bill, a
“I
the rat
years
such s
may be
class G
by the
Council
into th
time to
the Co
structi
cates c
vances
and to
of the
able to
After
after I
bia ha
the
part o
vince
to it,
final
mier
Britis
to ear
to do
that M
had t
advan
DeCos
Mr. I
left
of wh
agree
hon.
anyth
mone
wrote
(Mr.
Publi
ley, o
ex-Fi
negot
lief t
facts
agree
Gravi
Gove
would
mone
progr
tion o
Tilley

a statement
ernment that
ure to Parlia-
r. DeCosmos')
did not ask for
ruction: of the
proposal to the
October, 1873,

therefore to con-
nion Government
sum of \$250,000
provided under
of Union."

atever in this
the Govern-
n application
beyond that.
f that in the
he was con-
ference what-

Nov. 11, 1875.

statives to the

the proposal of
liament to grant
sterling, in lieu of
as of Union, for
s Graving Dock
the honour to say
by the present
r its sanction, it
port.

OSKOS,
DNEY,
OMPSON,
W. CARRALL,
HAN,
SON."

al authority
the agent of
for a grant
s. Sometime
atters to the
ing when the
prepared to
in respect to
e also had, at
emier on the
ught in some
ect, but, when
before the
It was framed
d there was
t was proposed
d be charge
Province. He
ted with the
nst putting
ment with the
rds; for havin

violated the agreement; and at last this clause was struck out. It might be well for him to read the exact words, so that the House might clearly see what it was. The first part of the Bill, as introduced, read in this way:—

"1. In lieu of the guarantee of interest at the rate of five per centum per annum for ten years from the completion of the works, on such sum as not exceeding £100,000 sterling, as may be required for the construction of a first-class Graving Dock at Esquimalt, as provided by the terms of the Order of the Queen in Council for the admission of British Columbia into the Union, advances may be made from time to time, by the Governor in Council, out of the Consolidated Revenue Fund, for the construction of such Graving Dock, upon certificates of the progress of the work; such advances not to exceed, in the whole, \$250,000, and to be considered as part of the indebtedness of the Province in calculating the subsidy payable to it."

After making his remonstrance, and after hon. members of British Columbia had also remonstrated against it, the clause: "And be considered part of the indebtedness of the Province in calculating the subsidy payable to it," was struck out, and the Bill was finally passed. But the hon. the Premier had said to the hon. members for British Columbia that he was prepared to carry out what Mr. Tilley had agreed to do. The hon. the Premier stated that Mr. Langton, the Auditor-General, had told him that it was only to be an advance, and not a bonus. He (Mr. DeCosmos) denied the correctness of Mr. Langton's assertion, and it was left to be settled on the basis of what the late Government had agreed to do. Finding that the hon. the Premier was unwilling to do anything in the shape of granting that money as a bonus to the Province, he wrote to the hon. member for Charlevoix (Mr. Langevin), the ex-Minister of Public Works, and also to Governor Tilley, of New Brunswick, who was the ex-Finance Minister, with whom he had negotiated, with the full and firm belief that, if those gentlemen stated the facts to the present Ministry of the agreement, with respect to the Graving-dock, made with the late Government, no objection whatever would be taken to the payment of this money from time to time as the dock progressed. He would draw the attention of the House to the reply of Mr. Tilley:—

"GOVERNMENT HOUSE,
"FREDERICTON, 28th May, 1874.

"DEAR SIR,—In reply to your communication of the 23rd inst, I beg to state that the £50,000 sterling agreed to be advanced to the Government of British Columbia towards the Graving Dock, was in lieu of the facilities secured for that purpose under the Terms of Union. I cannot see how there could be any misunderstanding in the matter, as my letter of the 3rd November, 1873, appears sufficiently definite, and the Act just past cites the conditions in the first section

"I have the honour to be, dear Sir,
"Yours faithfully,

"S. L. TILLEY.

"To Hon. A. DeCosmos, M.P."

In order to give additional evidence to the present Government that the meaning of the evidence, and the intention of the late Government was to grant the money as a bonus, he sent the following telegram:—

"OTTAWA, 2nd June, 1874.

"Your letter of May 28th and telegram of May 29th, received, and I understand them to mean that the £50,000 sterling, promised to be advanced in aid of the construction of a Graving Dock at Esquimalt, was to be a gift to British Columbia in lieu of Section 12 of the Terms of Union. Is that your meaning?"

(Signed,) "A. DeCosmos.

"To His Excellency Governor S. L. TILLEY,
Fredericton, N.B."

Here was the reply:

"ST. ANDREWS, 3rd June, 1874.

"£50,000 sterling was not to be charged to debt, but given in lieu of guarantee Graving Dock. Thought my letter explicit.

(Signed,) "S. L. TILLEY.

"To Hon. A. DeCosmos."

This settled the point that so far as the action of the late Government, through the ex-Finance Minister, was concerned, the intention was that this \$250,000 should be paid to the Province as a gift, and was not to be charged against the debt of the Province. The next letter he would read, confirming this position, was a letter addressed to himself by the hon. the ex-Minister of Public Works—the member who was now on the floor of this House, the hon. member for Charlevoix:—

"QUEBEC, 1st June, 1874.

"MY DEAR MR. DeCOSMOS,—Your letter of the 29th of May has just reached me. In answer, I have no hesitation to say that the Government to which I belonged promised to grant to British Columbia, as a bonus, the sum of £50,000 sterling in lieu of the guarantee contained in the 12th Section of the Terms

of Union. We were convinced that British Columbia could not build their Graving Dock with that guarantee; and inasmuch as the intention of both parties to the Terms of Union was to secure that Graving Dock, we thought it but just to replace it by such a sum as would secure it to your Province, British Columbia and Great Britain contributing their share, or British Columbia supplementing the balance. Of course this sum of £50,000 sterling was not to be an advance of money, but a bonus in place of the guarantee. We knew we would have to obtain the sanction of Parliament to such an arrangement, and we told you we would do so. I am very positive about these negotiations, inasmuch as I was conducting them, chiefly, previous to the return of Mr. Tilley from England. I hope the above will prove satisfactory, and remain, my dear Mr. DeCosmos,

"Yours very truly,
"HECTOR L. LANGEVIN.

"Hon. A. DeCosmos, M. P."

If further proof were wanting, he believed that it could be had; but here, on the evidence of two witnesses, he thought he had established conclusively that the agreement of the late Government was to pay \$250,000 to the Province of British Columbia to aid in the construction of the Graving-dock. The hon. the Premier having agreed, in the presence of the members of British Columbia, that he would do what Mr. Tilley had agreed to do, afterwards violated that agreement by refusing to pay the money over to the Province to enable it to construct the dock. Five years, nearly, had elapsed since these negotiations were entered into, and had the Government kept faith with the Province, the dock, instead of being only started—a mere coffer-dam only being now in the course of construction—would have been completed, and Her Majesty's ships of war might have been docked there. It might have been used as a implement of defence in case of war between the Imperial Government and Russia or any other country, and as a nucleus for a colony of ship-builders. The money expended would have given employment to a considerable number of men, and thereby increased the revenue derivable from Customs and Excise by this Dominion; but, as it was, this great work, one of the Terms of the Union, was now practically in abeyance. In going a step further, he wished to direct the attention of the House to a report of the

Committee of the hon. the Privy Council of 29th May, 1876, in which the Minister of Finance was credited with using the following language:—

"The hon. the Minister of Finance, under these circumstances, advises that the Government of British Columbia be informed that, in the opinion of this Government, the first section of Chapter 17, 37 Victoria, only contemplates an advance of certain moneys, and that it is not in the power of the Government of the Dominion to make a gift of the sum of \$250,000, as would appear, from the preceding telegram, to be expected by the Government of British Columbia."

From this, they found that, in 1876, the Government having in its possession undoubted evidence of the agreement with the late Government, for he sent the letters he received from the hon. member for Charlevoix, and the present Governor of New Brunswick, to the Government, and copies were taken of them—interpreted the first section of Chapter 17, Victoria 37, to mean merely an advance and not a bonus to the Province; again, showing that the hon. the Premier—instead of carrying out his deliberate agreement made on the floor of the House with the hon. members for British Columbia, when the Bill was passed—again concurred in violating the agreement between British Columbia and the Dominion. He had further evidence in his possession as to the views entertained by the Government, with respect to that sum of money. He intended to show what the opinion of the leader of the Government was with respect to the Dock in February, 1874, before any difficulty had arisen between the Government of British Columbia and the Dominion with respect to the construction of the railway. He would read to the House a telegram received from the hon. the Minister of Public Works, to whom he had sent a telegram, asking him to telegraph a copy of the ex-Finance Minister Tilley's letter to him (Mr. DeCosmos) respecting the dock, which had been mislaid here at Ottawa, in the hon. gentleman's office he believed, before his return to British Columbia. To that telegram he received the following answer from the Minister of Public Works:—

"OTTAWA 6th, Feb., 1874.

"Your telegram went astray. Government offer is to pay (\$25,000) two hundred and fifty

thousand
lien of gu
That wa
as to th
tween th
and the
1874. I
and giv
tive of t
Graving
discharg
stituents
Columbi
trusted
ornment
reparati
Columbi
committe
agreeme
1873. H
would c
papers c
Mr. H
incumb
motion,
the Gov
British
and he s
the ear
made th
struction
cording
award.
had been
terms of
Columbi
had not
of fair p
from B
thanks
resource
was be
worked,
in the
bia, an
not ca
whether
their pr
that gr
Through
British
that w
stances,
by their
people c
had a r
were it
Pacific

Privy Council
which the Min-
d with using

finance, under
at the Govern-
informed that,
ment, the first
ria, only con-
n moneys, and
e Government
of the sum of
m the preced-
y the Govern-

in 1876, the
its possession
e agreement
, for he sent
om the hon.
nd the pre-
runswick, to
s were taken
first section

37, that mean
ot a bonus to
owing that
ead of carry-
ement made
with the hon.
mbia, when
n concurred
ent between
e Dominion.
n his posses-
ertained by
pect to that
ided to show
leader of the
pect to the
before any
pen the Gov-
bia and the
to the con-

He would
ram received
er of Public
sent a tele-
aph a copy of
liley's letter
pecting the
s laid here at
oman's office
rn to British
gram he re-
fer from the
:—

h, Feb., 1874.
Government
ndred and fifty

thousand dollars, as dock work progresses, in
lieu of guarantee provided by Terms of Union.

(Signed) "A. MACKENZIE."

That was final and conclusive evidence
as to the understanding existing be-
tween the Province of British Columbia
and the Dominion on the 6th February,
1874. Having explained this matter,
and given to the House a brief narra-
tive of the negotiations respecting the
Graving Dock, he considered he had
discharged his duty, alike to his con-
stituents, to the Province of British
Columbia and to the Dominion. He
trusted the hon. the leader of the Gov-
ernment would find occasion to make
reparation to the Province of British
Columbia for the great wrong he had
committed in not carrying out the
agreement made with it in November,
1871. He trusted also the Government
would consent to bring down the
papers called for in this motion.

Mr. BUNSTER said he felt it a duty
incumbent upon him to second the
motion, inasmuch as His Excellency
the Governor-General, when he visited
British Columbia, promised faithfully,
and he supposed His Excellency had
the ear of the Government when he
made that statement, that railway con-
struction should be commenced, ac-
cording to the terms of the Carnarvon
award. This promise, he might add,
had been made in his own presence. The
terms of the treaty under which British
Columbia had entered the Dominion
had not been carried out in that spirit
of fair play which would be expected
from British statesmen. However,
thanks to one of the great natural
resources of the Pacific Province, which
was being rapidly developed and
worked, a change had taken place
in the prospects of British Colum-
bia, and the people there did
not care so much as formerly
whether British statesmen carried out
their promises or not, as the future of
that great country was now assured.
Through their faith in the Dominion,
British Columbia had lost a railroad,
that would, under similar circum-
stances, have been built years ago
by their American neighbours. The
people of British Columbia would have
had a railway running past their doors
were it not for the way the Canadian
Pacific Railway had been villified by

one party and ignored by the other. It
was the first time in history that any-
thing had been said against British en-
terprise; but it was owing to the failure
of British enterprise that to-day they
were without a road. If British Colum-
bia had not entered the Confederacy of
Canada, they would have been in a po-
sition to make treaties with the Ameri-
cans to bring their railroads to British
Columbia, which had been fully their
intention. It was well known the
Americans wished to get hold of British
Columbia; but, having much British
blood in their veins, the people of
British Columbia preferred to ally
themselves to Canada and stand by the
old flag. Had Canada been true to
her promises? He could only reply
no. Three hundred British citizens
had been swept away in a moment
through the wreck of a tub of a steam-
boat, indirectly occasioned by the
want of a railroad, for, if the American
railroad had been built, there would
have been no necessity for a steam-
boat, and they would not have had
widows and orphans left on their
hands. The loss of that vessel and so
many lives was one which could not
be compensated by the building of the
Canadian Pacific Railroad, which was
a mere myth in comparison. All that
was required to build the Pacific
Railroad was brains and intelligence.
The increase in the value of the public
domain would more than cover the
cost of building the road. The Gov-
ernment was too cautious, too much
afraid of going into debt. That was a
mistake. English capitalists loaned
money to the South American Republics
for railroad speculation in the United
States, and never got a cent in
return, either in capital or interest.
We had a good country; there was
plenty of money in England to buy
the steel rails, and sufficient labour to
build the road, and all that was re-
quired was pluck, enterprise, and
energy on the part of the Canadian
Government to go on with the road.
The population would follow. They had
had a good example already in some
of the Western States of the American
Union, where the people were now
bringing water to fertilize their lands
from thirty to forty miles distance, at
an expense of millions of dollars, and yet

were well repaid for their labour and expenditure. And they were sending their cereals to Europe from that heretofore barren desert. Canadians would not awake to the advantages they had over and above the Americans, among them being two days and nine hours gain in time from China to Liverpool by the Canadian route. They would not awake to the importance of the country. He declared without fear of contradiction, that they had allowed their neighbours to get ahead of them and they (the Americans) knew it and boasted of it. Had the Dominion developed its own resources, they would not to-day see five hundred thousand Canadians seeking employment in another country, when their own country owned a better domain. In connection with that question, some members had seen fit to state that the members from British Columbia had tried to monopolize the time of the House. That he denied emphatically. He thought the spirit of the members from British Columbia had been to utilize the time of the House in the interests of the Dominion at large, to show the resources of the country, and no one could fail to acknowledge that British Columbia, with her great and enduring resources, was anything less than a jewel of great price to Canada and the Empire. She possessed greater and more valuable resources than the whole of the Dominion combined, whether they considered her lumber, coal, agricultural or mineral resources, her seas teeming with fish, her numerous harbours or her general climate.

MR. KIRKPATRICK: And her members.

MR. BUNSTER said her members would compare favourably with the members of any Parliament. Her members came here to demand the rights granted to British Columbia under treaty, which remained unfulfilled. If they were pertinacious on that point, it was through a sense of duty, feeling that the treaty with British Columbia had not been carried out according to the spirit or letter of the law, a fact which had grieved the people much. There were many members and others in British Columbia

who could argue the case better than the representatives in this House, especially himself. When they had entered into a solemn treaty, and sacrificed thereby their own interests—sacrificed railroads offered them by other countries, the privilege of making treaties with other countries,—they certainly had a right to ask of the Dominion Government that it should carry out a portion of the treaty, at least when the Government had sent steel rails to their shores and piled them up, and then said they were not going to utilize them in the line of railroad for which those rails were intended, when they had reserved lands and thereby excluded immigration to these lands; when emigrants, as good Britishers as ever landed in Canada, were obliged to go to other shores to seek a home,—the people of British Columbia had a right to feel aggrieved. The Dominion had not built the road, and the rails were still lying unused, deteriorating in value more than if laid down on the line. The Government lands would have paid four times over the expense of building the road even according to the prices obtained for the lands at public auction. Emigrants could not settle on the lands reserved by the Dominion Government, under contract; and yet the hon. the Premier did not acknowledge the contract. Nevertheless, the contract existed. Emigrants who had been induced to come to the shores of British Columbia had been obliged to emigrate again to Washington Territory, Oregon, and elsewhere, owing to not being allowed to settle on those reserved lands. Every fair-minded person could not but acknowledge that it was a deplorable state of affairs. The Government should take hold of this national highway, and by it unite Canada from coast to coast. He was satisfied the Government could carry it out, if they would only try, and, if they did not, he could only repeat what he had stated on other occasions, that some else would.

Motion agreed to.

ALASKA BOUNDARY LINE.

MOTION FOR REPORT.

MR. DECOSMOS moved for a copy of the report, with accompanying

me
ple
pr
Co
co
the
Br
bou
thi
the
hor
of
So
was
this
pre
win
The
cite
peo
lod
side
here
near
crea
unpl
coun
conn
Stig
urta
the
mine
limit
dicti
the A
oppo
River
men
the S
amou
worth
drew
and e
of Cu
paid a
of acc
could
stater
captai
By th
even
ments
Ameri
Colum
if the
Hunte
Gover
and a
there,

map, of the engineer who was employed last year in determining the probable boundary line between British Columbia and Alaska, and also a copy of his instructions, with a copy of the treaty or convention between Great Britain and Russia respecting the said boundary. He said he considered that this information ought to be placed in the Sessional Papers, to give every hon. member of this House a clear idea of our relations with the United States, so far as the boundary line of Alaska was concerned. It was necessary that this boundary should be defined, to prevent a conflict in the civil and criminal jurisdiction of the two countries. There was at this moment a great excitement in British Columbia with respect to mining, and valuable quartz lodes had been found on the Alaska side of the boundary. If, at any time hereafter, quartz lodes were found near the supposed boundary, it might create more or less excitement of an unpleasant character between the two countries. It was necessary that, in connection with the boundary, on the Stickeen River more particularly, an arrangement should be made between the two Governments to determine a certain point as the limit of their respective jurisdictions. He was assured that at the American town of Wrangel, situated opposite the mouth of the Stickeen River in Alaska, sales were made to men employed on the British side of the Stickeen during the year, to the amount, in round numbers, of \$100,000 worth of merchandize. When he drew the attention of the Government, and especially of the hon. the Minister of Customs, the other day, to the duties paid at Stickeen, it was with the view of ascertaining whether some evidence could be obtained to corroborate the statement made to him by steamboat captains as to the trade on the Stickeen. By the non-definition of the boundary, even temporarily, by the two Governments, this trade was thrown into American hands instead of into British Columbia hands. He was assured that, if the boundary proposed by Mr. Hunter who was sent there by the Government last year, were adopted, and a Custom house station placed there, Canadian steamships would

proceed there, and the miners who visited them during the winter season, would make their headquarters on the British side of the line. As the matter was now, they were really contributing to build up the American side and to the support of American steamers passing from Portland to Alaska and carrying Oregon produce, instead of British steamers which might pass through the mouth of the Stickeen into British Columbian territory. He hoped the Government would bring down Mr. Hunter's report and maps, and any additional information, which would show the outline of Alaska in front of British territory, the inland included.

Mr. BUNSTER, in rising to second this motion, said it would have afforded him much greater pleasure if the motion had been for the purchase of Alaska. Hon. gentlemen might laugh, but looking at the matter from a national point of view, he fully meant what he said, from his knowledge of the country, that the territory of Alaska possessed a more genial climate than Ottawa, notwithstanding its latitude, while its natural resources and capabilities were more valuable than people had any idea of. As early as the months of January and February, gardening operations were commenced. He questioned very much if they could do that in Ottawa. Vegetation was rapid during the summer season; but he must acknowledge not so rapid as here at the Capital. When hon. members of this House sneered at Alaska, he had a right to speak from his own personal knowledge, and tell them they were mistaken; and the day was not far distant when, from the geographical position of this country, they would see the force of his remarks on this subject. They could not but recognize the great fact, that British Columbia was the centre of the British Empire, between Australasia, Europe and Canada. Hence, he felt that that Province occupied a proud position; and that it was the duty of every British Columbian to keep his fellow countrymen here well informed on British Columbia. He remembered when Sir John A. Macdonald brought British Columbia into the Union, much to her detriment, because the contract

etter than
is House,
they had
reaty, and
own inter-
fered them
privilegio
r countries,
right to
Government
portion of
he Govern-
their shores
n said they
m in the line
e rails were
served lands
migration to
nts, as good
in Canada,
er shores to
s of British
l aggrieved.
ilt the road,
ying unused,
more than if
The Govern-
ed four times
ing the road
ices obtained
ction. Emi-
the lands re-
Government,
the hon. the
edge the con-
tract ex-
had been in-
es of British
d to emigrate
tory, Oregon,
to not being
ose reserved
person could
t it was a de-
The Govern-
this national
Canada from
satisfied the
t out, if they
they did not,
what he had
s, that some

Y LINE.

at.
ed for a copy
accompanying

was not carried out, that it was considered a foolish bargain; but to-day the Americans felt proud of their Alaska bargain. Seven millions in cash were paid for that, but not a dollar was paid for British Columbia. Let the House contrast the difference, and see what a mistake Canada made during the Crimean war, in not laying hold of that country. The lease of Alaska was more than enough to pay one million dollars annually. It was the best investment the United States had ever made.

MR. MACKENZIE: Mr. Speaker, this question raised by the hon. gentleman behind me, is one of a great deal of importance. I would suggest to him that he make his motion a little wider. The motion, as it is framed, simply calls for the report of Mr. Hunter, a civil engineer sent on an exploratory survey, to determine, as far as his intelligence and information enabled him to do so, the true boundary line according to the Russian Convention of 1825; but we have had a good deal of correspondence on this subject, of an official character, with the United States Government, and some questions arose in connection with the navigation of the Stickeen River, which is affected to some extent by the Treaty of Washington. I think it is desirable that the hon. gentleman should widen his motion in this sense, adding the following words: "And also such other papers as relate to the defining

of the boundary line between Alaska and British territory, and the navigation of the rivers passing from British Columbia through Alaska to the sea." We will thus be able to place a collection of papers in consecutive order, which will show the position in which this matter stands at the present time. I may say that we have made every effort to get a settlement of this question, and took the necessary means to do so; but there seems to be some difficulty on the part of the United States in obtaining an appropriation from Congress sufficient to accomplish the purpose desired. We then endeavoured to obtain a definition of the boundary at points of common interest, such as the crossing of the Stickeen River; and this we failed in accomplishing in consequence of the difficulty experienced, apparently, in Washington, in obtaining money from Congress to devote to this object. As a matter of public interest, I think it desirable that, if any return at all is made to this motion, the return should be as complete as possible, so as to make the papers, when printed, a work of reference on the subject for the future. If the hon. gentleman will consent to this amendment, I will be very glad to have the papers made as complete as possible.

MR. DECOSMOS said he was perfectly willing to accept the amendment suggested by the hon. the Premier. Motion, as amended, agreed to.

ween Alaska
the naviga-
from British
to the sea."
ice a collec-
tive order,
on in which
esent time. I
made every
of this ques-
ry means to
be some diffi-
the United
ppropriation
to accom-
We then
inition of the
non interest,
he Stickeen
d in accom-
of the diffi-
arently, in
money from
s object. As
t, I think it
urn at all is
return should
ble, so as to
printed, as
e subject for
gentleman
dment, I will
papers made
ho' wife per-
e amendment
Premier
eed to.

