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DEBATES  
OF  
THE SENATE  
OF THE  
DOMINION OF CANADA.

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REPORTED AND EDITED BY A. M. BURGESS.

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THIRD SESSION—THIRD PARLIAMENT.



OTTAWA :  
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1876.



# THE SENATE.

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# Debates and Proceedings

OF THE

# SENATE OF CANADA,

IN THE

THIRD SESSION OF THE THIRD PARLIAMENT OF THE DOMINION OF  
CANADA, CALLED FOR THE DESPATCH OF BUSINESS ON THE  
10TH DAY OF FEBRUARY, 1876.

## SENATE.

THURSDAY, Feb. 10, 1876.

This day at three o'clock p.m., His Excellency the Governor General proceeded in State to the Chamber of the Senate, in the Parliament Buildings, and took his seat upon the Throne. The members of the Senate being assembled, His Excellency was pleased to command the attendance of the House of Commons, and that House being present, His Excellency was pleased to open the Third Session of the Third Parliament of the Dominion of Canada with the following

### SPEECH FROM THE THRONE.

*Honourable Gentlemen of the Senate :  
Gentlemen of the House of Commons :*

I have much pleasure in again calling you together to attend to the business of the country.

Since you last assembled it has been my happiness to visit the Mother Country, and to have had the opportunity while there of calling public attention to the remarkable progress of the Dominion, and of giving expression to the feelings of attachment to the person of Her Majesty

and the interests of the Empire which animate the Canadian people.

The great depression which has prevailed throughout neighbouring countries for several years, and which has more recently been felt in the Old World, causing a general stagnation of business, has extended to Canada, and has seriously affected our trade. At the same time, we have reason to be grateful for an abundant harvest; and while I deeply regret the suffering which exists among certain classes, and in particular localities, I believe nevertheless that the great bulk of our people continue to enjoy a condition of reasonable prosperity.

I am happy to be able to congratulate you on the fact that the great railway undertaking, connecting the former Province of Canada with the Maritime Provinces, provided for by the Act of 1867, is approaching completion. Early in the coming summer, the small portion of the Intercolonial line not already in operation will be opened, when the connection with other systems of railway will be formed, so as to enable passengers and traffic to pass over continuous lines of railway from Halifax to St. John to the extreme Western railways of Ontario.



The opening of the Prince Edward Island Railway during the past year marks an epoch in the history of that Island, and cannot but exert a beneficial influence on the people, and add to their material prosperity.

Every effort has been made to obtain an early settlement of the claims of Canada for compensation for the use of her Fisheries by the United States, as provided by the Treaty of Washington. Her Majesty's Government in the early part of last summer, at the instance of my advisers, appointed the British Commissioner, but I regret to have to state that the United States Government have not yet appointed a Commissioner, and that consequently no progress has been made.

I have given effect to the Supreme and Exchequer Court Act of last Session by issuing the proclamation, and by appointing the Judges and officers of the Court.

A Bill to simplify and amend the law relating to Common Carriers will be submitted for your consideration.

A Bill will be brought before you containing provisions for affording greater security to policy holders in Life Assurance Companies.

The want of reliable and systematised information relating to the several classes of crime and the importance of collecting and classifying criminal statistics have engaged my attention. A Bill will be introduced to provide for what is most essential in this direction.

You will be asked to make provision for the commencement of the work of consolidating the statute law.

The Acts relating to the enfranchisement of Indians and the management of Indian affairs have been fully considered, and steps have been taken to ascertain the views of the Indians themselves. A measure on this subject will be submitted for your approval.

A measure will be introduced to provide for the better administration of the estates of insolvent banks.

*Gentlemen of the House of Commons:*—

The accounts for the past and the estimates for the next financial year will be laid before you. The estimates have been framed with every possible economy consistent with the public interests. I regret that the depression in trade to which I have alluded, has seriously affected the revenue. It will be necessary in view of this circumstance to curtail the expenditures in several branches of the public service.

*Honourable Gentlemen of the Senate—  
Gentlemen of the House of Commons:*—

Correspondence, reports, and other papers regarding the construction of the Pacific Railway will be laid before you.

During the recess, a deputation from the Government of Manitoba visited Ottawa to invite the attention of the Government of the Dominion to the circumstances of that Province. They represented that the income of the Province was insufficient to provide for its ordinary governmental expenses. The papers on this subject will be laid before you, and certain propositions will be submitted for your consideration. The Legislature of Manitoba has, in the meantime, adopted some measures to reduce the expenditures of the Province.

I invite your earnest attention to the several subjects mentioned, and to the general business which will come before you, and I trust that your deliberations may be guided by wisdom and moderation.

After the Commoners retired, the SPEAKER took the chair.

Hon. Mr. LETELLIER DE ST. JUST moved, seconded by Hon. Mr. SCOTT, "That all the members present during the session be appointed a Committee to consider the letters and customs of this House and privileges of Parliament, and that the said Committee have leave to meet in this House when and as often as they please." Carried.

Hon. Mr. LETELLIER DE ST. JUST moved, seconded by Hon. Mr. SCOTT, "That this House do now adjourn, and that it do stand adjourned until Monday next at 3 o'clock in the afternoon." Carried.

The House adjourned at 4.10 p.m.

MONDAY, Feb. 14.

The President took the chair at 3 o'clock.

Prayers were read.

After routine,

THE ADDRESS.

Hon. M. PAQUET rose to move the address in reply to the Speech from the Throne. He said:—In accepting the task, difficult enough for me, of proposing the Address in reply to the Speech from the Throne, I am sensible of two obligations it carries with it:—The first, that of the fulfilment of a constitutional usage; and the other, to avail myself of the right

of expressing myself in the beautiful language of no unimportant section of the population of this Dominion. This privilege of speaking in both the English and French languages will indicate always, I trust, the good understanding and harmony that should not cease to exist amongst us, and will be one of the numerous monuments which will attest forever the generous liberality of the Canadian people. We are particularly happy in having had as the interpreter of our sentiments of loyalty towards our Sovereign—as well in relation to the progress we have made as to our colonial wants and interests—a man so justly esteemed and so perfectly acquainted with the various subjects as His Excellency the Governor General. The interest that he has shown in the Dominion, in visiting the principal parts of it, is for us a proper subject of felicitation, and for him a valuable source of useful information, which he has applied for our benefit at the foot of the Throne. No doubt many prejudices have been dissipated and a more exact knowledge obtained of our manners, of our resources, of our climate and of the different advantages that we can offer to the emigrant.

This should tend to remove any objections to the country that may have existed despite the efforts already made. And assuredly for this purpose no voice could be more authoritative than that of His Excellency. At the same time it is but strict justice to declare here that our esteemed First Minister deserves also our sincere thanks for the services he so nobly and efficaciously rendered in Great Britain during his recent visit to that country.

Allusion is made in one of the paragraphs of the Speech to the stagnation of business due to the crisis which is so severely felt in this country. These volcanic eruptions in commerce are periodical, and have been experienced in all ages and at all times. The history of the world furnishes us with many examples, and, deplorable as the fact may be, still they are almost necessary to purify the financial atmosphere, in removing out the way all that does not rest on a solid basis. But that prudence which has prevailed over recent operations, more particularly since last autumn, joined to the abundance of the late harvest and the numerous public works which are about being executed all over the Dominion, lead us to believe that before long all danger will have disap-

peared, and all inquietude have passed away.

The early completion of the Prince Edward Island and Intercolonial railways is a happy event, and one destined to have grand results. Quickness of transit effaces distance, consequent intercourse binds closely and permanently commercial relations which have been hitherto difficult, and dissipates completely previous prejudices; and, moreover, these grand commercial arteries will bring with them life to the Provinces they traverse, and are indispensable to the general well being.

We are very much pleased to see the Government intend to introduce a Bill to give better gurrantees to holders of Life Assurance policies. That is certainly one of the most useful, economic measures that could be proposed. Guided by the happy results of prudent legislation in England and the United States, we shall save to an important part of our population millions, on which their future depends, and shall encourage this kind of provision being made—savings destined to alleviate so much suffering and to dry so many tears. How many among us justify their apathy in regard to these societies, by pointing to the want of sufficient guarantee that they seem to offer? Let us hasten to reassure them by a good law, which, offering a solid basis for confidence, will induce our population to protect itself against every caprice of fortune, and against even common accident. We shall thus have produced an immense good. For on taking the figures as given in the official reports upon upwards of of \$36,000,000 of life assurance in Canada, foreign companies appear at the head of our own institutions. To signal this fact is to indicate the remedy, and I am persuaded that the Government will show itself equal to the task.

An unfortunate delay on the part of the Washington Government deprives us of the satisfaction of hearing that the question of compensation due in virtue of the Washington Treaty has been settled. It is with pride that we can congratulate ourselves that we have not offered any obstruction ourselves, the Imperial Government having, on the demand of our Canadian Ministers, nominated our Commissioner. Let us hope that in a very short time this question will be settled in a satisfactory manner.

The creation of a Supreme Court and Court of Exchequer, completing our judicial hierarchy, was a necessity of our

federal position, and it is with pleasure that we see called to form such a Court the most eminent legal men of the country, whose appointments have everywhere been viewed with great favour. The selection of officers would also appear to have been particularly happy. The want of exact and systematic information on the different categories of crime, and the importance of collecting and classifying criminal statistics, have also engaged the attention of the Government, and a bill containing the necessary provisions will be submitted in regard to this matter. In treating of the question of statistics, I venture to express a hope that the Government will also see fit to occupy itself with vital and hygienic statistics, with a view to the removal of causes of epidemics; and an effort to lessen in general the rate of mortality is a work of philanthropy, and well worthy the attention of the Government. If I recollect rightly, the Government is already pledged to deal with this important measure. The consolidation of the Statutes has also become a necessity in consequence of the number of the amendments that have been made in many of our laws, and we shall see it accomplished with pleasure. Another measure, providing for the better administration of the property of banks in a state of insolvency, will likewise be submitted. The necessity for such a law is now imperative, inasmuch as the existing law furnishes no method of liquidating the affairs of banks which during a commercial crisis may fail or suspend their payments. I am persuaded that is a matter the public would be glad to see adjusted. The Government having under its control an immense extent of territory, has been obliged to provide for an unfortunate portion of its inhabitants, the Indians; these children of the forest whom they are stringently bound to maintain. To treat them tenderly, and to open to them the doors of civilization, is the noble and beautiful mission, the accomplishment of which one of the paragraphs deals with.

It is to be regretted that commercial depression should have seriously affected our revenue, and that a reduction of the expenditure of several of the Departments has been thereby necessitated. Let us hope that the greatest prudence will be exercised in the discharge of this delicate task, and that above all, nothing will be done to prejudice its efficacy.

The correspondence, as well as the reports and other documents bearing on the

construction of the Canadian Pacific Railway, will be submitted to us. This paragraph is *multum in parvo*, since it promises in so few words details on the immense project of uniting the two oceans. Pending their submission, let us hope that no effort will be spared to keep the compact entered into with British Columbia at the time of Confederation with that Province, to develop her immense stretch of territory, and to endow the Dominion with one of the most gigantic works in the entire world; provided, nevertheless, that the whole be carried out in such a manner as not to interfere with the financial status of the country, nor do injustice to this colony, which, let us hope, will consider that the advantages and well being of the Province in question ought not to be lightly compromised. During recess I notice Mr. Speaker that these remarks have been modified in a manner which is very pleasing to me. While regretting that circumstances should have unfortunately been the cause of a deficit in Manitoba, is it pleasing to know that aid shall be extended, as sought here, by interior re-organization, whereby expenditure shall be diminished. It is, in my judgement, a real reform brought about by the present Government. Honourable gentlemen need not go very far back to recall that from among the various parts of the Dominion our budget has been not unfrequently assailed, although, on the other hand, not the slightest effort was made to equalize revenue and expenditure, reliance being invariable had in the magical effect of "Better terms." Therefore is this a policy which shall turn back the invading wave of concession which characterized the first years of confederation; and for my part, I am well satisfied with it.

His Excellency finally expresses a hope that wisdom and moderation may guide our deliberations. We cheerfully concur in this portion of the speech, and assure His Excellency of our mindfulness that duty is higher than glory, and justice higher than success. I would be disposed to continue, did I not feel that my remarks might lessen the effect of the Speech from the Throne, but I leave it to the seconder of the Address to supply the deficiency. He concluded by moving:—

That the following address be presented to His Excellency the Governor General, to offer the respectful thanks of this House to His Excellency for the gracious

speech which His Excellency has been pleased to make to both Houses of Parliament, namely :—

To His Excellency the Right Honourable Sir Frederick Temple, Earl of Dufferin, Viscount and Baron Clandeboye of Clandeboye, in the County Down, in the Peerage of the United Kingdom, Baron Dufferin and Clandeboye of Ballyleidy and Killeleagh, in the County Down, in the Peerage of Ireland, and a Baronet, Knight of the Most Illustrious Order of St. Patrick and Knight Commander of the Most Honourable Order of the Bath, Governor General of Canada, and Vice Admiral of the same.

*May it Please Your Excellency :—*

We, Her Majesty's dutiful and loyal subjects, the Senate of Canada, in Parliament assembled, respectfully thank Your Excellency for your gracious speech at the opening of this session.

It is with much pleasure that we find Parliament again called together by Your Excellency to attend to the business of the country.

We are glad to know that since we last assembled it has been Your Excellency's happiness to visit the Mother Country, and to have had the opportunity while there of calling public attention to the remarkable progress of the Dominion, and of giving expression to the feelings of attachment to the person of Her Majesty and the interests of the Empire which animate the Canadian people.

We agree with Your Excellency that the great depression which has prevailed throughout neighbouring countries for several years, and which has more recently been felt in the Old World, causing a general stagnation of business, has extended to Canada, and has seriously affected our trade; but at the same time, we have reason to be grateful for an abundant harvest; and, while deeply regretting, with Your Excellency, the suffering which exists among certain classes and in particular localities, we concur with Your Excellency in believing, nevertheless, that the great bulk of our people continue to enjoy a condition of material prosperity.

We reciprocate with pleasure Your Excellency's congratulations on the fact that the great railway undertaking, connecting the former Province of Canada with the Maritime Provinces, provided for by the Act of 1867, is approaching completion; and we thank Your Excellency for the information that,

early in the coming summer, the small portion of the Intercolonial line not already in operation will be opened, when the connection with other systems of railway will be formed so as to enable passengers and traffic to pass over continuous lines of railway from Halifax or St. John to the extreme Western railways of Ontario.

We agree with Your Excellency in thinking that the opening of the Prince Edward Island Railway during the past year marks an epoch in the history of that Island, and cannot but exert a beneficial influence on the people, and add to their material prosperity.

We participate in the regret felt by Your Excellency in having to state that although every effort has been made to obtain an early settlement of the claims of Canada for compensation for the use of her Fisheries by the United States, as provided by the Treaty of Washington, and although Her Majesty's Government in the early part of last summer, at the instance of Your Excellency's advisers, appointed the British Commissioner, the United States have not yet appointed a Commissioner, and that consequently no progress has been made.

We thank Your Excellency for informing us that you have given effect to the Supreme and Exchequer Court Act of last Session by issuing the proclamations, and by appointing the Judges and officers of the Court.

We shall await with interest the Bill to simplify and amend the law relating to Common Carriers, which Your Excellency is pleased to inform us will be submitted for our consideration, as well as the bill which we learn from Your Excellency will be brought before us containing provisions for affording greater security to policy holders in Life Assurance Companies.

The want of reliable and systematised information relating to the several classes of crime and the importance of collecting and classifying criminal statistics having engaged Your Excellency's attention, we are glad to hear from Your Excellency, that a bill will be introduced to provide for what is most essential in this direction.

We are grateful to Your Excellency for the information that Parliament will be asked to make provision for the commencement of the work of consolidating the Statute Law.

It gives us pleasure to learn from Your Excellency that the Acts relating to the

enfranchisement of Indians and the management of Indian affairs have been fully considered, and steps have been taken to ascertain the views of the Indians themselves, and that a measure on this subject will be submitted for our approval.

We thank Your Excellency for informing us also that a measure will be introduced to provide for the better administration of the estates of Insolvent Banks.

We are grateful to Your Excellency for the promise that Correspondence, Reports and other papers, regarding the construction of the Pacific Railway, will be laid before us.

We receive with great interest the statement made to us by Your Excellency that during the recess a deputation from the Government of Manitoba visited Ottawa to invite the attention of the Government of the Dominion to the circumstances of that Province, and that they represented that the income of the Province was insufficient to provide for its ordinary Governmental expenses; that the papers on this subject will be laid before us, and certain propositions will be submitted for our consideration; and that the Legislature of Manitoba has in the meantime adopted some measures to reduce the expenditure of the Province.

We heartily respond to Your Excellency's invitation by promising Your Excellency that we shall give our earnest attention to the several subjects mentioned, and to the general business which will come before us, and we trust, with your Excellency, that our deliberations may be guided by wisdom and moderation.

Hon. Mr. LEONARD—In seconding the Address in reply to the Speech from the Throne, I will assume that my hon. friend has taken all the points in connection with it, and disposed of them to the satisfaction of the House. This is gratifying to me, as I will not have to make a long speech. The Speech from the Throne is always supposed to indicate the line of policy to be taken up during the session, and we find that we have not been promised anything startling in the way of legislation, which to my mind is much better for the country than the other extreme. I might remark that the great and important questions connected with the consolidation of this Union have been pretty well disposed of, although they will come up from time to time.

The first paragraph in the speech is in relation to Lord Dufferin's visit to England. I am sure the House, and the

country too, will be highly gratified at the handsome manner in which he spoke of us Canadians. His speeches seemed to have the real Canadian ring about them, and I am sure they were gratifying to every Canadian. The second paragraph refers to the industries of the country. It is to be regretted that certain interests have suffered more or less during the last year, but when we reflect that these interests are more or less affected in foreign countries we may conclude it is beyond our reach. At the same time, it is gratifying to know that our agricultural interests are prospering, and it is to be presumed that it will only be a short time that other interests will remain in a depressed state. All Governments are troubled more or less with these periods of depression. Our revenues have fallen off, and the Government will have to provide for it, but it is also a source of congratulation that we are not falling more into debt, so that we will only have to wait for a time to get round to the same state of prosperity that we had before. The third paragraph refers to the Intercolonial Railway. I am sure this House and the country generally, will be gratified to know that that link of union between the Provinces is about to be completed, and that the road is about to be opened up during the coming summer. It is one of the schemes of confederation that is about to be accomplished. Like all other great public works, it took double the time and the expenditure contemplated when it was originated. In connection with that, it is gratifying that the Prince Edward Island Railway is complete and in operation, and I hope steps will soon be taken to connect these roads by some means of communication between the mainland and the island. The fourth paragraph refers more particularly to the fisheries question, which it appears has not been settled, although from the intimation given in the Speech, it is clear that Canada has done her part; and it is important that our friends on the other side should come up to the standard which we have set up in trying to close this matter. It is calculated to create a distrust and disturb the friendly feelings that exist between the two countries, that such an important question should remain undetermined, and it is to be hoped that steps will be taken to settle matters in a manner satisfactory to all parties. The fifth paragraph relates to the Supreme Court.

It is gratifying to the country that we have gentlemen of such undoubted ability and such standing called to that high position. The establishment of the Court itself is one step towards our nationality, though it does not exclude suitors from going to the foot of the Throne. It is foreshadowed in the sixth clause that it is the intention of the Government to bring down a Bill for the regulation of the relations subsisting between the public and common carriers. It will be acceptable I presume to the House and to the country. A bill is also promised for the greater security of policy holders in life insurance companies, and one for the collection of criminal statistics. The ninth paragraph alludes to the consolidation of the laws and the management of Indian affairs. It is gratifying to state that our administration of Indian affairs has been more successful than other countries, and I hope that this spirit will be continued by the Dominion.

Hon. Mr. CAMPBELL—We sometimes have advantages in this House which to some extent counterbalance many of the disadvantages under which generally speaking we labour. The advantage which I now have in view is that we occasionally have vacant seats filled by gentlemen from the Lower House; and sometimes there comes to us a member who has had such legislative experience that we listen with pleasure to his remarks. The honourable member from London is an old member, and we take his remarks in the spirit in which they have been offered. I do not complain of the brevity of the Speech from the Throne or the paucity of its contents. I do not think it is a disadvantage to the country that we should be found in need of little legislation. During the six or seven years since Confederation, a very great deal of legislation was necessary from session to session, more particularly during the earlier period of the Union. I have no doubt that in experience honourable gentlemen opposite have found this to be the case, and they had some difficulty in finding for their programme even the few subjects that form the Speech. The burden of the Speech, I am sorry to notice, is melancholy—that is with reference to the state of the country; and I am sure any measure that will be offered by the Government to restore financial easiness and bring back prosperity to trade will meet with the hearty support

of this side of the House. I only wish that hon. gentlemen on this side of this branch of the legislature had more frequent opportunities of sympathising with the hon. gentlemen opposite. That the country is in an unprosperous state is only too true. I will not attribute it altogether to the Government or to their legislation, for it arises from other causes over which they have no control. I am sorry I cannot go further and say that by their legislation they have not contributed to the depression; I am not prepared to say that. When first they entered on their official career their Finance Minister threw a gloom over the financial affairs of the country by his prophecies. Such remarks from so high a quarter no doubt had a tendency to create depression in trade. It is somewhat odd, also, in the face of this prophecy, that the Government, during the time they have been in office, have been most lavish in their expenditures. There has been an inconsistency in the course pursued by the Premier and the Finance Minister; a want of harmony between the prophecies made by one member of the Government and the expenditures urged on with a lavish hand by the other. If the prophecies of the Finance Minister were believed in by the Government, economy should have been proposed and acted upon, so that instead of suffering from a deficiency in the revenue, and the prospect of increased taxation, the country would be in a more prosperous condition to day. The expenditures on public works without the sanction of Parliament I find inconsistent with the professions of the First Minister and his colleagues in past years; especially the purchase of a large amount of railway material that will not be required for use for some years. I have no doubt that the Government in this way assisted in bringing about the depression which the Speech has cause to lament. I agree with the member for Lotbiniere in his opinion of the benefit which the country will derive from His Excellency's expressions in England in relation to Canada. These views and impressions were gathered at a time when the results of the legislation which the late Ministry inaugurated had brought about a state of affairs throughout the country in which His Excellency saw much to admire, and which he spoke so highly of in the Mother Country. With reference to the other items of the Speech, I have hardly any remark to make; the burden of it is really the depression of

the commerce of the country. The depression in trade and the necessity for strict economy to avoid increased taxation are deplored by all. I am sure we shall join heartily in adopting such measures as may be calculated to restore prosperity to the country. I join in the expression of gratification at the establishment of the Supreme Court. I think the selections to the bench of that tribunal have been happily made, and that the gentlemen who have been called to these high positions will have the confidence of the country, so that they may look forward to a long and prosperous career. I am sorry that there is not a paragraph in the Speech about immigration, as I am desirous of an opportunity to congratulate my hon. friend the Minister of Agriculture on the appointment of the gentleman who replaces Agent-General Jenkins,—an appointment which will be a great advantage to the country. I cannot say as much for his predecessor. When the appointment of Mr. Jenkins was made it was feared that he was totally unfit for the position, and these fears have been unhappily realized. It was a matter of extreme surprise when he was appointed. No one seemed to know how it came about, and I think the Government would find it difficult to explain. A more unfortunate appointment could not have been made; he did no good, but he did harm, for he made himself a subject of ridicule all over England and Scotland, and finally wound up by a communication to a paper in which he says he has lost his office through Ultramontane influence. If it has been Ultramontane influence, it has come from my hon. friend the Minister of Agriculture. I propose to offer no opposition to the Address and shall be glad to join in carrying it through the House.

Hon. Mr. GIRARD—I will profit by the latitude permitted on an occasion like the present, to make a few remarks, which will not contain any threats with regard to the Government, but rather a respectful claim on its attention on the part of the Province which I have the honour to represent. Besides, I would not threaten the Government in connection with a Speech delivered by His Excellency, which indeed would afford no opportunity for such action, even if I were so inclined. I agree with the hon. gentleman who moved the Address, that the first paragraph will be received with great satisfaction from one end of the country to the other, for the action of the

distinguished representative of Her Majesty here, in all the different circumstances in which he has been placed, calculated as it has been to strengthen the tie which unites us to England, and the love we bear for British Institutions, has been of such a nature as to give us the greatest pleasure. We are informed that the gigantic enterprise of building the Intercolonial Railway will be completed at an early date, creating facilities for the conveyance of merchandise from the most distant portions of Ontario to Halifax, and forming the first part of that great artery which will join the Atlantic and Pacific Oceans, and which should be built in the general interest of the Provinces of the Dominion. I do not doubt that the completion of the railway on Prince Edward's Island is a remarkable fact in its history, and I am sure that if the road under construction from the limits of the Province of Manitoba to Fort Garry be finished during the coming year, it will also be a most important event, not only in the annals of the Province, but of the whole Dominion. Among the different measures whose submission is promised, I observe that the Government intend to commence the revision of the Statutes, a work requiring the most scrupulous care, as a large number of the laws of the Dominion were taken *en bloc* from the legislation of its different Provincial parts, enacted previous to Confederation, and it is almost impossible, under the circumstances, for Magistrates to perform their duties with clear ideas as to their proper powers. I am glad to notice that the Government proposes to take into consideration matters touching the interests of the Indians, because the time has arrived when they should know what will be done for their support, on the disappearance of the buffalo from their hunting grounds—no distant event. The task to be undertaken is a serious one, but means must be taken to face a position to which so much responsibility is attached. A large number of strangers have settled in Manitoba. A measure should be introduced during the present session to facilitate their naturalization, and I believe that such a step would encourage foreigners to make their homes permanently in our midst. In the latter portion of the Speech from the Throne, allusion is made to the circumstance that a deputation arrived last autumn from Manitoba to plead the cause of that Province, and it is certain that its Government, while using the

grant of \$65,000 made to the Province will carry into operation the recommendations of the Administration. Manitoba had a right to an increased allocation, in harmony with the present size of its population and its contributions to the general funds of the Dominion, under the provisions of the Manitoba Act. Its existing difficulties will not be of long duration, and the steady flow of immigration will be one of the causes which will lead to a better state of things. The delegation above mentioned demanded seriously that to which they were entitled, and did not hold out the hand for charity; and it was not reasonable to impose on its members conditions which struck a blow at the privileges with which the Province was invested by the Act to which I have referred. The Legislature of Manitoba was obliged to accept the suggestions made, and in decreeing the abolition of the Legislative Council, its members acted with a view to the public interest, rather than from motives of economy. The Council, with its membership of seven, only cost the Province about three thousand dollars per annum, and the Legislative Assembly, in the interest of the people, could not see any way of refusing to ratify a change which rather diminished the prerogatives of the Crown than affected popular liberties. In place of a half measure of this nature, it might have been better to have entirely remodelled the Manitoba Act, extending the limits of the Province to the Rocky Mountains, governing the immense territory under provisions analagous with those which are in force in British Columbia, whereby a great deal of money would be without doubt saved. During the next ten years Fort Garry or Winnipeg could be the capital of the North-West Territory, whence it would be more easy to administer the Government than from any other point which could be chosen for the purpose. Before taking my seat I will say that it is my intention to express my views frankly when occasion offers, with the hope that I will suggest something to the Government that may be of service to the Province I have the honour, in a certain measure, to represent.

Hon. Mr. READ—I have ventured on one or two occasions to address the House on matters relating to the financial position of the country, and before the Address passes, I would like to say a few words upon it as a whole. I do not think that we can complain of it, because there

is very little in it—a clear proof of the wisdom of the late Administration in framing such measures for the good government of the country that we neither require at present new enactments of any importance, or to have others repealed. To the first paragraph of the Address I must certainly say amen; for, to my mind, this is the proper season for the assembling of Parliament, when we can, and are accustomed to, spare the time to give that deliberation to measures brought before us that they demand. Every one will admit the great importance to this country of the speeches made by His Excellency the Governor General, and their benefit, indeed, can scarcely be appreciated. The next paragraph has reference to the depression and stagnation of business prevailing throughout the neighbouring country, and felt in the Old World, which have affected our trade. I think that the Government is chargeable with some of the causes leading to this state of things. Every one is aware that they sent a Commissioner to Washington, and we know that gentleman's opinions regarding the trade policy of this country, for he had not kept them secret, and we all believe that he is a "power behind the throne." We all know that if he could do it, the existing policy of this country would be changed. And what do we find? That as soon as he was sent there the manufacturers of this country took alarm. They saw that if he carried a measure in accordance with his views, to them it meant money. They buttoned up their pockets, and each man began to contrive, not to extend, but curtail his operations in every possible manner. This was one of the effects of sending that gentleman to Washington, and the class of the population which I have mentioned was not the only section affected. Canadian merchants began to look around and perceive that the success of this mission meant great loss to them, and to seek methods of protecting themselves. This was not all; nearly every projected enterprise of this country was stopped, and a general feeling of uncertainty began to prevail as to what was best to be done. People shrank from entering into new undertakings and spending money, for were the measures proposed carried through this Parliament and the United States Houses, it was a question whether they would not entail direct taxation. This is to my mind one of the causes of the present depression affecting certain classes in this country, because I deny that the great mass of the people suffer



from this state of things. They, on the contrary, are prosperous, and in our history the farmers never occupied so excellent a position as they do to-day; no thanks, however, to the Government of the day for that. Our farming population has made greater progress than any other section of our people, being intelligent, enterprising, and alive to their interests. They have always been industrious, and as one cause for this I may say that the schoolmaster has been abroad.

I hope that the Government will be forced to stop that useless piece of work, the construction of the Georgian Bay branch of the Pacific Railway, a premature and unwise undertaking, as the resolutions adopted by this House solemnly stated. But these words are hardly strong enough to fitly characterize the expenditure of public money being made in this relation, which is perfectly useless and even worse than useless in my opinion. Six roads are already built to afford accommodation for the traffic of that portion of the country, and when this branch is completed it will destroy the other lines without ensuring its own success. If it takes the business from the other routes, it will destroy them, and if it fails to do so, it will then be worse than valueless. I took exception in 1874 to the increased tariff. I believed that I was right then, and I hold that opinion still more strongly now. I thought that the revenue was sufficient and more than sufficient to meet the ordinary expenses of the country. I gave figures to prove the correctness of my position, and was pleased to notice that our Finance Minister, in his letter written in London, last October, fully corroborated them—indeed he quoted them almost line for line—as to the results of the administration of public affairs during the eight years following the accomplishment of Confederation. It seems strange, but I have on my desk one of his statements—the Budget Speech of 1874—in which he takes the most gloomy and despondent view of the financial condition and prospects of the country, and another prepared in London only two years afterwards of quite a different character. In the course of the latter, he shows that at the very time I brought up the matter in 1874, we had ten millions of a surplus, as I then declared, and in fact, though the figures are in pounds, the results are exactly the same. This is deeply grati-

fying to me; and I say that his former allegations were extremely mischievous. They did us harm, and I am pleased to find that in England he was obliged to make quite a different, and what I believe to be a correct statement, over his own signature. Was it necessary to increase the tariff in 1874? and what became of the money? If any person will take the trouble to examine the banking returns of this country, they will find that the very money so obtained was deposited in different banks; and was it used? No, I declare that it was not employed, and that it was not required. We find that at that date the Finance Minister announced in his Budget Speech that the deposits in Canadian Banks amounted to \$7,275,121; and what do we observe one year later? That the sum deposited by the Government in the banks of this country reached \$10,426,216—hence the extra taxation obtained was not needed, for the increased revenue only went into the banks, in which, in addition, there were four or five millions more, held for the Government in England. This shows, as the bank statement will prove, that the surplus was not expended. We discover that the amounts deposited on the part of the Government during the twelve months following, at all events, exceeded three millions; that was all very well, but the money had to be spent, and what did the Government do with it? Without the authority of Parliament, they bought steel rails to the value of \$2,700,000.

An hon. gentleman—No!

Hon. Mr. READ—Yes! and although the Government stated that they purchased rails for 372 miles of railway, they in reality obtained a sufficient quantity to lay 550 miles. To-day rails of the same description, delivered in this country, would cost £43 per ton, but the price given was £54.

An hon. gentleman—£43?

Hon. Mr. READ—£43, the price at which these rails have been offered to the Northern Colonization Railway Company—\$8 a ton of difference in England. The result of the transaction, merely calculating the difference in price then and now, a loss of \$550,000. And are they to be used? They are distributed all over the country, some in Nanaimo and Esquimault, and others I don't know where. And this is not all, for are we not losing the interest of 4½ per cent. for the space of at least two years, before which they cannot be employed, making another difference of £250,000, and an aggregate loss to the

country of \$800,000. This transaction was not effected in the best interests of the country. I did not purpose saying very much in this relation, but I do hope that the Government will arrest the expenditure proceeding from day to day, but which would not have been permitted had this House had the power to prevent it. Of such power this House has been deprived and how that little clause was inserted, by which this House was shorn of such a prerogative, I never could understand, nor could I ever meet any one who did. It did appear, however, in the measure—and the Government seemed to know it—that contracts were to be submitted to the House of Commons alone, but in reading over the debates of this House, I find that every hon. gentleman who spoke stated that contracts were to be submitted to Parliament. Of course the provision was inserted by the Government, but I do not think it would have passed very easily in this House had it been so understood. The discussion on that important measure, it is to be remarked, took place at 10 o'clock on Saturday night, and the debate was adjourned until the following Tuesday. We had not time to consider it properly, and in reality very little or nothing was said about it.

Like my leader, I feel that anything that I can do to assist the Government in the passage of good measures, I ought to make it my duty to do. A close examination of the legislation of the day is necessary. I hope that in this relation we will perform our part; at all events, I will try to do mine, and then I shall feel that my duty will have been faithfully fulfilled.

Hon. Mr. CARROL—I do not rise to congratulate the Government on the paucity of subjects which characterizes their Speech, for I believe that subjects exist, but they have been ignored. I refer particularly to the British Columbian question and the great and growing difficulties now existing in the relations between the Dominion and that Province. I believe that the misunderstandings that have arisen have been increasing in gravity, and that they have perhaps been intensified by the absence of any allusion to them in the Speech. I feel convinced that these relations are beginning to assume a political complexion of such importance as the Government will find before this session draws to a close may threaten the peace of the Confederation. I view with some alarm the flippant man-

ner in which a subject of this importance is alluded to.

Hon. Mr. SKEAD—My honourable friend on this side of the House says he warned the Government last year of the difficulties they were drifting into in connection with the Georgian Bay Branch Railway expenditure. It is very strange that that hon. gentleman, and others from his neighbourhood, can see only through spectacles that look south of this district. He tells us there is no necessity for the Georgian Bay Branch Railway being built, as there are six existing railways stretching out in that direction from one point. I think the question is a plain one; that this country is deeply interested in the opening up of the section through which the road runs. The members from the Maritime Provinces and Quebec, and from Eastern Ontario, will see that the correct policy for the country is to have a direct route across the continent, without diverging through the southern portion of Ontario. The Government have gone on in good faith building that road, and although I do not wish to see them have a long lease of power, I want to see them in power long enough to complete the task. I am sorry to see the hon. gentleman so much wrapped up in the western part of the Province, and I think there are members in this House disinterested enough to oppose anything which would encourage this sectional feeling. I hope that the Government will go on in a straight course, and that they will see this road completed. I do not sustain them in all their actions, but I hope when there is a change of Administration, that there will not be a majority in it who think as my hon. friend on my left thinks.

Hon. Mr. KAULBACK—With reference to the depression of trade, we have proof that we have not only a deficit, but that we are likely to come to direct taxation. With regard to the Maritime Provinces, I must say that despite the taxes imposed upon this branch of industry, our fisheries have proved equal to the average. I must take exception to the second clause of the Address, owing to the neglect shown in connection with the settlement of claims for the use by the Americans of our fisheries under the provisions of the Washington Treaty. While the late Government was in power, every step was taken to bring the matter to arbitration, and nothing was left undone to hasten the conclusion of negotiations. We then believed that

millions of dollars would be obtained for the use by American fishermen of our waters, but we now find that the Government are checking the proceedings, instead of going on with this arbitration. A Commissioner was sent to Washington to barter away these rights for a reciprocity treaty—a most ruinous project—and not only to barter away our fisheries, but sacrifice all our rights, and give the Americans the use of our market, making of ourselves forever the hewers of wood and the drawers of water for our neighbours on the opposite side of the line; therefore, I say that I cannot approve of the second clause, the Government not having done everything in their power to expedite the termination of this arbitration. I believe that we stand in a worse position at present in this relation than we have occupied in the past, and we cannot expect to receive the compensation that we otherwise would secure.

Hon. Mr. VIDAL—In commenting briefly upon the Speech from the Throne, I would ask the attention of hon. members for one moment to its omission of any reference to a matter which I think, was entitled to recognition, owing to the action of the Senate in regard to it. I refer to the prohibition of the traffic in intoxicating liquors. We came to a determination last session on this point, and the Government, as far as practicable, should endeavour to carry out the wishes of this House. I find it recorded on the journals, that this Chamber, by a considerable majority, adopted a Report of its Committee affirming that the time has now arrived when the attention of the Government should be given to this important matter—prohibition—and to the introduction of a bill prohibiting the manufacture, importation and sale of intoxicating liquors. Hon. gentlemen will observe that the record of the views of this House is clear, definite and distinct, and must, as we are bound naturally to suppose, attract the notice of the Government, unless this House is to be ignored altogether, and really in some respects it seems as if our solemn decisions were of no moment whatever. I must say that I think that the omission of any allusion whatever to this very important question, is decidedly a mark of disrespect, to say the least of it, towards this chamber, whatever we may think of the views which may be taken by our rulers of that great evil, intemperance, the curse of our country. It is in fact a question of greater impor-

tance relative to our material, moral and intellectual progress and interests than any other. I say this without fear of contradiction, and although the attention of the Administration has been directly called to it by this branch, and in almost as strong terms by the other branch of the Legislature, the Government seem to have treated with the greatest disrespect—yea, even with contemptuous silence—the solemn resolution of this House, in reference to a matter deeply affecting the well being, prosperity and happiness of the entire country. I must express my deep regret that a matter of such moment should receive no notice whatever in His Excellency's speech. But while thus commenting on the omission, I feel bound to express my great satisfaction with one clause I find in the Speech, and that is the necessity which the Government have discovered for the collection of statistics concerning the commission of crime. This is a most important matter, especially with reference to the great question to which I have alluded, for I am perfectly satisfied that when we have an authentic statement of the vast amount of the crime and misery, and the number of deaths caused by the too free use of intoxicating liquors presented to the Parliament of this country, it will be felt by members to be a question which cannot be set aside or ignored in the faithful performance of their duty towards themselves, their families, and the country at large. I rejoice therefore that an intention is expressed of collecting these statistics, and I trust that very great care will be taken to ascertain where intoxication is the more immediate cause leading to the commission of crimes, in order that we may have authentic evidence on which to base our action with respect to the connection existing between intemperance and crime.

Hon. Mr. MACDONALD (Victoria)—Although the trade and revenue of British Columbia form but an insignificant part of the trade and revenue of the Dominion, yet in the midst of so many dismal cries of depression, I think it just to state, and it may be pleasing to some hon. gentlemen to know, that the general depression did not affect our Province. During the first part of 1875 trade was good. The gold mines yielded well; our coal mining and lumbering interests were in a prosperous condition; our crops were good, and owing to the state of the California market, farmers obtained good prices. All that we

want is a small amount of justice from this country. We do not demand all our rights, but we do look for a portion. The reference in the speech from the Throne to the Pacific Railway is very brief. And we can well imagine the contents of the papers promised to be sent down on the subject. We will be told that the Government could not fulfil its obligations to British Columbia, in consequence of which an offer was made to that Province and declined. If hon. gentlemen would like to know why these obligations could not be fulfilled, I can tell them the reason is the action of this House last session, in refusing to do a simple act of justice to one of the weakest Provinces in the Dominion. A former Administration entered into a bargain with us which was objected to by the Opposition of the day as being more of a burden than the country could sustain. That Opposition—now the gentlemen who compose the Government—on coming into office, lost no time in obtaining a modification and relaxation of the original bargain, merely keeping (according to their views) with the resources of the country; and when an effort is made to carry into effect one of the conditions of the modified bargain, a majority of this House prevent its being done—thereby inflicting a deep injury on the Province—destroying all confidence, and causing much ill feeling and discontent. The action of the House reflects no credit on the honour of this country, retards, and interferes with all our industries, and a reaction is now being felt. Surely a Government that did all in its power to relieve the country of some of its burdens, could fairly be entrusted with spending money in our Province. There would be no danger of our getting too much. I do hope that when the affairs of our Province come again before this House, it will not withhold justice. It is not our wish to overtax or burden this country, in doing us justice, such a thing not being necessary. The Pacific Railway is too commonly looked upon as a British Columbia affair, and it has been stated that the money spent in that Province on construction would be a direct benefit to its present population. Nothing can be more erroneous than such a view. No doubt we expect benefits, but the work must be looked upon in its true character, as a great national undertaking. Although we are anxious for its commencement, yet a very small percentage on the outlay would go into the pockets of the people in the Province.

Hon. Mr. FRUDEL—This is not an occasion for us to express sentiments hostile to the policy propounded by the Government. In other words, it is not an occasion to make war on the Administration entrusted with the affairs of the country. I believe that the Address in reply to the Speech from the Throne, if I understand constitutional usages right, is an opportunity afforded to members of both Houses to consider the policy of the Government and the country. There is much to be said, on the various matters mentioned in the Speech from the Throne, but it is to be regretted that none of them are such as we might consider of vital importance to the country. I will not follow the Speech paragraph by paragraph, or enumerate all the reflections it might inspire. I will not for instance speak of the finances of the country, though I am not of the opinion that their present state is due simply to the bad state of business. It seems to me obvious that the existing financial depression is due in a certain measure to the bad policy of the Government. I believe that the deficit which is apparent in our revenue is due to certain expenses, above all, in connection with an enterprise which we in the Province of Quebec consider absurd and useless, from a general point of view, to the interests of the Dominion, at least considering the way in which it is executed and its location, which make of it a merely local road. I cannot forget this railroad, which has cost a considerable sum, and will again be the subject of considerable expenditure, has been run in such a way as to benefit Ontario at the expense of Quebec. No doubt the great depression in the industries of Montreal has been affected although not altogether by the tariff. Thus I cannot share the opinion of those who say that the Administration of the country has nothing to do with this deplorable condition of affairs. I cannot forget that the industries which employed twelve thousand workmen in the city of Montreal are altogether ruined, not by the natural course of business, but by the unjust competition of American manufactures, which is foolishly allowed by an insufficiently protective tariff. Allusion has been made by an hon. member not only to the trip of His Excellency and the benefits which the Dominion ought to draw from the attitude taken by His Excellency and the able manner in which he was able to bring out the advantages which our country offers to emi-

grants, but further my hon. friend considered it his duty to refer to the Premier's trip and to say that his remarks ought to have excellent results to Canada. I am not ready to admit that the Premier's trip should have had such results. The hon. gentleman was, without doubt, a living and eloquent proof in the old world of what can be done on Canadian soil by energy and hard work in the way of obtaining a high position. From this point of view, the presence of this hon. gentleman in the country in which he was born, I really believe, ought to be a very powerful recommendation with the residents of the old world, in the way of inducing them to come and visit Canadian soil, and excite within them a desire to settle here permanently; but I regret that under the circumstances to which the hon. gentleman made allusion, the Premier made himself the advocate of an economical theory which was above all things in our present position, peculiarly unfortunate, for he judged it *apropos* to extol the advantages of Free Trade, and on the eve of the deplorable crisis from which Canadian industries are at present so seriously suffering, being; in point of fact, on the verge of complete ruin. This theory, we believe, if carried into practice, is well calculated to contribute to such ruin, at least in a large degree; hence I particularly regret the reference made by the hon. gentleman to this point. I would not have made this remark, had such allusion not been made, for if, under the circumstances, I had not entered a dissent with reference to this theory, which would be fatal to the industrial interests of this country, if put into practice, to receive the eulogy of the course followed by the Hon. Prime Minister on that occasion without protesting might be considered as an approval of such sentiments.

Hon. Mr. WILMOT—I wish to make a few observations, because it has gone abroad that this House is an effete body. I consider, however, that any question affecting the political, social or financial interests of this Dominion can be discussed just as intelligently in this House as by any other legislative body in the world. The leader of the Opposition, in his bland way, does not wish to have things discussed at all, but I think we can all agree in thanking the Governor General for the views he has so ably expressed in Great Britain with respect to the prosperous condition and general comfort existing in the Dominion. With reference to the

present depression of trade affairs in the country, I have been for some time taking notice and calculating its causes. I have seen that the extravagance that has characterized expenditures, personally, and municipally, throughout the Dominion generally, and by the Dominion Government, must sooner or later have led to this result, supposing there was no cause outside of the country. I have formed the opinion that the general depression of trade throughout the world, has been very much attributable to the large war indemnity paid by France to Germany, and this circulating medium which was the basis of the currency of the commercial world, has been locked up in the coffers at Potsdam. France really paid out only some £57,000,000 sterling out of a total of £216,000,000 sterling, the balance being negotiated in the various money markets of the world with commercial paper. The rise in gold in the United States has been in consequence of the sale of the debentures of that country in Germany, which were afterwards resold to the United States, thus restricting circulation and bringing down prices. Coming to our own country, I have watched the course of affairs with regard to the circulating medium, and I will give some figures which will at once show that we must necessarily have had commercial depression. I do not know that this is exactly the time to bring this matter before the House, but here are the figures to which I allude: I find that in September, 1874, the notes in circulation were \$29,041,273, and on the 30th of September, of the year following, the notes in circulation were reduced to \$21,130,123, showing a reduction of \$7,916,145.

Deposits on demand, September, 30, 1874.....	\$12,376,970
Deposits on demand, September, 30, 1875.....	35,630,430
Specie held Sept. 30, 1874...	7,915,445
Specie held Sept. 30, 1874...	6,737,540

Any man will come to the conclusion that such a decrease in circulation could not have occurred without general embarrassment. The failures during the past year amounted to over \$30,000,000. When there is commercial depression in the country, it is a matter that should certainly be investigated when Parliament meets. The banks are really responsible for the circulation of the country, and it is a very fortunate thing that they are by their own showing in a sound state; but we can hardly say that the borrowers from the

banks are in the same state, as the thirty millions of failures must show. When the current of trade is dependent upon issue governed by fifty different boards of directors, who exchange promises to pay for the promises to pay of others and charge seven to twelve per cent. interest, it is a strong inducement for them to expand their issue. I am surprised that we are in as good a position as we are. As far as agriculturists are concerned, they have had good crops, but prices have gone down very considerably in consequence of the scarcity of circulation, and I hope that the Government will turn their attention to this matter. I have always been in favour of the issue of Dominion notes, and my opinions are decided on this subject. I was happy to read in the debates in the British Parliament in March last that all the leading financiers in the House of Commons concurred in one opinion, that circulation, whether gold, metallic or paper, should issue from the State, be secured to the people, and the advantages of it go into the public exchequer to relieve the necessities of the country. Banks are useful, but they are dangerous, and I will just quote from a speech made by President Buchanan during the financial troubles of 1857, when he said: "It is easy to account for our financial history for the last forty years. It has been a history of extravagant expansions in the business of the country, followed by ruinous contractions. At successive intervals the best and most enterprising men have been tempted to their ruin by excessive bank loans of mere paper credit, exciting them to extravagant importations of foreign goods, wild speculations, and ruinous and demoralizing stock gambling. When the crisis arrives, as arrive it must, the banks can extend no relief to the people. In a vain struggle to redeem their liabilities in specie they are compelled to contract their loans and their issues; and at last, in the hour of distress, when their assistance is most needed, they and their debtors sink into insolvency." I do not think we can have the same experience, as our banks are on a different basis from what the banks of the United States were at that time. I have only thrown out these ideas because I think it is a political question. I think these matters rise above all parties, and it is a subject of regret to me and to all thinking men that two gentlemen of such financial ability as Sir A. T. Galt and Sir Francis Hincks are not in the House to-day to

give the country the benefit of their experience. I have also to refer to another matter in the Speech, that is the foreshadowing of a law respecting common carriers, and also one for the greater security of policy-holders in life insurance companies. I hope that the Government will extend that not only to life, but to fire and marine companies, as there has been a great deal of hasty legislation on these matters that should be looked into, especially in companies doing business in the Maritime Provinces.

Hon. Mr. HAYTHORNE— I quite concur in the sentiments expressed by the hon. member who has just spoken. The most important part of the Speech has reference to the commercial depression, and a great many of the gentlemen who have spoken have turned their attention to it. I believe the causes are to be found far beyond the bounds of our Dominion, and we must submit for some time to come to their effects. I believe it is the fate of all colonies. I believe that a close examination of colonial finances would show that they are all subject to periods of depression. The general tendency is towards progress, but occasional reactions must take place. What the wisest policy to pursue may be, we have yet to learn, of course, from the Government; but I venture to express the opinion, although it may be proper to retrench the ordinary expenses, that the public works should not be allowed to languish, provided our credit remains good—as I believe it does from the market value of our securities in England. I think the most painful sight to witness in a country is idle labourers. The employment of them will at once stimulate the prosperity of the country and quickly react upon the empty treasury. It seems to me it would be unwise for the Government to take alarm at the present condition of the country and suspend the construction of our public works. It seems to me that a time of depression is the proper period for making public improvements. The hon. gentleman from Belleville traces the causes of this depression to the visit of an hon. member, who is not present, to Washington. I differ from him, and a subsequent passage of his speech conflicts greatly with that statement. He said the agriculturists of Ontario were remarkably prosperous, while manufacturers had lately been withdrawing their capital and reducing their production. The natural conclusion from these two statements would be that we

have too many manufacturers and not enough agriculturists. In the Maritime Provinces I have not witnessed any diminution of the supply of Ontario manufactures. I have not heard any complaint that the agriculturists have not enough mowing machines or agricultural implements. On the contrary, there was an abundance of such manufactures. His Excellency has honoured the Province with which I am connected with a special notice. He congratulates us upon the opening of our railway. No doubt it is a matter of congratulation to know that the community possesses so many miles of railway in proportion to the number of its inhabitants. We have 200 miles of rail and a population of about 100,000. There are some drawbacks which I expect to see remedied under the present able management. The rolling-stock is insufficient and there are not enough engines. To derive the full advantage of that line, we require to develop it for local traffic, on which alone it must depend, and to secure it there must be plenty of accommodation. That is a principle which I think will commend itself to all. There is another feature in connection with this which I wish to allude to—communication with the mainland. It is a fact which I very much regret, that although the maintenance of communication in summer and winter formed part of the original terms of union, three years have elapsed since the Province came into the Confederation, and we are yet without winter connection. Some abortive attempts have been made to supply it, but the fact that the representatives of the Island crossed the straits on the Sabbath after a delay of five days, proves that such communication is necessary. I am aware that the Government have made arrangements to supply it next year, but we must remain under the inconvenience of wanting it this winter. This matter does not affect the Island alone, but also the adjoining mainland Provinces. We wish to deal with them as if no straits intervened. I venture, before I resume my seat, to express the hope that this subject will occupy the attention of the Government, and before another winter comes we shall be able to leave our homes to attend our duties at this place, and that our merchants and farmers will enjoy the same advantage without the inconvenience of having to wait five days to cross the straits.

Hon. Mr. ALEXANDER—While I agree with the honourable gentleman who has

just spoken, that the depression of trade is not sufficient to cause alarm, I must say that we cannot expect the Government of this Dominion in the future to be as simple and easy a matter as it has been in the past. The working of this Confederation since 1867 has been an unparalleled success. We have found the revenue of the country, from its progress, from the great energy of our people, from the growth of our cities and of our productive industries, steadily increasing year after year from \$13,000,000 to nearly \$24,000,000. We have not, perhaps, exercised that wisdom in the period of our prosperity which, as a people, we ought to have done. We have, perhaps, displayed too much enterprise. We have been too expensive in our outlays, and I cannot help saying, in my humble judgment, the Local and General Governments have not exercised proper care and caution. Up to the present moment we have been developing one of the finest countries in the world—Ontario, Quebec and the finer portions of the Maritime Provinces—but we should not forget we are now approaching the Laurentian Range, through which we must pass before we can reach the fertile plains of the Northwest, and this will involve us in an unusual and enormous expenditure. We cannot forget that while the Intercolonial Railway has been so successfully and completely built, it has to be run at a loss, and many practical men are of opinion the revenue will be affected by the working of that road. We cannot forget that we are spending \$6,000,000 in enlarging our canals. We cannot forget there are very great difficulties in satisfactorily meeting the views of the people of British Columbia, in accordance with the terms under which they came into the Union. We cannot forget that we have also a magnificent country in the Northwest—the Red River section—which we have not yet been able to reach. I do not hesitate to express my own view—and I believe it is the view of large numbers in this Dominion—that the proposal of the present Government to open a half rail, half water route to the Northwest is a mistake. While it has the appearance of economy it will not enable us to attain the object for which the money is expended. It will never induce the thousands and hundreds of thousands that we desire to see going into that territory. If we have any faith in that country we ought at once to make up our minds that while we endeavour to secure railway communication dur-

ing the winter season via Pembina, we must make up our minds to build, at the earliest moment, a through rail route from Thunder Bay to Red River, and extend it somewhat into the Fertile Belt. I am sure you will agree with me that it was unwise on the part of the Government to undertake to build and run this railway as a Government work.

Hon. Mr. SCOTT—Hear, hear.

Hon. Mr. ALEXANDER—The Secretary of State and other members say "Hear, hear;" but I ask the Government if they have ever tried to get a private company to build the road, and to throw the whole onus of the construction and running of it on them? In this country our Government is different from the despotic monarchies of Europe, where a one man power can effectually carry out the largest schemes by cheap labour. Ours is a free country, where the electors control the Government, and where we are subject to changes. While the present Government might be able to run such a railroad economically, we cannot say what the next one might be. I think we ought to build no more railroads as public works. The Intercolonial, no doubt, was cheaply and well built. It is a work of which we are proud, but for the future it would be wiser to adopt the principle followed by our neighbours in the United States, who give grants of lands and money to private companies to carry out such enterprises. We cannot hope to carry out the future of this Dominion if we are not guided by safer principles than in the past. Some reference has been made to the expenditure of last year, but I say we have no hope of opening the Northwest to our people unless we sacrifice our own views. If we demand the construction of such works as the Georgian Bay Branch, and expenditures which are not necessary, there is no hope that we shall be able to go on with the great development of the future. I think we ought to lay down the principle for the future that no expenditure should be made unless there is a prospect of a corresponding increase of population, wealth and revenue in the country; and then we need never be afraid of increasing the public debt if it is going to bring such results. By such expenditures we shall not increase the burdens of Ontario, because they will be distributed over a larger population. I hope the Government will resist all outside pressure, no matter from what Province it comes, because if they yield to Ontario a grant of

two or three millions for some colonization road under some pretence, why should not other Provinces come and demand an equivalent outlay? Thus it would go on until the treasury of the Dominion would be ruined.

Hon. LETELLIER DE ST. JUST—I am glad to see the general approval with which the Address has been received by the House. That which affords most satisfaction to the Government is the reference which has been made to the results of His Excellency's visit to England. There is no doubt this high dignitary attracted much attention to this country during his tour. Allusion has been made by the hon. member for Montreal to the Premier's speeches in Scotland. He took exception to the views which the leader of the Government expressed at Dundee on the subject of free trade. Now, this policy has been explained many and many times. Some of our opponents object to us on account of our free trade principles; others say, on the contrary, that by the last tariff we have proved to be protectionists. It is very difficult to find out what would satisfy our critics. There is one thing which has to be considered before all, whether we are by our policy to charge the many, the consumers, with the highest rate for the articles which they use in order to favour the few who are producers. Many theories have been advanced to explain the cause of the commercial depression, but I may say if we are to look for the evil it will not be found in the administration of the Government, but in the unsound principles upon which trade and commerce on the continent have been conducted for many years. We are complaining of depression in our trade, and what do we see? Men without any means whatever having every opportunity given them of getting large supplies from the importers, and this has led to over-importation. The result has been ruin. If you buy more than you can sell or produce more than you can dispose of, you must arrive at a period when there will be no demand for anything you have produced or bought too largely for consumption.

Talking of free trade and protection leads us to ask what free trade has done in other countries. It prevails in France, a nation which has passed through a severe struggle and paid an enormous indemnity. The secret of France's success is that her people do not produce more than is needed, and be-



cause her trade relations are so regulated that a man cannot become insolvent whenever he pleases. If it were so in this country you would find that there would be fewer young men rushing into business. As this question has been brought accidentally into the debate, I do not wish to follow it any longer. The leader of the Opposition has treated the Government very fairly. I do not think that anything he has said will require an answer more than to say we desire, generally speaking to meet his wishes. I accept his speech as an indication of his desire to help the Government in all the good measures that we intend to carry this session. Reference has been made to the steel rail purchase. At the time the rails were bought their market value was lower than we had ever known it to be before. Under the impression that it would be safe to buy steel rails when they could be delivered here cheaper than iron rails could be bought before, we purchased what would be required the year following. We have been told they are not used. We require them for the Pembina branch, and a large portion of them has been sent there.

Hon. Mr. CAMPBELL—The hon. gentleman cannot get to Pembina.

Hon. Mr. LEFELIER DE ST. JUST—We have reason to believe that the Northern Pacific company will complete the small portion required to reach the boundary line. Most of the embankment of the Pembina branch has been completed, and the rails can be laid when the section south of the boundary line is constructed. The Premier enquired of the Northern Pacific Company where their road would terminate, and was informed it would extend to the boundary. Immediately an order was given to the contractors on the Pembina branch to complete the grading to that point, which was done last fall. We have every expectation that the line south of the boundary will soon be completed, and if we were not ready to meet them, fault would be found with us for not having the rails for our track. On the sections of railroad between Prince Arthur's Landing and Fort Garry, a good many of the rails will soon be needed. The outlay on this route has been represented as a lavish expenditure, but we all know that it will furnish continuous steam communication to Fort Garry, and that must in all probability serve us for many years to come. It will be equal to all the

necessities of the country, and meet the requirements of immigration. I am told that emigration does not go to the North West for want of communication, but those who say so do not know what they are speaking about. Emigration flows rapidly to Manitoba, although we have no direct communication yet. The route *via* Thunder Bay, and the route by Pembina, will furnish communication which will be sufficient for years to come to carry immigrants to the Northwest at a very low figure. Even now, though we have many obstacles in our way, we are able to take emigrants to Manitoba at much less than we could by rail. When the two routes are completed the Northwest will be far ahead of what this country was for two centuries. Population will flow there, because there is a place for it, and it will yet be the granary of America. To say we should build a through rail route to encourage emigration, is something no man in his senses would advocate. Those gentlemen who speak of economy ask us to expend millions in a region that will not be in use for many years to come, and although we have two routes by which we can have access to the country already. The people of Manitoba do not ask us to build a through rail route. They say it would be asking too much. They love the people of Canada, and desire to be united with them. As to that matter of rails, I know it may be pleaded that we can get them at a cheaper rate to-day, but it will be found on investigation that they were purchased at a time when steel rails could be bought at the price formerly paid for iron, and delivered immediately; and I think there are very few who would not have availed themselves of that opportunity. Almost one fourth of the rails that were purchased were used on the Intercolonial, and I think no one can justly complain because that line, which is one of the best on this continent, was laid with steel rails. But I will not, because I cannot, say that this desirable consummation was due to the good policy of the members on the other side of the House; still, it is fair to state that I think not one of the Premier's opponents would endeavour to take undue advantage of this matter of rails.

There was a desire last year, as well as in previous years, to effect reciprocal trade arrangements with our neighbours, and an hon. gentleman was appointed by the Government to see what could be done towards accomplishing that object. Charges

were made against that gentleman with regard to what were termed his peculiar commercial ideas, but those ideas were not the cause of the delay, as my friend from Nova Scotia would have us think. The cause was far removed from that. It was to be found in connection with the Commissioner appointed by the Dominion on the Washington Treaty. When that treaty is examined a peculiar feature will be noticed. On all general questions when arbitration is needed it is provided that three arbitrators shall agree; but in this instance that principle did not obtain. If the decision was not unanimous the arbitration naturally fell to the ground. Well, the United States, taking advantage of this, have seen proper to delay the appointment of their representative, rendering impossible the arbitration of the question of indemnity due to the Dominion on account of Americans fishing in our waters. Have the Government neglected any of their duties in this particular? Not at all. If reciprocity had been adopted when it was proposed, it is likely that two-thirds of the gentlemen on the other side would have commended the action. But, because the treaty did not succeed, owing to some commercial difficulties, it is unreasonable to blame the Government for its failure. The moment we saw there was no chance to bring this matter of compensation into the reciprocity negotiations, from that moment the Government decided to appoint an arbitrator to determine the amount of indemnity due to us. In view of this fact, I think the observations of the hon. member against us are worthless and without good foundation. There is another remark which fell from my hon. friend, who is always what I may term sweet in his demeanour, to which I must advert. He was not quite prepared to say that the commercial crisis was due to the Administration; he was fair enough to tell us that external causes had induced it, but still he had to bring in the charge of lavish expenditures. I am sorry to have to confess that we have made "lavish expenditures," but they were to meet the obligations incurred by the Opposition. We were obliged to meet the expenditure on large contracts and other similar obligations which they imposed upon us.

Hon. Mr. CAMPBELL—No doubt an opportunity will occur during the session when my hon. friend can establish what he says.

Hon. Mr. LETELLIER DE ST. JUST—

Very well; I shall leave the matter now, so that it may be fully discussed when that opportunity arrives. I think it would keep the House too long if I were to try to answer each observation made by the hon. gentleman. There seemed to be a prevailing opinion that the Address should be adopted according to the proposition of the mover and seconder. Has the hon. gentleman any objection to make against the resolutions being adopted *en bloc*? The hour for adjournment is approaching, and we have no time to discuss them paragraph by paragraph. I trust my hon. friend on the other side, and all the members of the House, will believe that, if anything has dropped from me which may have grated on their feelings, it was contrary to my intention.

Hon. Mr. SMITH—As reference has been made in the course of this debate to the commercial depression, I cannot allow the opportunity to pass without expressing my opinion that the present stagnation of trade is not caused by a want of capital, nor, indeed, by a want of material. The cause, to a certain extent, is the want of confidence among capitalists. The policy of the present Administration has been to discourage direct importation, which, I have no hesitation in saying, has been almost totally ruined by the policy pursued. The poverty in our cities, there is every reason to believe, is directly caused by over-emigration, but it has been aggravated by the almost total suspension of manufactories in the country. The cause of this is that we are not taking care of our own people. We are not providing ways and means for using the capital of the Dominion; but we are diverting labour to foreign countries. There is certainly something wrong, and the Government of the day ought to be able to put it right—it is not my place to do it. At no previous time in the history of the country has poverty in the cities been so great as at present; and, to counterbalance that, I may say that there never was a time when capital was so abundant. Our banks are full of money, but the direct importer is afraid to touch it, because he does not know what the policy of the Government may be in regard to the tariff. The taking off of the differential duty has given great dissatisfaction to the direct importers and to a large class of the people. That step was taken without notice being given to those who had invested largely in direct importation to this country. Our neighbours would not

allow us to trade upon their terms, and yet we adopt this course; and I say more, that the disarrangement of the tariff was unwarrantable. This is especially noticeable in the item of light wines. On a wine which would cost 40 cts. at the place of manufacture, our present Government has seen proper to put a duty of 75 per cent. The duty on a wine which costs one cent more is 150 per cent., while the duty on wine which costs \$1, is only 60 per cent., the duty on wine costing \$2 is 30 per cent., and wine costing \$4 has only 15 per cent. imposed. This is a good instance of how trade matters have been worked. The consumption of light wines is acknowledged to be discouraging to the sale of intoxicating liquors, but notwithstanding this fact, it was deemed wise to impose this heavy duty. The depression in trade is undoubtedly to a great extent caused by such measures. For instance, while speaking on this subject, the business of Hay & Co., furniture manufacturers, of Toronto, who used to employ 1,000 men, are now employing only about one fourth of that number. The reason for this is that United States traders are flooding the country with furniture, which they sell for what it will bring. Still in the face of these facts there are those who wish to copy England and establish free trade. How long was England before she adopted free trade? Not until she became mistress of the world, and was able to do it. But here are we in a small colony with four millions of people proposing to do that which England has been working up to for centuries. We are paying heavily for emigration and bringing men here to starve in the cities. It is heartrending to see numbers of people depending on the charity of citizens to keep them from starvation. I say that the country, notwithstanding this aspect of misery, was never better prepared to improve her condition. Merchants on a sound basis can get all the money they want from the banks, but they are afraid to move on account of the unsettled policy of the Government and the present unsatisfactory condition of the tariff. As for keeping pace with the United States by means of free trade, all I should want, as a Canadian, is to be placed on an equal footing with that country. There is no reason why we should give them a differential duty; we have no cause to be afraid of retaliation. What we want are able and good rulers who have nerve to take this country in hand and protect its interests, instead of bowing

to everything which may bring the United States down to what we require. Let us take no violent course. Let us simply take care of ourselves, and put on whatever the United States puts on. By so doing we will keep our mechanics in this country, continue our manufactures, and utilize our abundant capital.

Hon. Mr. DEVER—I think there is a great deal in what the hon. gentleman has said with reference to the formation of the tariff. The principle of the tariff would seem to be to admit goods that can be manufactured in the country and tax heavily articles that cannot be manufactured in Canada. For instance, spirits of all kinds, tobaccos and cigars are heavily taxed, while furniture and other manufactures of this class are only taxed 17½ per cent., which cannot exclude American manufactures of the same description.

Mr. SPEAKER then put the resolution which was carried.

#### NEW SENATOR.

Mr. SPEAKER then laid before the House a certificate from the Clerk of the Crown in Chancery, to the effect that the Governor General had summoned to the House Mr Gardener Greene Stevens, Warden of the County of Shefford, District of Bradford, in the room of Hon. A. B. Foster, resigned.

The House adjourned at six o'clock.

TUESDAY, Feb. 15.

The PRESIDENT took the chair at three o'clock, p.m.

Prayers were read.

After routine—

#### RULES AND FORMS OF PROCEEDURE.

The SPEAKER presented a report, in obedience to an order of last session, respecting the rules and forms of proceeding of the Senate. He said—I have great pleasure in stating that in the revision of the rules, and in the compilation of the appendix, I received very valuable assistance from Mr. Lemoyne, Clerk of the House, and Mr. Sculter, one of the junior clerks. The chronological work referred to, has been prepared, and will be found in the Appendix.

Hon. Mr. BOTSFORD—It strikes me that the first course to pursue would be to appoint a Select Committee to consider this motion, and to report to the Senate.

I find that His Honour the Speaker, in proceeding on the resolution which I had the honour to move last session, has found it necessary to extend the subject, and he has made several valuable suggestions. Under these circumstances, I propose to move, seconded by Hon. Mr. Letellier de St. Just, that the said report and papers be referred to a Select Committee, composed of the Hon. Messrs. Scott, Campbell, Bureau, Haviland, Miller, Seymour, and the mover.

Hon. Mr. CAMPBELL—I should apprehend that this motion should come from the Government; that they should take the initiation and responsibility of any expense which the carrying out of the suggestions of Mr. Speaker may entail.

Hon. Mr. LETELLIER DE ST. JUST—The Government will not decline the responsibility. It was a matter of courtesy that the motion was left to my hon. friend who moved it last session. The Government will show their readiness to meet the wishes of the House in compliance with the order of last session. I believe the members named on the Committee will be equal to the task, and they will be able to investigate the matter in such a way as to have new rules, orders and references printed as well as reported. A few dollars here or there in the matter of printing is a mere bagatelle when we are about to adopt rules to bind so important a body as the Senate of the Dominion.

Hon. Mr. MILLER—I should say that the report ought to be printed.

Hon. Mr. BOTSFORD—I will with draw my motion. I contemplated in moving the resolution that the report should be printed.

Hon. Mr. SCOTT—I have added a few words to the motion "with instructions to have such portion as they think proper printed for the use of members."

Hon. Mr. AIKINS—There is nothing pressing in this case, and I do not think that the usual rule should be departed from, of referring these papers to the Printing Committee, so that they can be printed in the usual way.

The motion was carried.

THE LIBRARY.

A message was received from the Commons informing the Senate that the Hon. Mr. Mackenzie, Right Hon. Sir John A. Macdonald, Hon. Messrs. Cameron (Cardwell), Cartwright, Cauchon, Cameron (Ontario), Holton, and Tupper, Messrs. Frchette, Delorme, Mills, Young, Laurier,

Brouse, and Wright (Ottawa), had been appointed to assist the Speaker in the direction of the Library of Parliament.

RETURNS PRESENTED.

Hon. Mr. SCOTT submitted a return to an address for fees or amounts received from members of the Senate or House of Commons, or others, in consequence of the introduction of private bills, since the 1st of January, 1874, to the present time:

Also a return of moneys voted; all the correspondence, reports and tenders received by the Government with regard to the beacon lights proposed to be erected at Tadousac, in the County of Saguenay.

Also a return showing the number of appeals yearly taken to the Privy Council from the Superior Courts of the different Provinces of the Dominion, during the past five years.

The House adjourned at 4 o'clock.

WEDNESDAY, Feb. 16.

The PRESIDENT took the chair at three p.m.

Prayers were read.

After routine, the House adjourned at 3.15 p.m.

THURSDAY, Feb. 17.

The PRESIDENT took the chair at three p.m.

Prayers were read.

After routine,

THE DECK LOADS LAW.

Hon. Mr. KAULBACH moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, all papers and correspondence between the Government of Canada and the Inspector of Customs for the Province of Nova Scotia, or any of the Custom House officers in the County of Lunenburg, in the said Province, or any other Government officials in relation to the violation of the Deck Loads Law, with Government instructions, if any, to its officers relative to the enforcement of said law. He said—It may be remembered that when the deck loads question was under our consideration it was very strenuously opposed by many hon. members from the Maritime Provinces, including myself. We believed the principle was

wrong on which deck loading was sought to be regulated. That as well might we direct the height of masts or the quantity of canvas to be spread—everything depending on the condition and build of the ship; that our American neighbours, not bound by the law, would be able to enter our ports and take a large share of our carrying trade away from us. That such has been the result, is well known to many of us, and ought seriously to engage the attention of the Government. It would almost appear that the Government had taken this view of the case. It is at least evident that Government officials are not very strict in the enforcement of the law. Yet, in view of the legislation of the Imperial Parliament on this matter, it is important that so long as the present law stands it should be enforced strictly. My object in making the present motion is to bring forcibly to the notice of the Government, a most flagrant, open and defiant violation of the law in December last at the port of Lunenburg, Nova Scotia. This case is within my own knowledge and observation, and my best efforts strenuously made with the owner of the vessel and the Customs officer, failed in preventing the vessel from going to sea. The vessel was the three masted schooner Zebra, about twenty years old, rotten and leaking, cleared by the Collector of Bridgewater, an adjoining port, bound to the West Indies, said officer giving the captain the usual certificate of proper lading, when in fact the vessel's deck load of lumber was about fourteen inches over and above her main rail. Three of the crew, knowing nothing about the condition of this vessel, shipped at the Custom House in Lunenburg, were conveyed to the vessel lying at Bridgewater, which immediately proceeded to sea. The vessel, after only a few hours out of port, leaked badly, and was then put back into the port of Lunenburg. The three men shipped at Lunenburg then informed the Captain that they would not go in the vessel unless a survey was held, and tendered their monthly advances, which the Captain led them to believe he would accept and release them, but delayed until the day he purposed sailing, and then, under a warrant for desertion, had them arrested and put in jail to await the sailing of the vessel. They sent for me, and on hearing their complaint I went for them to the Custom House officer who had shipped them, where I met the Captain, and also the owner of the vessel, and in their presence

stated the seamen's grievances, which were not contradicted, the Custom's officer stating that he had seen the vessel, that she had twelve inches of lumber above the rail, and that he had already notified the Captain and owner of the difficulties and penalties they were under. The seamen then made formal complaints, and had the necessary steps taken to have a survey of the vessel. But before enquiry could be had, the Captain, with the owner and protective officer of the port, endeavoured to take the seamen by force on board the vessel, and would have succeeded had not the populace interfered to prevent it, and the jail was set on fire. Yet notwithstanding all this, the vessel was permitted—yes, sanctioned—by the Custom House officer to leave the port without his clearance, therefore without reducing the deck load and without a survey, the Captain even taking the poor sailors' clothes with him. In a case of this kind it is the duty of the Government not only to make strict enquiry, but to make an example of the parties thus grossly violating a law established in the interest of protecting life and property. I would like to know if any correspondence has come to the Government in this matter. I ought to say, in justice to the officer of the port of Lunenburg, that I do not believe that he intentionally erred, although he ought to have better known his duty.

Hon. Mr. WILMOT—The point on which I opposed the Bill when it was before the House last session was that it would drive a very considerable amount of the carrying trade of the Maritime Provinces to Bangor and Portland, United States, and it has had that effect. It was entirely in accord with the opinion expressed by the Board of Trade of Great Britain that it would be necessary, if that law was to be carried out, that there should be co-operation on the part of the United States with the people of Canada in order to make it effectual. As the law now stands it is simply turning away our carrying trade into the hands of the Americans. I remember the division on the Bill was very close, and the consequences of its operations are exactly what we predicted at the time. I suppose there are the same objections against Mr. Plimsoll's Bill in the British Parliament, under which I have known several cases of extraordinary hardship, where foreign vessels are allowed to carry 150 tons more load than Colonial vessels of the same class. I am very desirous to protect our seamen, yet the

law applies in such a way that it operates unequally upon vessels of different construction, exactly as predicted by the opponents of the Bill.

Hon. Mr. PENNY—I am very glad to find that there is one Nova Scotia advocate for this law regarding deck loads. I have seen a great deal of deck loading myself, and I know that no heavily deck loaded vessel can cross the Atlantic without danger. It strains the stanchions, and makes the vessel leaky when it lies over. A law was passed some time ago in England to prevent deck loading, and that law was subsequently repealed. I saw a report made to Lloyd's the other day, showing that during the ten years that system was prohibited the number of wrecks was very small, but after it was again allowed, the number of wrecks increased. If the Americans continue to allow deck loading, we may lose a little in cargoes for a time, but I believe that the country which adopts this ruinous policy respecting their shipping will eventually suffer from it. I do not believe that deck loads should be carried across the Atlantic—at least during the winter months.

Hon. Mr. WILMOT—My hon. friend misunderstands this case; it is not crossing the Atlantic, but running to the West Indies and southern ports.

Hon. Mr. SCOTT—There is no objection to the address of my hon. friend passing. I am advised by the Department of Marine and Fisheries that this Act has been put in force in many instances. I have just turned up the Act, and I think my hon. friend behind me spoke prematurely. I find that the Act of 1873, in defining when ships shall be subject to the law, says: "When sailing after the first day of October, or before the sixteenth day of March in any year, on a voyage from any port in Canada to any port in Europe, and during the voyage while within Canadian jurisdiction." It also says: "When sailing after the fifteenth day of November or before the sixteenth day of March, in any year, on a voyage from any port in Canada to any port in the West Indies, and during the voyage while within Canadian jurisdiction." As I read the law I think that all vessels leaving Canadian ports are bound to conform to it, otherwise they cannot obtain a certificate. Our law with reference to deck loads is very much wider in its provisions than the Plimsoll Act. One of the objections against the Plimsoll Act was that it gave advantages to foreign vessels, in their being allowed to take

larger loads and not being detained in port. Under our Portwarden's Act we put the law in force to all ships alike, and it has been found to work admirably. I see it is announced that it is the intention of the Imperial Government to re-enact the Plimsoll Bill. In the case put by my hon. friend, where he refers to the evasion of the law by the master of the ship taking out papers for a port different from the port to which he intended to sail, and when he came back to a British port he was liable to lose his certificate, I have no doubt had my hon. friend called the attention of the Department to this case, it would have been properly enquired into. I think the law is an excellent one, and I am sure, although Mr. Plimsoll's Bill was passed last year under peculiar circumstances, it would be utterly impossible for any Government to repeal it, and the tendency will be to widen and extend its provisions very much indeed.

The motion was adopted.

#### THE STEEL RAILS PURCHASE.

Hon. Mr. CAMPBELL moved that an humble Address be presented to His Excellency, the Governor General, praying that His Excellency will cause to be laid before this House a statement showing the use which has been made of any portion of the steel rails purchased by the Government, and of the quantity remaining unused to the end of 1875. In making this motion he said:—It has been stated that some of these rails have been used on the Intercolonial Railway. At the time of the purchase of these rails my attention was called to the impolicy of the transaction. Of course we must give the Government credit for having purchased the rails with a good intention; the price of rails was very low, they were likely to go up, and they were buying on a low market. But the moment they chose to buy these rails, and the circumstances under which the country was placed at the time, seemed to make the purchase a singular one. The Finance Minister had been drawing a picture of a gloomy future for almost all the interests of the country, and more particularly the revenue. In the face of such a statement coming from the Government we find this purchase made—unnecessarily made, without reference to their being immediately called for—a purchase apparently decided upon simply because the article itself was cheap, and made without the authority of Parliament. Under the circumstances I think the fullest particu-

lars should be put before the country; we should know how far these rails have been used, where they have been used, and what quantity remains unused. If any remain unused the country is paying interest on them unnecessarily. In addition to this the rails were purchased on a falling market, although they seemed low at that time. But it is contrary to the rules of Parliament to make such purchases merely because the Government believe that the article is cheap, which, I believe, was the leading motive in this instance. The rails purchased at \$53 per ton could now be purchased at \$13 per ton less, in addition to the interest on those which remain unused ever since the purchase.

Hon. Mr. SCOTT—There is no objection, of course, to the Address coming down, but perhaps it would be better if my hon. friend had reserved his criticisms till the papers were before the House. In the meantime, on turning up Mr. Fleming's report, I find that the whole purchase of steel rails was made on his recommendation, and that the price averaged \$49.41 per ton. I quote from his report:—"The price of steel rails having fallen to a low rate, I deemed it my duty to recommend the Government to lay in a supply without delay. Accordingly tenders were called for, and several contracts have been entered into for the supply of 50,000 tons. The Government has, consequently, secured a sufficient quantity of the best steel rails to lay 550 miles at rates which average \$49.41." It was supposed at that time that the Esquimault and Nanaimo Railway would be constructed, and part of the rails were sent there. It was known that the railway between Pembina and Fort Garry would be ready for the rails in a very short period, and the rails for that section would have been immediately required had the Company that owned the railway on the American side been able to go on with the extension of their line. A portion, about 11,000 tons, was about the quantity required for the Intercolonial railway, so that it reduced the amount unused to very small proportions. Then it is expected that the rails will be laid on the section between Lake Superior and Shabandwan next summer, so that the entire purchase will soon be absorbed.

Hon. Mr. READ—I find that the Government of the day seem to quote from another authority from what I do. I quote from Hon. Mr. Mackenzie's own words on the floor of the House as recorded in the *Hansard* of last session,

and I find that he says that the lowest tenders for the steel rails were accepted—I think to the extent of 50,000 tons—at an average price, delivered in Canada, of \$54 per ton. Then he goes on to say from whom they were bought and the prices. "Guest & Co., Liverpool, will deliver 5,000 tons at \$54 per ton; the same firm will deliver 5,000 tons at \$53.24; Ebbw Vale Co., 5,000 tons at \$53.53; Mersey Company, 20,000 at \$54.26; West Cumberland Company will deliver free, on board of a vessel at a port in England, 5,000 tons at \$48.67; and Naylor, Bergon & Co., will deliver 5,000 tons in the same manner, at \$51.10, these latter rails being intended for shipment to British Columbia. The entire expenditure for steel rails, therefore, is \$2,665,500." Some portions of these rails were not delivered in this country, consequently I think we have fully explained that the price was \$49 per ton in England, not delivered in this country.

Hon. Mr. SCOTT—Delivered in Montreal, I think.

Hon. Mr. READ—Mr. Mackenzie says delivered in Montreal they will cost \$54 a ton.

Hon. Mr. SCOTT—That was before the rails were delivered.

Hon. Mr. READ—I will read the words themselves. "They will be delivered in Montreal." I think that's plain enough. "Guest & Co., Liverpool, will deliver 5,000 tons at \$54.24." I think that's plain enough. This is the best authority I can give for the statement I made a day or two ago. As to what became of these rails, at a future time, when the papers are brought down, we shall be better able to discuss the question. Contracts are only let for 372 miles of the road yet; and how the Government are going to dispose of 550 miles of rails on that I cannot understand.

Hon. Mr. AIKINS—The statement made by the hon. Secretary of State is calculated to mislead the House. I find that the statement made in Mr. Fleming's report is that tenders are asked for 50,000 tons at rates which average \$49.41 free on board in an English port, while the statements made by my hon. friend from Belleville are perfectly correct. The impression left on this House by the hon. Secretary of State is that the allegations of the hon. gentleman are not correct. Now, the Hon. Secretary of State says a large number of the rails were used on the Intercolonial Railway, on the Cumberland branch, 65 miles. The fact is, if

we take all these branch lines, there still remain 165 miles of rails to account for, and what the Government intend to do with that balance I can not find out.

Hon. Mr. ALEXANDER—This transaction of the Government certainly has occasioned a loss to the country. It is an exceedingly unfortunate one, and it is only one of the many illustrations of the ruinous policy of Governments endeavouring to construct roads themselves and operating them. I have no intention or desire to impugn the motives of the Hon. Minister of Public Works in endeavouring to purchase rails at falling prices; but if the amount of loss to the country represents \$800,000, two years' interest included, it will be very poor satisfaction to the people of the Dominion, no matter how zealous the Premier may have been to save money, at a moment when we will be required to increase the burthens of the people, that a large amount should have been thrown away in this manner. The people will see that the policy of the Government is a very unsound one, and I hope we shall very soon find them taking a leaf out of the book of older countries, and offering subsidies of land and money to chartered companies to build our railways. Or if the subsidies of land and money are insufficient, then let us agree to guarantee 4 per cent. on any balance agreed upon by the Government and the contractor. That will throw all the onus of these speculations in rails on the contractor, without having the Government shoulder such blunders, with a loss to the country.

Hon. Mr. PENNY—I believe the loss amounts simply to the interest on the money.

Hon. Mr. CAMPBELL—And the fall in the market.

Hon. Mr. PENNY—We had an election in Montreal about four months ago, and this question was brought up. A gentleman who made himself very distinguished in the matter said that a very capable and well informed person told him that he could lay down the rails at something less than \$54 a ton. He was asked to mention the name of this gentleman, but he was unable to produce him. On the other hand, we have the best authorities—I may mention Mr. Workman, who is known as a large dealer in iron—who came forward with their quotations, showing that it was impossible to lay them down at the figures mentioned at that time. I am not an iron merchant myself, and cannot speak with a practical know-

ledge of the subject. However, the result of the discussion was that on the one hand we were told that rails could be bought cheaper, and on the other hand that the rails could not be bought so cheap. We had, moreover, the quotations of the actual transactions of the Grand Trunk and the Great Western Railways, and in both cases the prices were higher than those paid by Mr. Mackenzie.

Hon. Mr. WARK—It strikes me there is one point overlooked in this matter. The Government are not only finishing a new part of the Intercolonial Railway, but they are taking up old rails from that part of the road constructed before Confederation, and laying down steel rails; and no doubt the Government are doing that with the rails in question. The Government purchased these old rails without coming to Parliament to have its sanction. It should be borne in mind that the Act under which the Intercolonial Railway is constructed authorizes Commissioners to go on and purchase rails without applying to Parliament, and I have no recollection of Commissioners having applied to Parliament for power to make these purchases.

Hon. Mr. CAMPBELL—They were appointed for that purpose by Parliament.

Hon. Mr. WARK—If the Commissioners had the power to do so surely the Minister of Public Works, under whose supervision the work is being continued, and completed, has the same powers, and works under the same Act.

Hon. Mr. AIKINS—I should like this motion to be amended so as to show where the unused rails now are.

Hon. Mr. SCOTT—I have no objection.

Hon. Mr. CAMPBELL—I had hoped that the Hon. Secretary of State would have made some explanation with respect to these rails. He told us that the statement made on this side of the House is an error; that the price is not \$54, but \$49 per ton, which has been shown, as we all know already, to be contrary to the facts. I think under such circumstances the House is entitled, at the very least, to an explanation, or something more—to an expression of regret that he should have misled the House.

Hon. Mr. SCOTT—I hope that my hon. friend is not serious in stating that I intended to mislead the House. Really, I could not see the figures, and I had to appeal to my hon. friend alongside me. (Here Mr. Scott read the quotation from Mr. Fleming's report against including the



words "free on board at an English port.")

The motion was adopted.

IMPORTATION OF MANUFACTURED GOODS.

Hon. Mr. CAMPBELL moved that an humble address be presented to His Excellency, the Governor General, praying that His Excellency will cause to be laid before this House a return showing the general nature and value of all manufactured goods imported into Canada from the United States in the years 1873, 1874 and 1875. In making the motion he said:—That the manufactures of the country are in a very depressed state is very true, but difference of opinion prevails as to the cause of it. One expression which fell from the hon. gentleman from New Brunswick, in the debate on the Address, struck me as an exceedingly novel one, and I am not prepared to express an opinion as to its merits, that the depression was owing to the locking up of a large quantity of gold in Potsdam. That is a novel reason to me, but there may be something in it. If there is nothing in it, we should know it. My object in making this motion is to get a return to show us whether there is any other cause, and whether that cause is that this Dominion has been made a slaughter market for goods from the United States. No doubt every now and then we do see sales of large quantities—that is with reference to localities—of goods sold at prices infinitely less than they can be manufactured for in this country. Whether or not this has been done to any considerable extent to account in any way for the present depression, it would be well to ascertain. It is really in the interest of the country that we should get at the truth. If it cannot be shown that the amount of goods imported from the United States, and slaughtered in our market, accounts for the general depression of trade, then one ground is thrown aside, and we must look further. I apprehend that the more quickly we can ascertain the reasons, the more quickly we can apply the remedy, whether it is in the locking up of gold in Potsdam, the shipping of goods from the United States, or the want of a protective policy generally and permanently. I do not think it would take much time in proportion to the facts required. I suppose they will be found in the blue books of this year, and all that is wanted is some expert who can give us the amount of furniture, woollens, cottons, hardware, etc.,

imported from the United States during this year. Our commerce is so considerably affected by the trade of that country, that it would be very difficult to meet the embarrassment caused by a large importation of these goods, if such be the real effect.

Hon. Mr. WILMOT—My hon. friend may treat as a joke my statement of the gold being locked up in Potsdam. I am very glad that I have an opportunity given me to refer to this matter, as I find that the reporter has misrepresented me, I have no doubt unintentionally, as it is extremely difficult to report figures correctly. I said that the general depression of trade throughout the world was, in my opinion, from what I observed and read of the state of the money market in London and other countries, in consequence of the payment of a large war subsidy to Germany by France in gold, and the policy of Germany was to keep a large supply of gold at Potsdam.

Hon. Mr. CAMPBELL—I understand that.

Hon. Mr. WILMOT—I say that the withdrawal of £216,000,000 sterling, or what the guarantee of the war debt is based on, from the circulation of the money markets of the world, has the effect of depressing the trade of the world. I think that anybody that knows anything of the trade of Great Britain and the continent of Europe, Germany, India and other countries, well knows that there has been a depression of trade all over the world. When the circulating medium is based upon gold, the withdrawal of a sum like £216,000,000 sterling and its being locked up in Germany must sensibly affect the trade of the whole world. If the hon. gentleman had read the London *Economist* he would see weekly reports that gold was being bought up on Germany's account; if he had studied the state of affairs in the United States he would find that a large amount of the public debt of that country was taken up by German capitalists, and these securities had been sent back to be realized on in the United States. Is not the hon. gentleman aware that there has been a draft of gold from Canada to the United States during the past year?

Hon. Mr. CAMPBELL—I don't know that there has.

Hon. Mr. WILMOT—If the hon. gentleman will only look at the official *Gazette*—at the bank returns—he will find that the reduction of circulation of twenty-

nine millions of dollars to twenty one millions has been the consequence of it.

Hon. Mr. ALEXANDER—The thanks of this Chamber are due to the hon. gentleman for his remarks. He has taught us us that when a country is said to be prosperous most of its industries may prosper, but not necessarily all. For instance, at present the agricultural interests are not suffering: we have had good crops, and the farmers are getting wealthy; but the lumber trade is in a bad condition, owing to over production and the depression in the United States. Then, again, as we observe from our continuous prosperity since Confederation, our people have shown more than due enterprise, and our expenses have been excessive. Probably, as a result of depression, our people are now becoming very careful, and all these circumstances combined have caused a stringency, and manufacturers suffer. The object of my hon. friend in bringing this motion forward is to find out whether, in addition to local causes, a very permanent evil has not also arisen out of our commercial relations with our neighbours of the American Republic, who manufacture more largely than we do; and if they cannot sell their goods in their own market they slaughter them in ours. I have no sympathy with those who think that we ought to throw down our fences and let our neighbours come into our pastures, while they prevent us by a Chinese wall of protection from going into theirs. It ought to be the policy of our Government and our Legislature to see not only our agriculture prosperous, but to build up all other industries. Agriculture alone cannot make us a prosperous country. If we look at the United States and see the marvellous results of their protective policy, and how they are excelling in their manufactures—sending cottons to Manchester and Liverpool—we may well, as public men representing this Dominion, study what should be the future commercial policy of this country. I hope there will be another opportunity presented, when I shall enter more fully into this subject, and I hope that we shall find the feeling strong, not to raise monopolies, or to impose burthens on the people, but to foster our industries and build them up to the satisfaction of all, without pressing on the farmers.

Hon. Mr. SCOTT—The information asked for by the hon. gentleman is contained in the Trade and Navigation returns. Some time will be required to take out the items and classify them.

The motion was adopted.

#### PACIFIC RAILWAY EXPENDITURES.

Hon. Mr. CAMPBELL moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House a statement showing approximately the expenditure made on account of the Pacific Railway and its branches, and the telegraph line proposed to be constructed in connection therewith, since the year 1873, and in general terms the extent of work accomplished in each of the following divisions, namely: East of Georgian Bay, between Thunder Bay and Fort Garry; between Fort Garry and Pembina, west of Fort Garry and east of the Rocky Mountains, and in British Columbia. He said:—I am aware that certain papers connected with the Pacific Railway will be laid before Parliament, but it is very often difficult to extract from documents coming before us in that way the exact information required by Parliament. We know generally that no money has been expended except the cost of surveys between Lake Nipigon and the Georgian Bay and between Fort Garry and Fort William. A certain sum has been expended—I don't know how much—but there has been an amount expended also on other sections, between Thunder Bay and Fort Garry, where I understand no work has been done beyond Shebandowan. Then a large portion of the road has been graded between Winnipeg and Pembina. Whether anything has been done west of Winnipeg beyond surveying, I do not know, nor do I know that anything has been done in British Columbia surveys. I do not wish for anything more than an approximate idea of the cost.

Hon. Mr. ALLAN—I think it is desirable that the information should be brought down to as early a date as possible. Every one perceives that the policy enunciated by the Prime Minister when he first took office respecting the Pacific Railway is not being carried out.

Hon. Mr. SCOTT—There is no objection to the Address passing and the papers being brought down to an early date. I think they will disclose the fact that the policy first announced by the Premier has been carried out. The country was, comparatively speaking, a *terra incognita*. Surveys and explorations had to be made in order to become acquainted with its configuration. We have had large surveying parties in British Columbia, west of the Rocky Mountains, through the Manitoba country, and a line has been

located between Manitoba and Lake of the Woods, and one between there and Lac des Mille Lacs. The Government have pushed on the surveys as rapidly as possible, as they considered it would be extremely unwise and injudicious, for the sake of a gain of two or three years in time, to undertake this great work without thoroughly knowing the country over which they had to pass. The whole territory is comparatively unknown. It has no population, and it therefore happens, after one line has been laid down, another and better one is discovered within a comparatively short distance. It has been thought, in the interest of the country, that hasty steps should not be taken in view of these circumstances.

Hon. Mr. ALEXANDER—How many portages will there be between Shebandowan and the Northwest Angle when all the contemplated works are carried out?

Hon. Mr. SCOTT—I cannot answer my hon. friend off hand. The probability is that the road will run further than Shebandowan; it will run to Lac des Mille Lacs. It is proposed to construct the line from Lac de Mille Lacs to Lake of the Woods, but for many years the water communication between these two points will be quite sufficient with the line connecting with the Lake of the Woods westward.

Hon. Mr. AIKINS—I have no hesitation in saying that the water route is a mistake. Any man who has been over it will come to the same conclusion as I have.

Hon. Mr. CAMRBELL—I see the hon. gentleman from New Brunswick in his place again, and I take advantage of his presence to say that I had no intention of ridiculing the general tenor of his remarks.

Hon. Mr. READ—I hope that this return, when it comes down, will give some information regarding the Georgian Bay Branch, for to my mind the Government have acted most unwisely in going on with it without the slightest information before them. We used to hear them say that no contract would be given out until they had made exhaustive surveys; yet we know that the Georgian Bay branch has been awarded without an instrumental survey having been made over it. No doubt it will be revealed hereafter that the route will have to be abandoned entirely, and another chosen. I have it from those who have been over the line that it is impossible to build a road over part of the route selected.

Hon. Mr. SKEAD—I think that the Government are very lax in their duty. Here is an hon. gentleman who says there never was a surveyor over the route of the Georgian Bay branch before the contract was given out. I am informed that a surveyor was over it, and we should have some information from them whether the survey was made with a theodolite, and whether profiles were made or not. I heard Hon. Mr. Mackenzie, in the other House, say there was a survey of it for a trial line, but there might be short deviations around mountains. I know there is a level country north of the line laid down on the map.

Hon. Mr. LETELLIER DE ST. JUST—The Government thought it was useless to say that there was a survey when every gentleman in this House knows it.

The motion was adopted.

#### THE EXTRADITION TREATY.

Hon. Mr. PENNY asked whether any steps had been taken to extend the provisions of the Extradition Treaty?

Hon. Mr. SCOTT—It has been the general desire that the Extradition Treaty should be of a very much wider character, and very great progress has been made year by year. The first treaty made at the end of the last century provided for extradition in case of two crimes. That continued till the Ashburton treaty, when the number of crimes was increased to seven. That was further enlarged by the treaty of 1870, which I think was the last. The attention of the Imperial authorities has been drawn to the question, and despatches have passed between the two countries respecting cases which ought to come under a treaty of that kind.

Hon. Mr. MILLER—Is there any intention of going outside of the criminal code?

Hon. Mr. SCOTT—No.

Hon. Mr. PENNY—There was a case in Montreal lately of a man who took some \$50,000 from a bank and fled to the United States. He could not be extradited, because the treaty did not provide for such cases.

Hon. Mr. MILLER—There was last year a discussion on a motion of an hon. gentleman in this House to add civil cases to the Extradition Treaty, which I think it would be proper to pass.

The matter dropped.

#### STANDING COMMITTEES.

Hon. Mr. MILLER moved the usual formal resolution, for the appointment of Standing Committees, which was carried.

Hon. Mr. WILMOT—It will be in the recollection of this House, that last session a Committee was appointed for the purpose of arranging for the reporting and publishing of the debates. My hon friend from Cumberland was not present. An agreement was made with a certain gentleman for the reporting, but no agreement was made with regard to the publishing. I beg to move that the Committee consist of the Hon Messrs Aikens, Bureau, Brown, Campbell, Dickey, Miller, Penny, Wilmot, Letellier de St Just, Alexander, and Macpherson.

The motion was adopted, and the House adjourned at 5 30.

FRIDAY, Feb. 18.

The PRESIDENT took the chair at 3 o'clock.

Prayers were read. The Senate sat for a time with closed doors.

After routine,

#### THE COURTNEY BAY RAILWAY EXTENSION.

Hon. Mr. DEVER enquired whether any immediate action will be taken by the Government, in carrying to completion that portion of railway at St. John, N B., known as the Courtney Bay Railway Extension, which is now in a most unpleasant state of apparent abandonment, notwithstanding the large amount of public money expended thereon, and the great desire manifested by merchants and others for a deep water terminus at that Port. In bringing this motion up to-day, I would point out to the Government their late statement that the Intercolonial Railway would be in working order during the coming summer; and as this extension is a part, and a very important part of that work, giving to it deep water accommodation, I feel justified in calling their attention to it, so that it may not be lost to the Dominion by the insecure state in which it is at present. Owing to the fact that there is great scarcity of employment at St. John at present, the work could be completed at a great saving to the country, and at the same time be a great benefit to a large number of laboring men who are suffering in that city these trying times. I thought, too, that the neglect of public property like this, after so much money has been spent on it, is greatly to be censured, and I cannot help thinking that the people are quite right in their belief that the present

Government should complete these half finished public works before commencing new sources of outlay such as the Georgian Bay Branch Railway; the Supreme Court, which might well stand over until better times, in view of the manner in which it passed the House; the superannuation and double salaries of officials, and the steel rails contract, by which the consumers of dutiable goods in this Dominion have lost already some \$700,000 or \$800,000, besides the balance of unused rails now on hand as dead and falling stock. But to proceed to the immediate object under consideration, I would ask leave, by means of a local writer quite familiar with this matter, to point out the great cause for bringing this subject up, with the hope that this valuable property, costing already some \$100,000 or more, may not be allowed to remain any longer as a shame to the men who are being paid well for looking after the interests of the people and the public property of the country. With reference to the double salaries of officials, I allude to the superannuation of the warden of Saint John Penitentiary—a gentleman quite capable as any man in the Dominion to do his duty in that institution, but who, to make room for a friend of the Government, was superannuated, and some \$2,200 or more per annum is now given for what would be considered a favour to get permission to do for \$1,000 per annum, and which amount the former warden only had for doing the same service during a number of years. I will read an extract from a St. John, N.B., newspaper respecting the piece of work in question:—"What do the Dominion Government propose to do with the piece of property known as the Courtney Bay Railway Extension, running from the Haymarket along the back part of the city, past Union, Princess, and a dozen other leading streets, to the Barrack Ground? Do they intend to use it, or have they not abandoned it? There is a splendid wharf structure, a mile or two in length, built of the finest timber; the rails are laid nearly the whole distance; and the cost must have been in the vicinity of \$100,000—what's to be done with it? The Government are making no use of it. They are not even protecting it. The waves are undermining it, and before many months this valuable work will be a perfect wreck. The Government and Common Council have been at loggerheads in reference to the corporation land required for railway purposes at the southern terminus. The Government, or

rather Mr. Mackenzie, will not reply to the Council; will do nothing towards bringing the negotiations to a satisfactory conclusion. Representatives of the Council interviewed Mr. Mackenzie on the subject during his recent visit, but although the great man had been so handsomely treated the evening before by our citizens, without political distinction, he would say and do nothing on a subject of such local importance. He would hold out no encouragement of a settlement. Time is passing. The waves are destroying the works erected at such expense. The Corporation are in a quandary. The owners of property along what was expected to have been a railway extension are perplexed. Everything is at a standstill, pending the movements of Mr. Mackenzie, and presently we shall be told that the approach of the Parliamentary session will prevent the Minister from giving the matter his attention until next spring, when the tides and the storms will probably solve the problem, to the great loss of the Dominion Treasury and the great disappointment of the citizens of St. John. It is stated as a reasonable excuse for delay, that Mr. Mackenzie is overworked, that his health is bad; but he still retains both the Premiership and the Department of Public Works, unwilling to part with either, and apparently unable to find talent in his party fit to be entrusted with either, outside of himself. So the public works of the country are left to take care of themselves, the people being in doubt as to which is the lesser evil—to suffer from Mr. Mackenzie's delays, or to suffer from his mischievous activity. Perhaps, on the whole, the waves and the storms are the most merciful of the dispensations. At all events, the railway extension will probably be left to their tender care during the present winter and coming spring, and it is barely possible they will be kinder to St. John than there is any hope of Mr. Mackenzie and his party proving. There was, indeed, a hope that the Government press would say something on this subject, but even in this direction all hope is fled."

Hon. Mr. SCOTT—This work would have been built many years ago but for the desire of the city of St. John to make a large speculation out of the Dominion Government. The Government made an offer of \$20,000 for the piece of land refused, but the city of St. John demanded \$100,000. The gap between them was very wide, and so no arrangement was

come to when the change of Government took place. Since then the Minister of Public Works has decided that the old site is not the best place for the terminus, and as no other selection has yet been made, it is not thought desirable to complete the extension until the best location is decided upon.

Hon. Mr. DEVER—Do I understand the hon. gentleman to say that there are no means by which the land required can be taken by arbitration? The City Council are and have been quite willing to accede to this position.

Hon. Mr. SCOTT—I have mentioned the circumstances to my hon. friend as I have gathered them.

Hon. Mr. DEVER—I would like to have a distinct answer from my hon. friend as to whether the present Government have really abandoned this piece of work or not. If they have, we should like to know it; if not, and the only difficulty is a difference in the price of a portion of the land, we are willing that the Government shall take such portion as they require at a fair valuation by arbitration, and in that way we hope the Government will do something decisive instead of allowing a piece of work costing \$100,000, to go to ruin.

Hon. Mr. SCOTT—I have given the fullest possible information in my possession—that the city of St. John wanted to make too much of a speculation out of the work. I believe it on the authority of a gentleman from that city who knows all the circumstances. Pending the selection of the very best location, nothing will or can be done.

The motion was carried.

#### THE PARLIAMENTARY BUILDINGS.

Hon. Mr. BOTSFORD moved that an humble Address be presented to His Excellency the Governor-General, praying that his Excellency would be pleased to cause to be laid before this House, a detailed statement shewing the total amounts expended on the grounds and fences in front of the Parliamentary Buildings from the first day of January, 1870, to the first day of January, 1876, with the estimated cost of completing the same; also, a detailed statement shewing the total expenditure on the new Library, distinguishing between the expense of the outward construction and the cost of completing the interior, during the same period; also, a detailed statement shewing the total expenditure on the addition to the Western Depart-

mental Building, with an estimate of the amount to complete the same. He said—  
 I do not intend to make any lengthy statement of reasons why I think it necessary to put this notice of motion on the minutes, but I must say I think it necessary to call the attention of the Government, hon. members, and the country to the very large outlay that has been made on the several subjects which I have included in my notice. It will be obvious to all members who come here session after session that works have been going on since the first session of Parliament here after [Confederation; that costly plans have been adopted and changed, that large sums of money have been expended, and that this expenditure is still going on. My object is to have in a succinct form the aggregate amount that has been expended on these grounds and buildings. The Government adopted a certain plan with respect to the grounds; they were levelled and prepared with compost, trees were planted, and walks laid out; subsequently another plan was adopted, the trees were removed, the grounds were changed, and more expense was incurred. There appears to be no system, no matter what Government is in power, and the expenditure on these grounds and buildings seems to go on perpetually. I have heard it stated that Mr. Marshall Wood had prepared a scheme and an estimate for the grounds that was, to a certain extent, adopted; then it was changed by the present Government, and another plan was adopted, showing a want of system. In reference to the library, hon. gentlemen will see it is a most magnificent building, but I may say that I fear that its utility has been sacrificed for architectural effect. The building is a very beautiful one, but when the book shelving is in, there will not be sufficient light.

Hon. Mr. SCOTT—The hon. gentleman says that large expenditures have been made in laying out these grounds in front of the buildings. The plans were changed at the time the Government came into power. We found that not a contract, but half a contract, had been passed to level these grounds, so as to adapt them to plans proposed by Mr. Wood. The expense in carrying out that plan would have been in the neighbourhood of half a million, so that it was abandoned, and we only levelled the ground and placed a wall in front. As to the library, the defect in the plans has been certainly observed by many other persons, that the

light is insufficient, but this was the plan adopted long ago, which had been examined by competent persons, but it was only when the work was finished that the defect in the lighting of the building was noticed. There is no objection to the address, and I hope the hon. gentleman will find that the expenditure has been within the limit of the estimate.

The motion was carried

• GEORGIAN BAY BRANCH RAILWAY.

Hon. Mr. READ moved that an humble address be presented to His Excellency the Governor-General, praying that His Excellency will cause to be laid before this House copies of all correspondence between the contractors of the Georgian Bay Branch Railway and the Government since the date of the contract. This motion is one of great importance to the country. I think when the papers come down we will find that the great trans-continental railway, that has been so much talked of, had better be reconsidered. We have seen it in the papers, and have heard it from other authority, that the branch line about to be built to French River is to be materially changed from the route laid down by the Premier, and the cost will be a great deal more than Government has anticipated. The papers tell us that the contractor requires quite a different bargain from what he commenced upon. Not only does he require a larger bonus, but, as far as I can understand, he requires a change of route and grades, as the road cannot be built where it is laid down on the western end, the country being a tract of mountains, rocks, and ravines, impracticable for railway purposes. We are told that the terminus is to be located twenty-six miles up French River, instead of at the mouth, and that locks will have to be built at the mouth of the river, to make another "water stretch," so that it looks like as if the people will have to be amphibious to travel from one side of the country to the other. We are told also, that the contractor wants the money consideration changed from \$10,000 to \$15,000 per mile, with an increased guarantee of interest. I hope when these papers come down, it will be found that the Government have taken action to stop the waste of public money in this direction. I think that this application for better terms will be a good chance for the Government to get rid of this contract, and save a large expenditure of money on a useless undertaking.

Hon. Mr. CAMPBELL—I am afraid we shall not be able to arrest the Government in this wilful waste of money. The proposed road is entirely unnecessary, as we already have communication between this part of Canada and the Georgian Bay established by two or three roads. Why the Government are constructing this piece of railway now I cannot understand, especially during the present condition of the revenue. There are already the Midland Railway, the Northern Railway, and the Toronto, Grey, and Bruce roads running towards the Georgian Bay. The Government announced as their policy that in building the Pacific Railway they would avail themselves of the navigable water stretches. If such is their intention, why build this road when there are ample railway facilities from this part of the country to Georgian Bay already? The road is not necessary to establish communication with the fertile territories of the North-West, as they can be reached by the roads that already exist. The Government show themselves to be inconsistent in this matter, and I wish I could induce them to abandon the enterprise, as it is no gain to the country.

Hon. Mr. SCOTT—There is no objection to the address. My hon. friend will recollect that when this policy of the Government was announced that a through route from Quebec to the Georgian Bay, Montreal and the city of Ottawa, through the Ottawa Valley, was contemplated. The hon. gentleman seems to ignore the fact that there is any other country in Canada than that in the Western part of Ontario. It was at one time the policy of the Government to establish water communication between Montreal and the Georgian Bay, about twenty years ago. It was discussed in Parliament, and a very considerable appropriation was made for the commencement of the work. The Chats Canal was commenced, but it was abandoned again. The late Government entertained the same policy of a railway through the Ottawa Valley, as a continuation of the North Shore and Northern Colonization Railways to Lake Nipissing. When the papers come down I shall be prepared to discuss the question as to whether the Government are wise in following up the line of policy which they previously announced. The interests of the country demand that public works should go on, and not that expenditures should cease, when this crisis came. If we had stopped expenditures on public works, where would the

financial institutions of the country be, of one of which my hon. friend is the head? Where would the credit of the country have been if the Government had arrested these works? If they had done so, their policy would have been condemned from one end of the Dominion to the other. Any one who looks at the trade and navigation returns, will see where the embarrassment of trade is; it is only two or three classes, the mercantile and manufacturing, that suffer the one from over importation, and the other from over production. The other classes of the community are in a sound condition, and before twelve months are past the commerce will be in its normal state again. I think that it would be very unwise to stop the public works because there is a financial depression.

Hon. Mr. CAMPBELL—Who suggested such a course?

Hon. Mr. SCOTT—I think the hon. gentleman suggests it when he says we should stop the Georgian Bay Branch. I think it would have been highly reprehensible if we had stopped this or any other public works. As far as the Georgian Bay Branch is concerned, it has not added to the financial depression, as the Government have not contributed one dollar on it to the contractor yet, so that can have nothing to do with it.

Hon. Mr. ALLAN—My hon. friend does not suggest the stoppage of public works, but the real point is that we are all anxious to see direct communication established as soon as possible between this part of the Dominion and British Columbia. The fundamental principle laid down by the Government in their Pacific Railway policy was that they would not expend one shilling of money for railways where they could take advantage of the water stretches. If the country was in a flourishing condition, with plenty of means at hand, I dare say it would be a very good thing to build the Georgian Bay Branch, but we can hardly say it is a part of the Pacific Railway, or that it is justifiable to expend a very large amount of money in carrying a railway track through any part of the country where it is not at present required. That is where the whole difficulty lies. If we were convinced that it was absolutely necessary to build this road to establish communication with British Columbia, there could be no objection to it.

Hon. Mr. SKEAD—This Dominion is composed of a considerable extent of

territory, but the people of Western Ontario seem to think they are Canada, and if anything turns up in favour of the Ottawa district, Western Ontario is always against us. I want the hon gentlemen from Toronto to bear in mind that this Ottawa Valley is of some importance to the Dominion, and as we contribute a very large amount to the public exchequer, we are entitled to some advantages in the expenditure of public money. We had the same opposition last year on this railway scheme; and now when there is a hubbub among the supporters of the Government about a speech delivered by the Postmaster General at Argenteuil—a speech that should never have been noticed at all—some of us seem to think that we will add to their troubles by opposing this Georgian Bay Branch scheme. If the route of this railway is to be changed to a position a little north it will be a saving of money, and it will lead to the very same spot where the route of the road proposed by the late Government was located. If locks are put on French River it will give navigation to Lake Nipissing, which will shorten the road. I hope the Government will not abandon this route. If there is a better route, adopt it, and I believe the good sense of this House will support the Government in carrying out its construction, as the people of the East have as good a right to have this road built as others to have money expended in the western part of the Province.

Hon. Mr. PENNY—It seems to me it would be very much more convenient to have the papers brought down first, and then have the discussion on the subject. We are drifting back to the beginning of this question, and I maintain that Mr. Mackenzie's policy from the first was to build this road as the shortest route of communication between the lakes and Montreal. He brought his scheme before Parliament, and it was passed in the Commons and in this House, and endorsed by the people. I contend that the road is built in the same direction as the one projected by the late Government. No matter which side of the Ottawa it is on, the direction and the expenditure are the same, and I think the whole of the Province of Quebec would be very much dissatisfied if some of the Pacific Railway was not built through the Ottawa Valley. The first idea in the organization of the Northern Colonization Railway scheme was that it should connect with the North Shore road from Quebec, run up the

north shore of the Ottawa to this city, when it would cross the river and extend on to Georgian Bay.

Hon. Mr. MACPHERSON—If we did wrong in authorizing this road, I think it is only right that we should reconsider it. When the error was discovered it would have been a very wise thing of the Government to have reconsidered the matter, and see whether it would not be better to save the money for the present. In all the discussions I have heard on this road I have not heard any gentleman speak of the traffic that is to support it. Usually when railways are projected, and money is to be spent, statements of the traffic that exists or will be created by the road are submitted. I have heard nothing of that kind in this case, and I do not believe, myself, that there is any traffic, or that there will be any traffic for the road when it is constructed, if ever it is constructed. As for local traffic, the timber, as long as it lasts, will form some, but as soon as the timber is exhausted, as far as my information of the country goes, there will be no other freights to carry. It should have been regarded more as a local road than a Dominion road constructed by the Dominion, for it has to national characteristic whatever. It is just such a road—with this difference, the county is not so good—as is being built by local companies in Ontario, assisted by the counties, townships, and villages, according as the people are interested in it. They understand very well the advantages of railways in getting their produce carried cheaply to market, and they contribute in the form of bonuses, and after that come to the province and ask the Legislature to assist, and that is the principle on which this railway should be built. It is well known that there are no municipalities to contribute bonuses in this route, but there are wealthy gentlemen interested in timber limits who are better able to contribute money than farmers are. It is really for the benefit of the people who own these timber limits that the road is being built, and not for national interests. I should like any gentleman to tell me if the road was constructed to-morrow, where any portion of the traffic to support it is to be found. I consider it a perfect waste of money.

The motion was adopted, and the House adjourned at 5.5 p.m.



MONDAY, Feb. 21.

The PRESIDENT took the Chair at 3 o'clock.

Prayers were read.

After routine,

THE GOVERNMENT DREDGE "CANADIAN"

Hon. Mr. KAULBACH moved "That an address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House a statement shewing the work performed by the Government steam dredge Canadian, during the past year, with total cost of said work, the harbours dredged, with the quantity and cost of the work in each harbour, the number and classification of the crew, and the wages paid to each of them. Also, the quantity of coal consumed by same dredge on each work, when and by whom supplied, and the cost per ton or caldron. Also, if any extra hands have been employed on any of the works or in the service as pilots or otherwise, if so, where; the service was performed and the wages paid." I make this motion with the object of ascertaining whether the dredge has been doing work commensurate with its ability and the expenses attending the same. I am of opinion that when the statement asked for comes before us, the contrary will appear; and that the Government will be called upon to see to it hereafter that more work is done, and at a less cost. I had hopes that the harbour of Mahone Bay would have been dredged last year, as the rising importance of that port justified the early performance of the work. The late Government sent an engineer there, who reported so favourably that everything was arranged to have the work performed speedily, and commenced immediately after the dredging of the next harbour (Lunenburg) was completed. The work at the latter place last autumn was but partially done, when the dredge was ordered to Yarmouth, notwithstanding a large and influentially signed petition was sent to the Government, praying that the dredge remain until the work was finished. Lunenburg harbour is usually free from ice in winter, and the work commenced would have been continued to completion. The contrary is the case with Yarmouth. Little, if anything, can be done there this winter to advantage, whilst time and money are being wasted; and Mahone Bay now seems farther from being dredged than it was two years ago.

Hon. Mr. SCOTT—There is no objection to the address, but my hon. friend's complaints are not indicated by the language used in his notice; therefore I am quite unable to give explanations until the ground of complaint is brought forward. The particulars asked for in the motion will, of course, come down.

THE POSTMASTER OF SACKVILLE.

Hon. Mr. BOTSFORD moved "that an humble Address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House, copies of all reports and other documents communicated to the Post Office Department by the Post Office Inspector for the Province of New Brunswick, as the result of the officer's investigation into the conduct of the Postmaster at Sackville, together with copies of any certificate of character, or recommendations in favour of such Postmaster." During the last year there were very serious charges made against the Postmaster of the large and flourishing village of Sackville. These charges were of so grave a nature that the Department found it necessary to cause an investigation to be made by the Inspector. I am aware that last summer an investigation did take place, and perhaps the documents were furnished to the parties implicated, but as regards the result of that investigation, the public have not been informed. Of course there is a large population who are interested in the office being properly conducted. I need not go into details that have come within my own knowledge, and will defer making any further remarks until the papers come down, when I shall have something more to say on the subject.

Hon. Mr. LETELLIER DE ST. JUST— I do not know whether the papers alluded to are in the Post Office Department, but if such papers exist they shall be brought down, as I have no objection to the Address.

THE NORTHWEST TERRITORIES.

Hon. Mr. GIRARD moved that an humble Address be presented to His Excellency the Governor General, praying that his Excellency will cause to be laid before this House, copies of all instructions to the honourable Alexander Morris, Lieutenant Governor of the Northwest Territories; also copies of all Orders in Council relative to the said territories since their organization, and not already published; also copies of all reports and

official correspondence between the Lieutenant Governor and the Dominion Government from the date of his appointment. It is not from a simple motive of curiosity that I am now moving this address; it was in 1871, that an Act was passed for the government of the Northwest territories. By that Act it was provided that a Lieutenant Governor would be appointed for the administration of justice in those territories, and to establish all laws necessary for the peace, order and good government of Her Majesty's subjects and others therein, and for that purpose he would receive the assistance of a Council not exceeding fifteen and not less than seven persons. It was also provided that all laws and ordinances so to be made should be laid before the Houses of Parliament as soon as convenient after they were framed. By a subsequent Act passed in 1873, it was provided that the number of Councillors could be augmented to twenty-one; and we see by the preamble that under the preceding Act a Council of eleven had been appointed with certain powers, which had been defined by an Order in Council in that behalf. By a subsequent Act passed during the same session, 36 Victoria, ch. 34, a great step was made to complete the organization of the Northwest territories. The Lieutenant Governor and his Council could pass all laws necessary for the administration of justice in these territories, in the limits assigned, by an order of the Governor in Council, and the Governor in Council was empowered to make such laws and provisions as the Lieutenant Governor in Council could do. By subsequent legislation it was provided that every law made by the Lieutenant Governor in Council may be disallowed by Governor in Council within two years after its passing, and every law made by the Governor in Council was to be laid before both Houses of Parliament, and in both cases such laws, as evidence of being in force, had to be published in the *Canada Gazette* or in the *Official Gazette* of Manitoba. I know that from time to time the Members of the Northwest Council have been called together by His Excellency the Lieutenant Governor, to fulfil the responsible duties attached to their position; and I think that they have acted conscientiously and honestly—at least their services have been acknowledged by the Lieutenant Governor. At a late meeting, when making an enumeration of what had been done by the Council, he made it in a way

that I will ask the indulgence of this honourable House to mention. I will read a few words from the speech from the Lieutenant Governor during the last session of the North-West Council, in October last:—"Though you had many difficulties to contend with, you surmounted most of them, and will have the gratification of knowing that you, in a large measure, contributed to shape the policy which will prevail in the government of the Territories and the administration of its affairs." I take the liberty to refer to the subject as justification of the work that these men have done for the best interests of the country; and I hope that if the motion is granted—as I expect there will be no difficulty—it will show what has been done. Of the work done by the North-West Council, nothing has been published according to law, as far as I have been able to ascertain, although the whole Dominion is interested to know what has been accomplished for the improvement and the development of that vast British Canadian Empire of the West. If there is fault anywhere we ought to know who is responsible; for, before long, under a law passed during last session, a new organization will take place.

Hon. Mr. SUTHERLAND—I would add a word or two in explanation of my hon. colleague's motion, especially as I do not doubt that most hon. gentlemen are aware that the mover of the resolution was himself a member of the Northwest Council, and no doubt felt some delicacy in bringing forward this motion. I would, therefore, beg to say that the thanks of the country are due to the Lieutenant Governor and Council for their efforts in organizing that vast Territory, and maintaining the good order that has prevailed during their administration. The effect of their labours is the only means I have had of judging of what they have done, as I have never seen any of their Acts published. I would say, as my hon. colleague has just referred to it, that the thanks of the country are due to the gentlemen of the Northwest Council, for they have never been paid for their services.

Hon. Mr. LETELLIER DE ST. JUST—I have no hesitation in saying that we can grant the two first demands, but as to the latter portion of the resolution, it would extend over such a large area that we cannot grant it. It would be the history of the Northwest Territories, which would form a very voluminous document, too

lengthy to be printed in the papers. As to the observations of my hon. friend about the work done by the members of the Northwest Council in the actual organization of the Northwest Territories, I will not say that those gentlemen who were entrusted with it have not done their duty, but I suppose that the hon. gentleman has seen from the Speech from the Throne that papers respecting Manitoba will be brought down. I can see no objection to granting the address, if the hon. gentleman will strike out the last portion of the motion, and let the two first sections stand, as they are sufficient to get the whole information needed.

Hon. Mr. GIRARD—My intention was to ask what had been done with reference to the Northwest Territories, not to extend to the Province of Manitoba.

Hon. Mr. LETELLIER DE ST. JUST—I do not see any grave objection to the papers being brought down, except that it will likely be a bulky correspondence, and the Committee on Printing will find it too large for publication. Some of the correspondence has no great bearing on the question, and would be of no public interest. It might be preferable if the hon. gentleman would go with my hon. friend the Secretary of State, who would no doubt show what correspondence might or might not be given in the report.

Hon. Mr. SCOTT—There is a very large portion of the correspondence that cannot be of any possible interest.

Hon. Mr. ALEXANDER—I have no doubt that whatever the hon. gentleman wishes to have brought down will be of deep interest to the country. I cannot let this opportunity pass without acknowledging that credit is due to the Government of the day for not having availed themselves of the power given to them by Parliament last session, to throw upon the country the expense of a Government for the North West Territories. I am sure that members of both Houses will be always ready to acknowledge careful management of the finances of the country, and the Government are in this case entitled to the thanks of the country. I did not think it was wise on their part to pass that measure last session. We all know when a Government obtains power to establish a separate Government in any part of the Dominion, with corresponding patronage, that any number of claims are put in by adherents for appointments. The Senate could not take the responsibility of objecting to the measure

brought in by the Government last session, as they received the assurance that the future of the North-West was such as would warrant the expenditure, including the salary of the Lieutenant-Governor and his secretary. But the \$10,000 for such salaries was merely the first expenditure: there were to be buildings, and subsequent expenditure that was inevitable. When we reflect that the civilized population of Manitoba and the North-West is only about 35,000—equal to one of the ordinary counties in Ontario—the Government of such a territory is expensive even at present. The thanks of this House are due to the Government that they have not thrown on the country this additional expenditure, until we see much more rapid progress in the settlement of the North West. It would be totally different if the policy of the Government was a vigorous one. I have no faith that their policy will lead to the rapid settlement of that country. When they enter upon expenditures that are premature and unnecessary, and fear to undertake necessary works, I have no hope of rapid expansion and growth. If there was a more vigorous policy on the part of the Government; if they showed faith in the future of the country by constructing a through rail route from Thunder Bay to Fort Garry, we should soon see a large population flowing into that territory; and I believe this could be accomplished without increasing the public burdens; because we should find from such expenditure a proportionate increase of population and revenue.

Hon. Mr. LETELLIER DE ST. JUST—The communication which my hon. friend says is so desirable is almost in existence at present. He says "if there was railway communication from Lake Superior to Manitoba, if our lakes were covered with propellers to carry immigrants, in a very short time we would have a large immigration into that country, and a Government would then be necessary." We have already large steamers on the lakes, which can carry any number of immigrants to Duluth, and there is railway communication all the way from there, except a short distance, to Fort Garry, and that it is not completed is not the fault of the Government; but this small link will be finished in the course of twelve months. I think the hon. gentleman, if he had looked at this fact, would not have discredited what he himself has said at first. I certainly have to thank the hon. gentleman for his kind remarks

in the beginning of his speech, but the conclusion is not so acceptable.

Hon. Mr. AIKINS—I quite sympathize with the hon gentleman from Manitoba. It would be of great interest to the public to have the information required published. From what I have seen and what I have heard, the exertions put forward by the members of the Northwest Council for the purpose of controlling not merely the Indians, but the entire population, have added greatly to the progress of the country. In looking over the papers required, I think it is desirable not to cull them too closely; let them be brought down, and the committee can decide what papers should be printed in the interests of the public.

## PROTECTION.

Hon. Mr. RYAN presented a petition from the Dominion Board of Trade, praying for protection to Canadian manufactures.

## THE CAMPBELL DIVORCE CASE.

Hon. Mr. REESOR presented a petition from Robert Campbell, of Whitby, Ontario, praying for an Act to dissolve his marriage with Eliza Maria Byrne, for adultery with one George Gordon. The certificate of the service in the case for the respondent was also submitted.

Hon. Mr. REESOR—I beg to move that the witness in this case be called to the bar of the Senate.

Hon. Mr. TRUDEL—As it is known that a number of gentlemen of this House cannot take part in such proceedings as this, I might suggest that these motions be carried on division.

Hon. Mr. SCOTT—I agree with the remarks of the hon. gentleman; it is the course usually pursued.

The witness having been brought to the bar of the House, he was examined as follows:—

Witness—Erastus Francis Howard, of the township of Whitby, County Ontario, Sheriff's bailiff.

Hon. Mr. REESOR—Do you know Robert Campbell, of the township of Whitby, in the County of Ontario, the petitioner for an Act of Parliament for divorce from his wife; and how long have you known him?

Witness—I do know him. I have known him for about twenty-five years.

Hon. Mr. REESOR—Do you know Eliza Maria Campbell, his wife, formerly Eliza Byrne, and how long have you known her; and have you known her intimately?

Witness—I do know her; have known her from her childhood upwards; have known her intimately previous to and since her marriage with Robert Campbell, the petitioner for the Bill of Divorce, up to the time of her leaving the care of the said Robert Campbell.

Hon. Mr. REESOR—Look at this paper marked "A." Did you serve a copy of the same on Eliza Maria Campbell; and if so, at what time, at what place, and under what circumstances?

Witness—I served a copy of the notice of the writing now shown to me, marked "A," on Monday, the 5th of July, 1875, upon the said Eliza Maria Campbell, at the house of her mother, Henrietta Byrne, in the town of Whitby, County of Ontario, Province of Ontario, by handing to her (the said Eliza Maria Campbell) a copy of the notice in the writing marked "A," which she then and there received. I at the same time told her that the notice was a notice of application for divorce on the part of her husband; that it was served at the instance and request of her said husband; I also told her the notice was published in the newspapers of the said town of Whitby, and at the village of Oshawa, in the said County of Ontario, and known respectively as the *Whitby Gazette* and the *Ontario Reformer*. Said Eliza Maria Campbell then told me that she supposed she must receive the said notice, as she had received the other—meaning a similar notice with which I served her on the 8th of July, 1874; I, therefore, on the 7th of July, made a memorandum on the back of the said notice, marked "A," of the time, place, and particulars of such service, which memorandum is now handed in, marked "B."

Hon. Mr. REESOR—Evidence of service having been received, I beg that the witness be allowed to withdraw from the House.

The witness withdrew.

Hon. Mr. REESOR—I move that the petition of Robert Campbell, praying for a divorce, be now read.

The petition was read, and the House adjourned.

TUESDAY, Feb. 22, 1876.

The PRESIDENT took the chair at 3 p.m.

Prayers were read.

The House sat with closed doors until 4.15.

After routine,

THE CAMPBELL RELIEF BILL.

Hon. Mr. REESOR introduced a bill for the relief of Robert Campbell, which was read the first time.

The House adjourned at 4.30.

WEDNESDAY, Feb. 23.

The President took the chair at three o'clock.

Prayers were read.

After routine.

THE EASTERN RAILWAY EXTENSION.

Hon. Mr. MILLER moved "that an humble Address be presented to His Excellency the Governor General, praying that His Excellency may be pleased to cause to be laid before the Senate all correspondence between the Dominion Government and the Government of Nova Scotia, and all orders in Council relative to Eastern Railway extension in that Province." He said that the subject of Eastern Railway Extension, in Nova Scotia, had been brought before the Senate two years ago, by the hon. second-er of the present motion, when Senators from Cape Breton had an opportunity of placing their views on the question before the country. The opinions he had then given expression to had been confirmed by subsequent events, and he believed were to day endorsed by nine tenths of the people immediately interested in the subject. He would explain for the benefit of hon. gentlemen not conversant with the matter, what was meant by his motion. The Government railways in Nova Scotia extended eastwardly as far as Pictou, or rather New Glasgow, a distance of about eighty miles from the Straits of Canso, which was about half way between the present railway terminus and the magnificent harbour of Louisbourg, destined in the near future to become the Atlantic terminus of our railway system. An agitation has been going on for years to secure the extension of the road from Pictou to that port. The people of Cape Breton and Eastern Nova Scotia

claimed, and justly claimed, that the completion of this work was due to them from the country. They believed that while they were called upon to pay their their share of public improvements, such as railways and canals, in every other portion of the Dominion, they had a right to receive some consideration from their rulers for their own neglected condition. They cannot understand how millions can be so easily voted for subsidies to railways and canals in some places, when nothing can be secured to improve their own position and give them connection with the rest of the world. Was it because their country was not worth consideration? That man knew little of Cape Breton—its great and numerous resources—its geographical advantages—who would hesitate to say that in proportion to area it was the most valuable piece of territory in this Dominion. No man valued British Columbia more highly than he did as a portion of the Confederation, but he considered that Cape Breton was worth ten times as much to the Dominion as the Western Province. Yet their public works, their much needed railway and canal, had been in the past things of little solicitude to the Government. He hoped a different policy would mark the future. The people of Cape Breton desired the completion of a railway from New Glasgow to Louisbourg as soon as they could get it, and he contended that it should be constructed as a portion of our inter-oceanic highway. But as it did not appear that the Government of the day could be induced to favour that view, he supposed they would have to be satisfied at present with a railway to the Strait of Canso. That could be accomplished at once with merely nominal assistance from the Dominion Government. The Local Government were willing to give a fair subsidy to any company agreeing to extend the railway to the point named, and there were parties ready to build the road to the Strait, if in addition to that subsidy, the Federal Government transferred to them the road from the Intercolonial Junction at Truro to New Glasgow. As that portion of the line was not a source of much profit to the Government, they would really be giving nothing, or at least would be losing nothing by the transfer, for which the local Government had been in communication with them. The Dominion Government were supposed to have favourably entertained the proposition, but the gift had hitherto been clogged with con-

ditions that rendered it valueless. These conditions were that the company should complete a railroad all the way to Louisbourg; otherwise the transfer would not be absolute, and unless absolute the property would be worth nothing as a security on which to raise money. No company can be found at present to accept the terms of extension to Louisbourg. None could be found during the past two years, and as he had predicted then, they had just lost that much time in obtaining the road to the Straits of Canso. He trusted now that all parties would look at what was practical and possible, and not delay or endanger it by seeking what was neither the one nor the other. He trusted that the Pictou road would be given absolutely to any parties contracting to build a railway to the Straits. If anything else were done, further delay and disappointment would be the result. It had been insinuated that neither the federal nor the Local Government were sincere in their efforts for eastern railway extension in Nova Scotia, and that they attached conditions to every scheme they agreed to that they knew would defeat it. He would be sorry to believe that, but rather contended that their sincerity should be judged by what might hereafter take place. But it was said that some sectionalism was a gain at work, and that some parish politicians in Cape Breton were endeavouring to get tacked on to the main line to the Straits, a branch to their own doors, or as near as possible. He could understand the enemies of Cape Breton playing a game of that kind, arousing sectionalism to defeat the whole enterprise, but he could not comprehend such narrowness and short sightedness on the part of its friends. There was only one course either practical or patriotic at the present time in the true interests of Cape Breton, and that was to bend all their energies to secure the railway to Port Mulgrave. After they had got that far, then they could all unite in securing a railway to Louisbourg. No county in Cape Breton was more interested—not even Cape Breton county—in having the road to that port than the county in which he resided, as the line would run almost through Richmond, and nothing could induce him to forego the construction of the whole road, except its immediate impracticability. While, however, it was wise to take the road to the Straits as an instalment, when they crossed the Straits of Canso, they should keep their eyes steadily fixed on Louisbourg. Richmond,

Victoria or Cape Breton should not consent to the expenditure of a single dollar for railway on the Island looking in any other direction than Louisbourg, until that road is completed. They should not dissipate their resources in building useless branches ending nowhere, for every dollar thus spent would lessen the ability of the Province to assist them, and weaken their claim hereafter for the extension of the main line. A branch line to West Bay, in the Bras D'Or Lake, was spoken of, but when St. Peter's Canal was enlarged that would be the natural channel of access to the inland waters of the Island. Another scheme was a branch line to Whycowmah, but this was more absurd than the other. Either of these roads would cost a large sum of money, and would be useless half the year when the Lakes were frozen. A new element of discord had been started in regard to eastern extension by the advocates of White Haven as the terminus of our railway system, but as it was likely to be harmless he would not say much about it. All the railways in Nova Scotia had been built by sections—the road to Pictou was first finished to Truro, and some years after extended to New Glasgow. The same was the case with their western lines. That policy had been so successful that the people of Cape Breton would see the wisdom of adopting it in their own case. If they could not get all they wanted at once, they would content themselves with what was within their reach for the present. What he thought that at least three-fourths of the people of Cape Breton wanted the Government to do, was to hand the Pictou Branch over to any company that would complete a railway to Port Mulgrave or any other suitable point in the Straits of Canso, with a steam ferry at the strait. That was what was wanted, pure and simple, nothing more or nothing less. Anything else, however plausible or advantageous apparently, would be attended with no practical result, and he trusted that both Governments would show by an honest and common sense policy that they desired a practical result.

Hon. Mr. BOURINOT—My hon. friend has spoken so fully and so well on this subject that I have very few remarks to offer, but as I have taken a deep interest in this question, not only here but in the Legislature of Nova Scotia, I entirely concur in the views of my hon. friend, although, two years ago, when the question

came up here, I certainly was opposed to the railway extension being provided for only as far as Canso, to which my hon. friend has referred. I did so, because I thought if the arrangement was made to have the line extended only to Canso, and not to Louisburg, it would be likely to remain so for a long time, and there was then a company desirous to take it up and build it from New Glasgow to Louisburg; but they did not carry out their pledges for reasons I will not enter upon at present. We all know that the Local Legislature passed a measure to aid this line of railway. It was not done for the purpose of building it but simply to gain certain votes in the House, and the Act on the statute book proves the fact. When I saw it first I perceived the object. With regard to Louisburg we all know what it has been in the past, and what its commercial importance may be hereafter. Its progress may be retarded by present legislation—with its magnificent harbour accessible at all seasons, and the nearest to Europe, it is only a question of time—and I think, therefore, it is as well entitled to aid from the Government in connection with the Intercolonial Railway as any other portion of the Dominion. The present Government have been building and aiding many railways with the public money, and they have also expended millions on canals for the purpose of developing the resources of the other Provinces of the Dominion, while Cape Breton is entirely ignored, left out, and not even thought of. It is true it is said there is expenditure on public works in Cape Breton, but what are they? Only one work, and that expenditure was inaugurated by the late Government and continued by the present in the harbour of Ingonish. That money is thrown away. We all know how many years we have been waiting for the enlargement of St. Peter's Canal, but as I have a notice on the paper on this question I will not bring it up now. I appeal to the gentlemen of this House to see that justice is done to the Island of Cape Breton by this Government and by the Government of Nova Scotia. When I spoke on this question two years ago I stated that when we came into Confederation it was for the purpose of getting the justice from the Dominion that we failed to obtain from the Province of Nova Scotia. I hope the Government will give the matter the serious consideration and take care that the same justice is extended to us all that is extended to Manitoba, the Northwest Territories,

British Columbia, and Prince Edward Island. We do not demand more; we are not unreasonable, but we demand justice.

Hon. Mr. ARCHIBALD—I think the best thing, as we cannot get the road to Louisburg, is to take it to the Strait of Canso. I am sure that the road can be completed to the Strait, but I have my doubts, like my hon. friend, that it can be carried any further at present. We have been allowed to stand in the cold long enough, waiting not only for the action of this Government, but of the Government of Nova Scotia, for the Eastern Extension, while the Western Extension has been carried as far as Yarmouth. I hope that when the section from New Glasgow is transferred to the company who will engage to build the Extension, there will be in the agreement a provision binding the contractors to put a suitable steam ferry on the Strait of Canso. I do not believe the Government of Nova Scotia will give any grant for that, and the company should be compelled to put on a steam ferry, so that we can cross the Strait at all seasons.

Hon. Mr. LETELLIER DE ST. JUST—There is no objection on the part of the Government to accede to the demand for these papers. I hope that when the papers are before the House every one of us will be in a better position to discuss the question. The Government have taken cognizance of this matter already, and it is not their fault that something has not been done: it is on account of internal difficulties in that section of the country that the road has not been completed. There is no difficulty in the way of the Government handing over the section from the junction at Truro to New Glasgow. The Government have been endeavouring to find out how they could place the road in a way to utilize it to the greatest benefit of that section of the Province, and we have been told by many people that the Local Government are unwilling to grant a subsidy to extend it to Louisburg. The building of the road does not depend entirely on the Dominion Government, but it depends more on the Local Government.

Hon. Mr. MILLER—There is an Act on the statute book granting \$6,000 per mile towards it.

Hon. Mr. LETELLIER DE ST. JUST—If the local Government are taking an interest in the matter to facilitate the opening of the road, the responsibility will remain with them; we shall certainly place no obstacle in their way.

Hon. Mr. MILLER—Then I understand that the responsibility of requiring any further extension than taking the road to the Strait of Canso will rest with the Local Government.

Hon. Mr. LETELLIER DE ST. JUST—I do not go as far as that. I say it will rest with the people of your Province and their Government, inasmuch as the Government seem to be ready to grant a subsidy for its continuation towards the east. When the papers are before the House it will be more easy to discuss the question. However, the Government have no intention whatever to prevent this little section from being handed over for the purpose of assisting the extension.

Hon. Mr. SCOTT—My own impression of the former discussion on this subject is, that in granting the line to New Glasgow a condition should be attached that the extension should be carried on to Louisburg.

Hon. Mr. MILLER—I was opposed to that, for the simple reason I believed no contractors would be willing to accept it on that condition. However, I do not believe the Government were liable to censure for affording the opportunity to any contractors who would be willing to undertake the extension to Louisburg.

Hon. Mr. SCOTT—I believe that within the last two years a proposition was made by a company to extend the road to Louisburg, if they could get control of the section from Truro to New Glasgow. I think the offer was made, and an attempt was made to float the scheme in the English money market, but it failed.

Hon. Mr. DICKEY—I understand the reason of the failure was that the time was too short. With respect to the road from Truro to New Glasgow—fifty miles, the property of the Government—when it is handed over to a company to ensure the extension to the Strait of Canso, I hope in the arrangement for transfer the Government will see that the public interests are protected; that the use of the road shall be continued, and that it shall not be handed over to speculators before the extension to Canso is insured.

The motion was carried.

#### MARINE CABLES.

Hon. Mr. KAULBACH moved "That an humble Address be presented to His Excellency the Governor-General, praying that His Excellency will cause to be laid before this House copies of all papers and correspondence between the Government and the 'Direct Cable Company,'

the 'Anglo-American Company,' and all other Atlantic Cable Companies since the 1st October, 1873." It must be fresh in the minds of every honourable gentleman present the animated discussion we had last session on the Government Bill entitled an "Act to regulate the construction and maintenance of Marine Electric Telegraphs," landing on our shores. It seemed that the legislation of the Government was inspired in the interest of a company known as the "Direct Cable Company," which company, in the previous session of Parliament, sought for itself similar legislation, and circumstances justified an impression that some gentlemen now in the Government had some interest in stimulating the legislation of last spring. It was apparent that at every step in the progress of the Bill the Government not only consulted with, but was dictated to by, the said company. It is currently reported that a scheme has not only been outlined and promulgated, but circulars explaining have been issued, for the fusion into the Anglo-American Company of the Direct Cable Company. It is well remembered that the promoters of the latter company impressed the idea, not only on the public, but on some hon. gentlemen here, that they were animated with the desire to promote the public interest in cheap telegraphy, and by the aid of the Government Bill permanent cable competition would be secured. Now, it is just possible that the amalgamation of the two companies may not take place; but this much appears certain—they have clutched at monopoly rates, and united as to tariff charges; and whilst the Government seemingly chafed at the cause of full competition, disregarding rights and the credit of the country abroad, created a greater monopoly than previously existed. The Direct Cable Company showed by their prospectus that one shilling a word would yield a ten per cent dividend. Why do they now charge seventy-five cents? It will be remembered that many of us last session prophesied this result, and moved to limit the maximum rate to fifty cents a word, which we have reason to believe the Government would have agreed to but for the influence of the Direct Cable Company. It is to be hoped that it will not appear that our Government of so much professed purity have, through any influence, brought about the present gigantic monopoly. I do not know what correspondence the Government have on this matter, but I hope they can show that



none of them are personally interested in this Company. With the consent of the House, I will add the words, "Also all correspondence with reference to the extension of the Direct Cable Company's line over the Dominion."

Hon. Mr. MILLER—I may state that the Anglo-American Company have issued a pamphlet on the subject.

Hon. Mr. SCOTT—There is no objection to the Address, and I beg to assure my hon. friend from Lunenburg that no member of the Government has any interest, directly or indirectly, in the line. They favoured the construction of the line, with the view of cheapening telegraphic messages over the Atlantic. The moment the cable of the Direct Cable Company was able to remit messages the rates of ocean telegraphy were brought down, and the very day the Company's cable was broken, in December last, the rates shot up at once. Twice since then the cable has been broken near Newfoundland, and I saw a proclamation, offering a considerable reward for the discovery of the perpetrator of the break, for it was broken twice near the same point, in nearly eighty fathoms of water. Evidence was found in both instances that the cable was broken by an anchor dragged across it. I think if the hon. gentleman will consult the commercial papers for the last few months, he will find that on both occasions when the cable was broken, the Anglo-American Company raised their rates. The Direct Cable Company lost £100,000 sterling in repairing the breaks, and, from what I have read, they suspect foul play. I do not think that there is any amalgamation between the two companies; the terms of their charter prevent it.

Hon. Mr. KAULBACH—Do I understand my hon. friend to say that there has been no arrangement of rates between the two companies?

Hon. Mr. MILLER—The hon. gentleman who has just spoken has stated that an amalgamation has taken place between the old company and the new one. I presume he has not made that statement without some authority. If anything of the kind has been done, I do not know what to say about it; if there has been any such amalgamation, and I can find any language to use against the new company stronger than I expressed against the old one, I will employ it. This House did not know the company when they were passing the Bill last session. We had a Bill before us involving

a very important public benefit, and a very large majority of us supported it on that ground. It is very well known that in this House the Government have not a political majority at their back, and the Government was supported in this measure by a large number of hon. gentlemen who differ from them on general questions. I was disappointed, I must confess, to hear that some arrangement was made between the two companies as to their tariff, and if it has been done, it leads to amalgamation, and to all intents and purposes, the Direct Cable Company, in view of their professions a year ago, have been guilty of a fraud on the country. Hon. gentlemen who supported the measure believed that the policy involved in it was a sound one, and beneficial to the people, in cheapening telegraphic communication between the two continents—a step in the civilization of the day. It does not follow from that we are responsible for what has taken place, or for any breach of faith with the country by the Direct Cable Company, if any has been committed or was contemplated. I know that some gentlemen say we did wrong in not fixing a maximum rate for messages. The reasons why I did not agree to it were these:—In the first place, we were assured by these gentlemen that competition would eventually bring down the rates for messages to 25 cents per word, and if we fixed the maximum rate at 50 cents per word, it would be an inducement for the company to keep it at that. Another reason was, we were told we were interfering with the vested rights of the Anglo-American Company, and an agreement was entered into, that if any vested or legal right was invaded by the Government, the company would have the right to petition against it for compensation at that rate. Independently of that, I think the true principle is competition, and it did for a time reduce the rate to 25 cents, but to suppose that anything more than a miscarriage has taken place with regard to the operation of the Bill, is as far as I am prepared to go.

Hon. Mr. DICKEY—I was not in my place when the discussion arose, and I should not have arisen at all, as I thought it well to leave the question in the hands of the gentleman from Nova Scotia, had it not been for an observation of my hon. friend who has just sat down. I am not surprised at the indignation he has shown at the imputation that there has been an amalgamation of the two companies, as I

believe my hon. friend [Mr. Miller] was perfectly sincere in his advocacy of that bill. I will do him that justice; and I think he will say that I opposed it from equally conscientious motives. Nor will I say one word to show to this House that what I then predicted has since taken place. He has appealed to the hon. mover of this resolution to state on what ground he believes there is a substantial amalgamation of the two companies. Having been in London for the last four or five months, I saw it stated in the columns of the *Times* and the *Daily News* that there was a working arrangement of tariff between these two companies, and that statement was uncontradicted by either. This substantiates what I heard my hon. friend from Lunenburg state. This legislation was presented to us as a measure for the purpose of insuring to the country cheap ocean telegraphy, and it was on this account those who would otherwise have opposed it were content to accept the bill. If there has been any understanding between the two companies since then, and instead of a 50 cent tariff they are having 75 cents, and at one time as high as a dollar, the Government has been defrauded. This is one of the possibilities that were suggested might occur. What was the fact? It is quite true, as my hon. friend the Secretary of State has stated, that the moment the Direct Cable was cut, that moment the rates sprung up; and why was that? We must do justice to all people. The reason why the rates were put up is perfectly natural and plain. The Anglo American Company had reduced their tariff to 50 cents.

Hon. Mr. WILMOT—And why?

Hon. Mr. DICKEY—Because they had gone on reducing it from year to year, from twenty shillings until they brought it down to four a word. They then reduced it to two shillings. My hon. friend (Mr. Wilmot) says they did it for fear of competition; but I think when this question of confining the limit to two shillings was under discussion, the opposition came, not from the Anglo-Company, who were willing to accede to it, but from the other Company, and no wonder my hon. friend's suspicion was aroused when he saw the Direct Company, with a tariff of 25 cents in their prospectus, refusing to accept a 50 cent tariff as their limit. The Anglo-American Company very naturally said, if we have got to fight this thing out, we are forced into it, and we must fight it out to the bitter end. The

moment the Direct Cable Company reduced their rate to 25 cents per word, they reduced also; and the moment the Direct Cable was broken, they put their rate up to 50 cents. The point of the thing is this: it is perfectly understood in London, that some three months ago these parties were working under an arrangement for a uniform tariff, which was to give us, instead of a 50 cent, a 75 cent rate. I do not wish to go into the matter with a view to create any discussion, but simply to make an explanation with regard to that point. As to the other point, my hon. friend has pressed so much, I can only say that the legislation itself, we must all admit, has not been a success. I am not, therefore, surprised that this resolution has been seconded by an hon. member [Mr. McFarlane] who voted for that bill. The legislation has not been a success, and I am sorry to say more, I am afraid it has done no good to the credit of this country abroad. I am obliged from my own experience to know and state that it has done injury to similar undertakings in this country, and I fear it will be very difficult to float any undertaking that comes from a private source on the London market. I am not here to raise the ghost of a past discussion, but simply to state melancholy facts; at the same time, I trust that the correspondence that has been moved for will show that the Government, at least, has endeavoured to take care of the interests of the country, and that it is not their fault if the legislation has failed, and produced a combination of the two companies.

Hon. Mr. WARK—It was fully explained to us on the Committee, that when one of the Anglo American Company's own lines broke, they were forced to raise their tariff, not with the view to increase their income, but with the view to shut out a class of correspondence not of pre-eminent importance, and give accommodation for business messages. This is the reason given to me—a very satisfactory reason—why, on one occasion, when there was no competition, it was in the interest of the business men of both continents that the tariff should be raised to relieve the cables of important correspondence.

Hon. Mr. WILMOT—I think that the reason given by my hon. friend from Cape Breton is conclusive to my mind, and it causes me to change my opinion from that which I expressed in the Committee, that there was a prospect of consequential damages being charged against

this country if we fixed a limit for messages. But, entirely regardless of one company or the other, I am of the same opinion now that I was when that legislation first came before us, that as a matter of public policy we should not allow any monopoly to pass through this Dominion without giving other companies equal rights with them. This is the principle that governed me. My hon. friend from Lunenburg argues that things ought to have been allowed to remain as they were. I am happy to think that I felt decided they were not to remain as they were, but that we should have free trade instead of a monopoly in telegraphy across the Atlantic. The country has had this benefit from it, that the tariff has been reduced. It is now less than it was before this legislation, and that is a substantial benefit from it. I am quite prepared to advocate any legislation that comes up in this way, in the interests of the Dominion, regardless of any company or companies.

Hon. Mr. BOURINOT—The hon. gentleman (Mr. Dickey) says he has seen in the *English press*, a few months ago, a proposition for the amalgamation of the two companies. I am a constant reader of the *London Times*, but I know that when the losses were sustained in the first place by the break of the direct cable, the stock of the company became weakened in the country, and some of the shareholders felt like sacrificing their shares. It came to the knowledge of some of the persons interested in the Anglo-American Company, and they issued circulars offering to buy up the shares, in order to possess the power to induce the Direct Company to amalgamate. The moment it came to the knowledge of the Direct Company, they at once issued a circular to the effect that they had no knowledge of the scheme, and were not a party to it. With regard to the tariff, also, that is a question of profit. A test has been made as to how much ocean telegraphic rates can be reduced, and they find that if they telegraph for less than two shillings a word, it is very doubtful if the company can pay any dividend, because it must be remembered that the press and the Government get their despatches at a lower rate than private individuals. The test was made, and I think the breaking down of the monopoly will produce a very good effect; that we can get our telegraphing done at a cheaper rate than heretofore, but we cannot go below a certain figure.

Hon. Mr. LETELLIER DE ST. JUST—My hon. friend from Lunenburg has made

a statement which we cannot allow to go abroad uncontradicted—that this affair has been injurious to our credit. I may state that instead of our credit being injured by that legislation, it has been received by all as legislation in the right direction, and that we have been applauded for having put an end to a monopoly of that kind. I do not say that human nature would not lead these companies to try and form a combination; this is naturally the tendency of people who are seeking to make money; but there is nothing which leads us to believe that such a combination is acceptable to the shareholders of the Direct Company. When the direct cable was broken we saw a raise in the tariff of the Anglo-American Company for telegrams, and when it was repaired we saw the rates lowered 30 per cent, which shows there can be no combination or understanding between the two companies, for if there was, when the cable was repaired prices would have remained the same. As to the motion which is before the House, there is no difficulty; we are ready to grant it.

Hon. Mr. MILLER—I would like to ask if the Finance Minister found our credit impaired in any way when at home last summer by our legislation?

Hon. Mr. LETELLIER DE ST. JUST—In no way whatever, and he has received from high quarters a statement that our legislation has been a boon, not only to our own country, but to England.

Hon. Mr. DICKEY—I have read the same intimation in the papers myself. It is perfectly well understood that circulars were sent to the shareholders. I do not say there was a proposal for amalgamation at all, but I saw it published in the *London Times* and *Daily News* that there was a working arrangement for a uniform tariff between the two companies. My hon. friend opposite, in the most innocent manner, seems to suppose that is utterly impossible because the tariff is lower when the direct cable is in repair. He must know very little of these two companies to say it is the most natural thing in the world. Here is a company that came forward with a shilling tariff. Why are they now working a three-shilling tariff? It is because there is a working arrangement between them and the Anglo-American Company. The latter have a perfect right to make money by high rates; but as far as the Direct Cable Company is concerned, it is in direct violation of the representations made by

them to this country when they obtained legislation in the name of taking away a monopoly. We have created a worse monopoly, because we have two instead of one. I do not know that an arrangement exists now. I have no authority for stating it; but I say what is published in the press, that it did subsist some months ago. So far from the Anglo-American company resenting interference with their rights, I understand at this moment the Government of Canada have their work done over the land and cable wires at half price.

Hon. Mr. PENNY—I think it is very unfair to represent that the legislation of last session was for the sake of the Direct Cable Company. Nothing of the kind took place. There was nothing about that company in the Bill, and the measure was passed because we believed it was in the interest of two continents, and of this Dominion especially, that this monopoly should be broken up. There is nothing about the Direct Company in the Act, and I do not believe that any gentleman voted for the measure that supported it for the sake of encouraging any special company, but to put all who might come into the field upon an equal footing. One hon. gentleman has told us that we now have two monopolies instead of one. I should like to know what difference the Act has made in the position of the two companies. The direct cable was in existence before the passing of the Act, and it is in exactly the same shape now. I am not aware that the direct cable crosses Newfoundland at all.

An hon. gentleman—It does not.

Hon. Mr. PENNY—Then it may be said with perfect accuracy that we have done nothing at all to favour the Direct Cable Company. It is perfectly proper that any amalgamation, or any arrangement between the two companies as to cable rates, should be criticised and objected to; but we have nothing to do with that. If the Direct Company break on engagement, they break it with the public, not with us, for they have no engagement with us. As to the statement that there are now two monopolies, the hon. gentleman may rely upon it, if any disposition is shown to combine to the disadvantage of the public, the evil will shortly cure itself. Just as certainly as the companies are making a good thing out of their monopoly, just so certainly will some other company enter the field and compete with them, so that we shall eventually have fair play, which we could

not have had but for the legislation of last session.

Hon. Mr. KAULBACK—My hon. friend from Montreal thinks the legislation of last session will prevent a monopoly, but I contend that the amalgamation of these two companies will create a bigger monopoly, that will be so strong that it will deter other companies from going in to compete with them. I contend it will have that effect if they agree together for a working tariff over their lines. As to the Anglo-American Company having raised their tariff when the other company met with the accident, it is clearly shown by my hon. friend from Fredericton the necessity that the tariff of the Anglo-American Company should then be raised in the public interest in order to shut out unimportant correspondence when there was a pressure of business on their line. I had some ground on which to base the statement that there was an agreement as regards uniform rates of tariff. I have it from the public press, and I believe it is stated in the last annual report of the Anglo-American Company. My hon. friend from Arichat says when I moved to limit to fifty cents a word the maximum rate, that the tendency would be for the companies to keep their tariff at that figure as the estimate allowed by legislation. I fail to see how it could have that effect, but the hon. gentleman says there was another reason behind it; that it would give to the Anglo company a very strong claim on this Government for consequential damages in the event of their petitioning against the Government for having legislated away their vested rights. I do not see how he could say this would have made a claim for consequential damages, when he contended, and yet contends, that they were trespassers and intruders upon us. If they had no vested rights what possible means had they to come before this Parliament or before any legislature or court to ask for consequential damages in a matter in which he says they had no rights at all. I believe to the contrary, that they had vested rights, and always contended so.

Hon. Mr. PENNY—I agree with my hon. friend that a working arrangement between the two companies as to rates is very much the same as an amalgamation; but what I contend is, we never bargained with the Direct Company that it should do this, that, or the other. We simply bargained that the shores of the Dominion should be open to all companies who wished to land cables there. While it is

urged on the one hand that we who voted for that bill were acting in favour of the Direct Cable Company—which is evidently a misunderstanding—I must say, on the other hand, that those on the other side who voted against it seemed to be acting for one company alone.

Hon. Mr. BOTSFORD—From the first inception of the bill two years ago, I considered it an invasion of private rights, and I opposed it—not as a friend of the Anglo-American Company. It is apparent now that the hon. members who supported it have found its operation to be an entire failure; and the predictions I made when it was before the House are borne out by the facts which have occurred. I considered then, and I do now, that the terms and provisions of that bill are an invasion of private rights, and I for one did not feel called upon to give it my support.

Hon. Mr. PENNY—I did not intend to make any reflections on the motives of the gentlemen who voted as they did, but merely to express my opinion that their action tended to the advantage of that one company, which was the only one in existence. I am sorry that my hon. friend should have thought that I intended to impute any motives to him.

The motion was carried.

#### ADJOURNMENT.

Hon. Mr. WILSON moved that when this House adjourns to-day, it do stand adjourned until Thursday, 2nd day of March next, at 8 p.m. Carried.

The House adjourned at 5.30 p.m.

#### THURSDAY, March 2.

The PRESIDENT took the chair at 8 p.m.

Prayers were read.

After routine,

#### NEW BILLS.

Hon. Mr. LETELLIER DE ST. JUST moved, seconded by Mr. SCOTT, that the time limited for receiving petitions for private bills be extended to Thursday, the 16th inst. Carried.

Hon. Mr. SCOTT introduced a Bill entitled an Act to define and settle the duties, rights and liabilities of common carriers by land and water in certain cases.

Hon. Mr. LETELLIER DE ST. JUST introduced a bill entitled an Act to remove doubts in the Acts therein mentioned,

respecting the corporation of the Quebec Harbour Commission.

The House adjourned at 3:20.

#### FRIDAY, March 3.

The PRESIDENT took the chair at 3 p.m.

Prayers were read.

After routine.

#### PRINCE EDWARD ISLAND RAILWAY.

Hon. Mr. HAVILAND moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House a copy of the report made during the past summer by Mr. F. Shanly, upon the Prince Edward Island Railway. He said:—I do not intend to make any remarks in moving this address, except that I am very anxious that the report should see day light. There was a report made on the Prince Edward Island Railway by the Local Government Engineer, Mr. Boyd, which was deemed unsatisfactory by the Dominion Government, and they afterwards appointed Mr. Swinyard to go over the road and make an examination of it, and test whether it had been constructed according to contract or not. According to the report of the latter gentleman, the road was very unsatisfactorily built: in fact, from the report published and laid before Parliament last session, it appeared that the engineer of the Local Government, Mr. Boyd, had been a mere tool in the hands of the contractors, Messrs. Schoieber & Beriland, and that it would require over \$100,000 to put the road in the condition required by the articles entered into with the Dominion Government. Payment was refused on the last certificate sent in by the engineer in consequence of Mr. Swinyard's report. There was an issue; on the one hand Mr. Boyd declared that the road was according to contract, and the report of Mr. Swinyard was to the contrary. When I was up here last spring an arrangement was made between the Minister of Public Works and myself, that Mr. Shanly should be appointed to examine the road, as he was an able and celebrated engineer, who had also practical experience of the construction and working of narrow gauge railways, of which ours was one, costing \$15,000 per mile, while Mr. Swinyard had been accustomed only to ordinary gauge railways, costing \$40,000 per mile. I am

anxious, in the interests of the people of Prince Edward Island, and for the character of Mr. Boyd, who always stood high in their opinion until this report of Mr. Swinyard was laid before Parliament, that the Government should furnish the report made by Mr. Shanly.

Hon. Mr. LETELLIER DE ST. JUST—There is no objection to submitting the report, but I don't believe it will give any light as to the construction of the road, the contract was given in such a peculiar way. Mr. Swinyard was sent to examine the work, and later Mr. Shanly was sent. I am not quite sure that we have his report in our hands, but if it is the hon. gentleman will have all the information we possess. I wish, in giving the report, we could make the road straighter than it is, for the engineer seems to have laid it out in a very crooked manner.

Hon. Mr. HAVILAND—That was not the fault of the engineer, but the fault of the various Governments who required the road to tap certain points.

Hon. Mr. PENNY—He was bound to see that the road should go over certain points.

Hon. Mr. ALEXANDER—I hope the hon. gentlemen who so ably represent the interests of Prince Edward Island in this House will not attribute the remarks which I am about to make on this subject to any feelings of hostility towards that Province. I beg to assure them, in common with all other members of this House, I have a warm interest in the welfare of the smaller Provinces, but I consider it my duty never to lose an opportunity to advert to that ruinous and unfortunate feature in the policy of the Government in constructing and operating railways as Government works. I have upon former occasions dwelt upon that subject, and it is our duty to do so upon every occasion, because we find that the Government are not only operating those roads which have already become the property of the Dominion, but they are further proceeding to construct other railways and operate them as Government works. With regard to the Prince Edward Island Railway, we all know very well the contract we entered into was to construct that road as the property of the Dominion, and we are bound to complete it. The \$200,000 which the Government have placed in the estimates this year, we trust, is only to be considered as part of the construction. The operating of railways by Government, contrasted with the experience of operating railways

by private companies, proves that it is a fatal policy on the part of the Government. We find in the estimates this year the item, "Prince Edward Island Railway, \$200,000;" last year "for the Intercolonial Railway, \$1,588,000," and in the estimates of this year, "Intercolonial Railway, \$1,600,000." We all know that from that amount there has to be deducted the revenue arising from the working of the road, which we find in the Public Accounts. Whatever difficulty there may be in getting a private company to undertake the working of the Intercolonial Railway, there can be none in getting a company to operate the Prince Edward Island road, which runs through a fertile and well settled country. It might be transferred to the Local Government of the Island, or to a private company, who could manage it so as to produce a certain revenue. Whatever chances there may be of a private company operating the road at a profit, there is no chance of it being run at a profit by the Government. I must here protest against the Government entering upon the construction of portions of the Canadian Pacific Railway as Government railways, where no effort has been put forward by them to have these railways constructed on the safer principle of private companies. Who will say that with subsidies of land and money and the additional guarantee of 4 per cent. upon a given amount per mile, we cannot induce private chartered companies to undertake every railway that ought to be constructed without subjecting the country to annual large deficits arising from inefficient management.

Hon. Mr. WARK—The hon. gentleman who has just sat down has the faculty of looking at effects far away from home, but he forgets there is an enormous expenditure of public money going on in Ontario for canals, which were operated as public works by the Government before Confederation and since we came here. If he looks into the estimates, he will find a large amount for the enlargement of the canals of Ontario. We don't object to it, as we believe that it is in the public interest that these canals should be improved, in order to attract the trade of the Great West into its proper channel—to the ocean by the St. Lawrence. I hope the hon. gentleman will get into the habit of looking a little nearer home at these public expenditures. I thought we were going to have the battle of the gauges over again, but I am happy to see we

are not. My hon. friend, who appears to be troubled with Intercolonial Railway on the brain, has adverted to the expenditure in the estimates for the financial year for that work. My hon. friend should be aware that that railway is not yet finished, and it will not be finished until about the end of the present financial year.

Hon. Mr. DICKEY—I have passed over the Prince Edward Island Railway, and I am free to say that in the alignment of that road a great desire appears to have been manifested by the engineer to avoid all obstructions in the route, and in that way the road has been a little curved, but, at the same time, I passed over it in safety, the trains appearing to run at a rapid rate, and there was no difficulty in working the road. Whether it should be retained by the Government or not is a question of policy which we must first get from the Government themselves.

Hon. Mr. HAYTHORNE—I must say that the principle which the hon. gentleman on the Speaker's left has advocated as opposed to the working of railways by Government does not accord with my views. It seems to me—if the hon. gentleman is correct—that on this continent Governments are less able administrators than they are in Europe, as the contrary is the case there. I am aware that the Belgian Government and the French Government are largely interested in the railways built by companies, and which after a term of years will become valuable national property; and I do not say such property will not become as valuable in this country. I think the amounts placed in the estimates for the coming year are required to increase the rolling stock, improve the buildings, renew forces, etc. That these are necessary the report will show.

Hon. Mr. ALEXANDER—The hon. gentleman will find in the estimates two items for the Prince Edward Island Railway, viz., \$200,000 for the construction or completion of the line, and, further, \$200,000 for maintenance and repairs of the same. While we find by the public accounts that in regard to the Intercolonial Railway during the year 1875-76 there was an excess of expenditure over revenue of \$623,421. Such was the deficit during that period in working the Government railways then in operation.

The motion was carried, and the House adjourned at 3.40.

MONDAY, March 6.

The PRESIDENT took the chair at 8 p.m.

Prayers were read.

After routine,

THE ADULTERATION ACT.

Hon. Mr. ALEXANDER—I wish to enquire of the Ministry what steps the Government have taken in regard to the appointment of Analysts of Food and Drink, under the Adulteration Act of 1874, and for carrying all the provisions of that statute into practical operation.

Hon. Mr. SCOTT—The Government have adopted a scale of fees under which analysts will be paid, and we have made two appointments—one in Halifax and one in Montreal. It is proposed to put the Act in force in the leading cities only for the present.

THE GEORGIAN BAY BRANCH RAILWAY.

Hon. Mr. READ moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before the House copies of all correspondence between the Dominion and Ontario Governments, regarding the granting of land or any other aid by the Ontario Government to the Georgian Bay Branch Railway. We are aware that a contract was given out last year for the construction of the Georgian Bay Branch Railway. We are also aware that in the terms of the contract 20,000 acres of land per mile was to be given, to the contractor, but we are not aware, nor is the country aware, when or where the land is to be given. It is time the country should know, now that the contract has been awarded over a year, where this land is to come from. I have taken some little pains to ascertain where it is, as the road is one in which Ontario is interested, and I supposed the Government of this Province would at least give some grant towards it. I fail to find that such has been the case, and I cannot conceive why this railway has been left out in the cold while most all other railways in Ontario have been granted aid. We know that the Ontario Government have appropriated, at different times, large amounts of money in aid of railway enterprises. In 1871 they appropriated one million and a half of dollars; in 1872 \$400,000 and \$100,000 a year for twenty years as a railway subsidy fund. Last session they were very liberal again, but we cannot find that anything has reached

the Georgian Bay Branch. This road appears to me to be a waif left out in the cold. I find that there was hardly a road with any claim that was not met last session, except the Georgian Bay Branch.

The Lake Simcoe Junction, 26½ miles, got \$2,000 per mile.....	\$53,000
The Belleville and North Hastings, 22 miles, got \$3,000 per mile.....	66,000
The Cobourg, Peterboro, and Marmora, 13 miles, got \$2,000 per mile.....	26,000
The Credit Valley branch road to Ingersoll, 52½ miles, and Div. 2, Alton to Elora, 27½ miles, got \$2,000 per mile.....	160,000
Port Dover to Lake Huron, 25 miles, got \$2,000 per mile.....	50,000

1st Class..... \$355,000

These were all roads of the 1st Class. Then I find that the following roads of the 2nd Class also received subsidies :—

The Victoria Railway, 33 miles, received \$1,000 per mile.....	\$33,000
The Montreal and Ottawa, 66 miles, received \$1,000 per mile.....	66,000
The Midland, running to Georgian Bay, received for 14 miles \$1,750 per mile.....	24,500

2nd Class..... \$123,500

But this is not all; last year they gave to railways of the third class subsidies as follows:—Grand Junction Railway, 45 miles, \$1,000 per mile—\$45,000—although the same road had previously been granted \$2,000 per mile. The Kingston and Pembroke Railway, 16 miles, received \$3,750 per mile—\$60,000. Then there was another class to which they offered to give \$8,000 per mile—the Pacific Junction; but the Georgian Bay Branch was neglected.

Hon. Mr. SCOTT—That grant was given to connect with our road.

Hon. Mr. READ—The Provincial Treasurer said this road was a neutral link which would cost from \$16,000 to \$18,000 per mile, without equipment. The estimated length was 80 miles, but it might be more, and a grant of \$8,000 per mile would be \$640,000. So that we find

the grants by the Ontario Government amount to

First Class.....	\$355,000
Second " .....	123,000
Third " .....	3,000
Fourth " .....	640,000

Or a total of.....\$1,121,000

If we add to this the grant to the Grand Junction and Kingston and Pembroke—\$60,000—it will make \$1,233,500. Taking the grants of 1870-71, 1872, and 1876, we find the Government pledged to grants amounting to over \$5,000,000; but we cannot find that we have given a dollar towards the Georgian Bay Branch from Renfrew to Douglas and West. The only reason to be assigned, we suppose, is, the people of Ontario know that the scheme does not deserve it, or the Government would not have been disposed to neglect it. The road is under contract, though it had no business ever to be given out; and I hope something will turn up that it will not be constructed. I have very good grounds for saying that it never should be. Looking at the map, we find roads running in the same direction within a short distance—the Grand Trunk to Sarnia and Goderich; the Wellington, Grey, and Bruce to Kincardine and Southampton; the Northern Railway to Collingwood; and the Midland Railway, all competing for this little traffic. If the House would look at the stocks of these roads, they would find that none of them were in a prosperous condition; yet this Government seem to think they ought to do all in their power to destroy these roads. To my mind this is a course of action that should not be pursued. We know that most of these roads in Ontario have been liberally aided by the people of the localities through which they run, but nobody has been willing to give anything towards the Georgian Bay Branch. If this 20,000 acres of land per mile is of value, the contractor may be able to raise money on it, but nobody knows where it is. It will be said that this road shortens the distance to the west by the utilization of the water stretches. I deny this *in toto*. We have the best authority to state that there are roads already constructed and running that are a shorter route between the upper lakes and Montreal than the Georgian Bay Branch. We know that when it is constructed it will be over 420 miles from Georgian Bay to Montreal over that route.



	Miles.
From Montreal to Ottawa .....	116
“ Ottawa to Renfrew .....	65
“ Renfrew to Georgian Bay .....	240
	—
	421

By the Midland route we find it is only 390 miles, as follows:—

Midland to Port Hope .....	120
Port Hope to Montreal .....	270
	—
	390

By the Midland *via* Omemeé and Belleville it is only 370 miles to Montreal, as follows:—

Midland to Omemeé .....	87
Omemeé to Belleville .....	73
Belleville to Montreal .....	210
	—
	370

From Collingwood to Montreal *via* Toronto it is only 428 miles, so that in point of shortening distance there is nothing to be gained by the construction of the Georgian Bay Branch. If it is constructed it will only be a waste of money, and will be of no use except to give employment to those who will work at it. We know that the contractor is to get for a portion—140 miles—\$12,000 per mile, which amounts to \$1,680,000; then he is to have \$10,000 per mile for over 100 miles more—we have the authority of one of the strongest supporters of the Government for stating it will be one hundred miles, although the Premier says it is only eighty miles—that will be a million of dollars; then he has the interest for 25 years on \$7,400 per mile, which will make \$740,000 more; then there is 20,000 acres of land per mile, which is worth—the Hon. Secretary of State told us last session—25 cents an acre, but I hold a different opinion. Quoting from twenty five different railways that received land subsidies in the United States, they got on an average \$6.62½ per acre for it, and I think land in Canada should sell at \$2.50 per acre where there is a railway, which is \$50,000 per mile, so that the cost for the first hundred miles is over \$67,000 per mile. If the land is not worth the \$2.50 per mile wherever a railway is run it is not worth while building a road. I hope the Government in their wisdom, may see some way by which this contract may be can-

celled. I have seen it in the public press—and they generally get hold of things correctly—that the contractor has asked for different terms—I will not say better terms—and a change of route, because on examination it was found almost impracticable to construct that portion of the road running east from the mouth of French River, in consequence of the rough and rocky character of the country. If this change is demanded, I think it would be a good opportunity for the Government to cancel the contract. If the country is of the character described it will be in the interest of the contractor as well as the people that the project be abandoned.

Hon. Mr. SCOTT—There is no objection to the Address going, but in making that announcement I do not propose to enter into a discussion on the policy of the Ontario Government in aiding railways, more than to draw attention to the fact that they did subsidize the Pacific Junction Railway with a view of making connection with our road as part of the Canada Pacific. The roads my hon. friend from Belleville is interested in are the Midland, the Victoria, the Toronto and Nipissing, all projected with a view to derive the advantages to be derived from connection with the Pacific Railway; and the Pacific Junction road, which was to receive the largest subsidy of any railway in Ontario, was to be used in common by the other roads, the Midland, Credit Valley, and several other lines. The correspondence will come down, and it will be seen that the Ontario Government have given nothing towards the Georgian Bay Branch.

Hon. Mr. CAMPBELL—I am at a loss to know why the Government are very anxious to press on with this Georgian Bay Branch Railway. Supposing it were built to-morrow, where is the traffic of business to come from to support it? This is a question exceedingly opportune. What character of business does the Government expect to give employment to the road; is it in grain, pork, or passenger traffic? If it is, and such freight has to come down here, why should it go up French River any more than to Penetanguishine, Collingwood, Owen Sound, Sarnia, or any of the other ports that now connect with existing railways? Where is the necessity of commencing at this particular part of the Pacific Railway if it is to be built at all? When I asked this question the other day, the reply was the late Government was going to do the same thing. I do not say it is correct

that the late Government intended to do anything of the kind. Hon. gentlemen have been contending the late Government were entirely wrong in their policy, but now when their own measures are found fault with they have no answer to give, no reason or argument to assign other than the late Government intended to do the same. There is nothing in the entire policy of the late Government to indicate that they would have taken steps to put the piece of road between Georgian Bay and Lake Nipissing under contract the first thing. I do not know whether the members from the Maritime Provinces understand how unnecessary this road is. Supposing this Government has found it absolutely necessary to construct the Pacific Railway proper north of Lake Huron and Superior, there is no reason under the sun that they should commence where they have, but there is a commercial reason why, if that piece of road should have to be constructed that it should be the very last to be undertaken. We have already communication with the Georgian Bay by existing lines of railway, and why come to French River and construct a railway beginning in the woods and ending nowhere? Now they want to go twenty miles up French River. Why is this? If the Government could only give some good reason, but there is none. It is for some purpose of their own not connected with the interests of the Pacific Railway. I believe it was taken up at once for the purpose of conferring a favour upon the person who has the contract for the construction of the road, in consideration of services which they believe they received from him. I have no hesitation in stating that is my belief. The route of the Georgian Bay Branch is not through a country possessing internal resources, or where people would settle. I have been through a portion of it myself, and speak from some, although but a little knowledge; it is a country of rock, of stunted pine and white birch; it is a place where to a certainty there never will be a farming population. There is timber this side of Lake Nipissing, but it will be gradually cut down and floated down the Ottawa river, so that neither with reference to the lumber trade nor the future settlement of the country for agricultural purposes, is there any necessity for commencing the Pacific Railway there. The Government tell us that the burthens of the people would be too heavy for them to undertake to build the

Pacific Railway, and yet they undertake to construct this road that is absolutely unnecessary. If the people wish to go to the Northwest, they can go by the existing routes to the Georgian Bay, or if they want to come from the Georgian Bay to Ottawa, they can come down here.

Hon. Mr. SCOTT—Hear, hear!

Hon. Mr. CAMPBELL—It is all very well for the hon. gentleman to say "hear, hear," but it is not for any good that the road is going to do to the Ottawa Valley that he says it, for where is the business of the road to come from? Are you going to have a population to raise grain for export, and put business on the road.

Hon. Mr. SCOTT—Certainly.

Hon. Mr. CAMPBELL—My hon. friend says "certainly;" what is certain to him will be extremely doubtful to every other member of this House. To my mind it is folly to believe that there will ever be any business on that road and greater folly to commence it as the first part of the Pacific Railway. What we want to do is to get to the fertile valleys of the Red River and of the Saskatchewan, and we can get there better from Fort William or Pembina without the Georgian Bay Branch. The policy of the Government should be to open the portal into that fertile section of the Northwest, which is going to have the population who will settle the country, and have grain and other produce to export. I believe it to be the duty of those members who think as I do on this subject to do all in our power to show to the country it is not necessary, at present at any rate, to spend money on this Branch Railway, which, should it become essential, should be the last piece to be constructed.

Hon. Mr. ALEXANDER—I feel very great reluctance in trespassing again upon the time of this House in enlarging upon the subject of the construction of this road. The question has already been pronounced upon by the Senate, which has declared the expenditure to be premature and unwise. We must admire the untiring zeal and energy of the introducer of this motion, who, believing this railway to be unnecessary, labours with all his power to prevent the public money being thrown away. We can hardly wonder at his calling for those returns, for, although the contract was signed upwards of twelve months ago, I believe I am correct in stating that at this very moment the Government have not determined where the

ands are to be appropriated, and we can hardly be surprised at the contractor's entire failure to dispose of the bonds of the road when he went to England for that purpose. My purpose in addressing the House is not to enlarge further upon this ill considered and unnecessary enterprise, but to avail myself of the favourable opportunity of showing in regard to the railway policy of the Government of the Dominion, as well of the Government of Ontario, that both Governments have been making very grave mistakes. Both Governments have inaugurated principles of railway policy which cannot fail to bring disaster and embarrassment in the future. I have already, upon different occasions, shown conclusively, I think, to this House what must be the certain results of the Dominion Government constructing and operating railways as Government works, that we shall have annually large deficiencies to make up from the public exchequer, in continuing to operate these roads. I am confident that when properly understood the railway policy of the present Dominion Government will be universally condemned. Then again we find the Local Government of Ontario erring in a different direction, and adopting a railway policy which is surely unwise and calculated to destroy all confidence amongst British capitalists in Dominion railway investments. We all know how our past growth and expansion have arisen from the large expenditure of British capital upon Canadian railways. We all appreciate in the fullest degree the advantages and blessings of railway facilities, and are quite prepared to assert that no surplus in the public treasury can be better expended than in opening up new territory, by railway extension. But while we warmly sustain this policy and principle, we think that it is a great mistake to foster by legislation and subsidies of money the construction of railways, which are not required. It is of the utmost moment for the principle of safety and for the ends of commerce, that our railroads should be kept in thorough repair, and this cannot be done without a sufficient revenue. And can it lead to anything but disaster, fostering the construction of three roads where there is scarcely sufficient traffic to support one good road? What the people of the Dominion have a right to demand is that freight should be carried at fair and reasonable rates, but no enlightened man would desire to see our leading railway,

corporations reduced to bankruptcy from carrying at rates which will not sustain the roads in proper repair. Competition in ordinary trade may benefit, and does benefit, every country, but such overstrained competition in railways, effected by Acts of Provincial Parliaments, grouping unequally certain portions of a county, and launching our people into a burdensome debt, by all the special arguments of designing railway men, cannot be too strongly condemned, as going altogether too far. Thus, we shall find, all railway property depreciated in value. Entire confidence will be destroyed amongst the capitalists of Europe, and there will be little hope of our being able to organize chartered companies to effect the great work of the development of our Northwest Territory. Thus will the time serving policy of the Ontario Government militate against the further expansion of the Dominion, and retard the prospect of opening up a territory capable of sustaining millions of population.

Hon. Mr. SKEAD—My hon. friends have been harping upon this one string so long now that I think it cannot fail to get worn out pretty soon. My hon. friend from Belleville has, in my opinion, given some of the strongest reasons which could be advanced in favour of building this road. And the strongest of these reasons I conceive to be the fact that the Ontario Government granted a bonus of \$8,000 per mile to what is termed the Pacific Junction Extension of the Midland Railway. It certainly does appear to me to be in the interest of this whole Dominion that the trade of the Pacific Railway should come eastward by a road which will form the shortest route to the sea board. I will not follow the hon. gentleman's references to the subsidies given to the various railroads by the Government of Ontario, but I wonder how it was he made no mention of the Canada Central, to which the Provincial Government also gave a large subsidy. In the immediate necessities of the country, the Government have thought it wise to utilize the navigable waters. It is doubtless very undesirable that this arrangement should be otherwise than temporary; but when you come to look at the amount of money required to construct an all-rail route across the continent, it is important that we should, while the country is young and poor, utilize the navigable lakes and rivers which are at our disposal. I am free to admit the force of the objection that the water is practically useless as a

means of communication for one-half of the year, but the fact that the arrangement is but temporary, and is only resorted to in the meantime, is at least some compensation. It is almost unnecessary to answer all the objections offered by my hon. friends, to the construction of this road, because we shall have the whole thing over again in another form within a week or so, in all probability. If my hon. friend from Toronto is so determined in opposing everything that comes up from the present Government that does not happen to benefit his own particular section, I shall use my influence, to the best of my humble capacity, in another direction. I am strongly of the opinion that if the hon. gentleman and his friends had been still in power, we should have found him advocating this very branch. It is the very route Sir George Cartier and the late Administration intended to have adopted. As to the character of the country, it is well known, notwithstanding what one hon. gentleman stated, that twenty miles from the mouth of French river you come into fertile land, which is considerably settled.

Hon. Mr. CAMPBELL—There had been some settlers there at the time I passed through the district, but they had left.

Hon. Mr. SKEAD—There was one settler there that had been in my employ, but he fell into the river and was drowned, and his family did not remain. On the South river mills have been built, and there is quite a settlement there. I believe this railroad will pass quite near to this settlement. It is well known the Pacific Railway is to be built, and this is the shortest route from the lakes to the seaboard. I hope the Government will go on and persevere with the construction of the Georgian Bay Branch, and that they will soon finish it. If there are any natural obstacles in the way, the line can be diverted; but it is undoubtedly the most direct road to the great West. I ask the members of this House to pause before they do anything detrimental to this undertaking. If we are to have the Pacific Railway, this line will be on the natural and the shortest route that can be selected to connect its eastern terminus with the seaboard. Now I want to know by what other direct route the seaboard is to be reached? I am afraid that we have too many of Mr. Potter's friends in this House. Shall Mr. Potter dictate the railway policy to be pursued in this country? All I have to say, in conclusion, is that I believe the

Government have selected the right route, and they shall have my hearty support in reference to this matter.

Hon. Mr. VIDAL—I cannot regard the Georgian Bay line as forming in any way a part of the Pacific Railway. Had it been so it would have received my most cordial support. As far as the Ottawa Valley is concerned I think it is the place where the railway should come, and I hope yet to see direct communication established through it with British Columbia. Now we hear the argument used that the grant of the Ontario Government to the Pacific Junction Railway is an indication of their approval of the Georgian Bay Branch, but I maintain that it is not to be so regarded, for that branch does not meet with the approbation of the Ontario Legislature or people generally. I consider that my hon. friend in moving for this address has asked for too little information. He should also have enquired where the lands granted in aid of the Georgian Bay Branch were located. I question very much whether the papers when they are brought down will give any additional information to that we already have. It is plain that Ontario has not given, and will not give the land, and I will ask does any hon. member approve of the idea of taking the best tracts of our good land in the west and giving them to this branch road, when every acre of that land will be required when we come to construct the main Pacific line. Had the subsidy been asked on behalf of any part of the Pacific line, I venture to say it would have been most cordially supported in this House, and the fact of it having been originated by the present Government would not have interfered between us and our support of the measure. But we oppose it because we consider it unwise and inexpedient to expend money at present on a work that cannot be made available. I trust that when the answer to the address is brought down the Government will give us the additional information in regard to the location of the lands proposed to be granted.

Hon. Mr. PENNY—It is always a pleasure to hear my honourable friend across the House speak on railway matters, because his impartiality is so great. He blames everybody. He blames the Ontario Government just now, though I suppose they will have to answer for it in another place. He blames this Government and the Government that came before it; because we all know his particular objection to the railway policy of

what he calls the Government is the building and operating of railways by Government instead of by private companies. We also know that the late late Government inaugurated that system. As to those gentlemen who make objection to the Georgian Bay Branch, I think the one competent reason for building this road is the fact that the Act of Parliament requires it to be built, and this Act of Parliament was passed by the late Administration.

Hon. Mr. CAMPBELL—The Act of Parliament did not make it imperative to proceed with this piece of the road before the other part of the road was commenced.

Hon. Mr. PENNY—It was perfectly understood it would be built immediately.

Hon. Mr. CAMPBELL—What! before any other section?

Hon. Mr. PENNY—Immediately, as far as possible. Instead of bringing this matter up in this manner there was a way in which it might be decided more speedily. That is to introduce an Act to repeal the Act of Parliament under which we are acting. It might pass this House, because an address was passed praying the Government not to go on with the road. I suppose the same majority that passed that might repeal the Act of 1874. Now, as to the use of the road. We all know that it is the only route that will alone make the two lower Canadian routes, the Northern Colonization and the North Shore, available for the purposes for which they were built. The hon gentleman will remember that the leader of the Opposition in the other House asked the Government last week whether they would be disposed to aid in connecting one of the roads with the Georgian Bay Branch. The answer was that it would be favourably considered. The matter also came up in the Quebec Local Parliament recently. While those gentlemen living in the West think this is a matter of small importance, we who live in the eastern part of the Province regard it as a matter of some considerable importance.

Hon. Mr. MACPHERSON—I confess I am much surprised that my hon. friend from Montreal should use so weak an argument against us. It is a proof that he finds himself entirely without a forcible argument, and his case must there indeed be weak. The hon. gentleman knows, in view of the majority in the other House, that it is useless to introduce an Act in

this House for the repeal of the Act authorizing the construction of the Georgian Bay Branch of the Pacific Railroad. In this I think the hon. gentleman goes far to show how indefensible the expenditure is. No one so far has attempted to defend the work as a commercial undertaking that will yield any return to the country. It is our duty to do all we can to arouse the country to a sense of the wasteful expenditure that has been made in proceeding with this work. It is merely a delusion to state that the road is a portion of the Pacific Railroad. It is nothing of the kind. There can be no settlement along the proposed railway. The honourable gentleman pretends that that country will be settled, and refers to a former servant of his who was drowned there.

Hon. Mr. SKEAD—That was fourteen years ago. There is a large settlement there now consisting of some hundreds.

Hon. Mr. MACPHERSON—It is well known the Province of Ontario is disposed to be liberal. If any case could have been made out in favour of this railway, the Province of Ontario would have aided. But to come to the Dominion Parliament to obtain an expenditure of Dominion funds for this railway was, if not unconstitutional, certainly very wasteful. The hon. gentleman behind me is constantly speaking of the position of western gentlemen, alleging that they are always opposed to expenditures in the Ottawa Valley. The hon. gentleman must not suppose we are ignorant of the history of the country. So long as we had a United Canada, I think he must admit that the interests of the Ottawa Valley were not neglected. The whole country has always devoted itself to fructifying the Ottawa Valley, and throwing gold into it broadcast. We know that more than a quarter of a century ago the Government of that day was induced to attempt to construct a canal known as the Chats Canal, which was through a country where the rock was so hard that the work had to be abandoned, and the unfinished work is to be seen to this day. That was one of the earliest and most unprofitable expenditures in the Ottawa Valley. I dare say the majority of the present Parliament think the large expenditure entailed in the construction of these Parliament Buildings was not judicious. I think, therefore, it comes with ill grace from gentlemen representing the Ottawa Valley to accuse gentlemen from other parts of the country in not being liberal in the

expenditure of money in the Ottawa Valley. I am glad the hon. gentleman from Belleville persisted in bringing his motion before the House. It is only by bringing it continually before the country that the country can be aroused to the wastefulness of the expenditure that is being made in proceeding with the Georgian Bay Branch Railway. It is incredible to the people of the country that so wasteful an expenditure should have been perpetrated by Parliament. The hon. gentleman from Montreal says repeal the Act of Parliament. There is no Act of Parliament requiring the immediate construction of this road. It merely authorizes it. Here we are with a diminished revenue and other unfavourable prospects, and yet we persist in making this large expenditure. No one attempts to defend it on the ground of necessity. I consider that some of the arguments used by hon. gentlemen opposite leave it to be inferred that there were personal reasons for going on with the expenditure when national considerations would forbid it.

Hon. Mr. PENNY—I had no idea of saying personal obligations, but public obligations, which every Government has felt.

Hon. Mr. SKEAD—My hon. friend has made some allusion to the expenditure on the Chats Canal. It is true this work was undertaken, and when the appropriation was expended the Government concluded, in view of the difficulties which were met with on every hand, to suspend the work for the time being. Then some of the improvements on the Ottawa have been of great benefit to the whole country. There is the expenditure made for slides and other improvements which have paid double and treble what the canals ever paid. They have been greatly self-supporting. The hon. gentleman has also referred to the subservience of members from this section.

Hon. Mr. McPHERSON—"Influence" was the word I used.

Hon. Mr. SKEAD—If he did not use the word I withdraw. I have no hesitation in saying I believe this is a part of the Pacific Railway, and I believe the Government is right in its policy, and on this ground I am going to support it.

Hon. Mr. SMITH—If this line were a portion of the Pacific Road, I would like to see it gone on with, but inasmuch as it seems not to be a portion of that road, and as gentlemen opposite do not say it is, I am opposed to it. It would seem to me that the line is not a portion of the

Pacific Road, and that it is not necessary to undertake it for the present. The policy of the present Government seems to be retrenchment, and unless these works are necessary for the benefit of the country they should not be proceeded with at present until the main line is in course of construction. The only great inducement to build the road at the present moment is that, as is stated, there are some one hundred inhabitants in that country. Now, if there are one hundred inhabitants in that wilderness, will that justify the Government under the present circumstances in laying out \$6,000,000 I cannot see why they should do so. If it were understood it were a portion of the Pacific Road, I would consent to its being proceeded with *pro rata* as the other works progressed. That such is the case has not been shown on the floor of this House, and I hope it will be shown more clearly than it has been. If that is the case I say go on with the road when the main line is advancing, but until then, inasmuch as there are several outlets from that point—There is the Midland, the Toronto & Nipissing, the Northern Railroad, the Toronto, Grey & Bruce, and other facilities to the Georgian Bay. Then why build this road? For whose benefit do you build this road at present? Is it for the benefit of the Ottawa Valley? If it is I can only say the Ottawa Valley has had a great deal of public money laid out upon it already. The hon. Secretary of State says "hear, hear." There is no one who has endeavoured to throw more money into the lap of the Ottawa Valley than the hon. gentleman himself. I do not say I shall go against anything in any section of this country that I regard as beneficial, but I do think we are not in a position to proceed with this work now. I believe the Government has been going too far in granting large tracts of land which will have the effect of impoverishing the timber limits of this country. I do not think the whole Dominion should be taxed for the purpose of enriching the Ottawa Valley, that it should be stripped of its timber fifty or a hundred years ahead of time. The immediate effect of this is to throw a large amount of money into the Treasury at present, but the result in the future will be to impoverish the people of this country. Wherever the land is fit for settlement, I hold that it is unwise and unjust to strip it of its timber, and that on the contrary every effort should be made to preserve and economise it for the

use of the people who, in the near future, will settle in the country and require it. The portion of Canada which has already had its timber supply exhausted will require the use of this also, and it would be greatly to the advantage of new settlers if they were able thus to dispose of what after all is their legitimate property. If it was necessary the road should be built there is time enough when the main road is being constructed. If there were no other means of getting to that district then they might proceed with the work. The hon. gentlemen have had two years of bad times in this country, a considerable portion of which was brought on by the policy of the present Government and its Finance Minister. Two years ago the hon. gentleman disarranged that tariff. He tore it to pieces as it were, and he was never able to put it together again. He destroyed the direct importing trade of this country, and by a scratch of his pen he did away with the differential duties without a moment's warning. Now, the Government comes forward and must build a railroad they do not require—a railway they will not require perhaps 20 years to come. There are four or five other ways to get to the same point, and in view of this fact the Ottawa Valley should be satisfied with a reasonable part of the revenue of the country being expended in their midst, and allow the main work to go on.

Hon. Mr. SKEAD—The settlement of 100 persons I have reference to is a small settlement on South River, commenced a few years ago, and near where the terminus will be. Then there comes Renfrew, where there are some 6,000 or 7,000 of a population.

Hon. Mr. LETELLIER DE ST. JUST—The Government have been subjected to a good deal of adverse criticism because they have endeavoured partially to carry out the policy left upon their hands by the late Administration.

Hon. Mr. MACPHERSON—The late Government had no Georgian Bay Branch scheme.

Hon. Mr. LETELLIER DE ST. JUST—At least they had a Pacific Railway, the burden of which we were forced to assume when we came into power, in order to keep faith with the country. The scheme of the late Government was to carry on the work just as it is now proposed to be carried on. It is alleged that there is no good reason why this Georgian Bay link of railway should be built. But is it not well known that after this Govern-

ment came into power its policy was fully declared as to the construction of the Pacific Railway, and that this policy was to build between the great lakes and rivers links of railway in such a way that we could utilize all the water courses upon the route? And was it not well known that the scheme of the late Sir George Cartier, which was submitted to the people of this country for their approval, was to connect the Pacific Railway with the railways of Quebec? The hon. Leader of the Opposition alleges that there is no good reason for the construction of the Georgian Bay Section, but does he forget that to the east of Ottawa—in the Maritime Provinces, Lower Canada, and a portion of what we call Central Canada—there is a population of over two millions, who are desirous of having communication with the Pacific Railway? Is he not aware that the Quebec Government have adopted measures to place the North Shore Railway, from Quebec to Montreal, and the Northern Colonization Railroad, from Montreal westward, in connection with this actual link of the Pacific Road, at some point near the Ottawa River? I am ready to admit that the construction of this railway, from the Pacific to the Atlantic, was a mad scheme of our predecessors, but those who complain to-day because we propose to go partly into the construction of that road ought to be the last whose voices should be raised in such a cause. The Pacific Railway was imposed upon us; it is a burden which became ours in consequence of the treaty obligations entered into by our predecessors—obligations which have left us no alternative other than, while honestly endeavouring to meet them to alleviate as much as possible the heavy expenditures to which the country has been committed. The scheme was not originated by us, but we have been bound to it; and when we are endeavouring to the best of our ability, and according to the resources of the country, to meet those obligations, does it become the leader of the Opposition to do nothing but find fault with us? We are trying to make the best of a bad bargain.

Hon. Mr. AIKENS—The Georgian Bay Branch formed no part of our scheme.

Hon. Mr. LETELLIER DE ST. JUST—No, but the scheme was to connect the Pacific Railway with the eastern roads.

Hon. Mr. CAMPBELL—The scheme of the late Government was to terminate at Lake Nipissing, and it was suggested that

the Provinces should construct connecting railways to that point.

Hon. LETELLIER DE ST. JUST—Yes; but it was meanwhile understood, and the idea was well circulated, that this road was to be constructed by the Government to connect with the eastern railways, and it was one of the promises made by Sir George Cartier when the Pacific Railway scheme was adopted, and the very line which we have selected was that which was chosen by the Government of that day. I think I may say, before sitting down, that the more appropriate time for the hon. mover to discuss this question would have been when the papers were placed in possession of this House.

Hon. Mr. MILLER said he had not intended to take any part in the debate; but after the speech of the hon. Minister of Agriculture, the style and tenor of which had very much surprised him under the circumstances, he felt called upon to squarely meet the hon. gentleman on the issue he had unnecessarily raised, although it was not pertinent to the present question. When the terms of Union with British Columbia were before Parliament, he (Mr. Miller) had taken an earnest and active part in advocating the measure; and he had never since regretted, nor had he seen cause to regret, the course he then adopted, or to alter the views he then expressed. Since that occasion five years had nearly elapsed, and although the subject of the Pacific Railway had frequently been before the House during that time, he had never troubled hon. gentlemen with a single observation regarding it, with the exception of a few words last session, when the Esquimaux Railway was under discussion. He had felt all along that the men who were responsible for the terms of Union with British Columbia were at a great disadvantage for the moment in every attempt to defend their action, in consequence of the unfortunate revelations in connection with Sir Hugh Allan and what was so well known as the Pacific scandal. The dexterous use made of these revelations had the effect of drawing away the public mind from the real merits or demerits of the Pacific Railway scheme of the late Government, and the verdict of the country in 1874 had been represented as an unequivocal condemnation of that scheme, notwithstanding it had been ratified by the people at the general election of 1872. He had always felt that it would be well to allow the excitement consequent on the stirring events of 1873

to subside; to allow the public mind to calm down and assume a fairer and more judicial temper, before the real friends of this Confederation, and the supporters of the terms of Union with British Columbia, should appeal to public opinion in justification of their conduct. He believed that that time had then arrived, and that the present Government had done much to precipitate it by their shifting and unstatesmanlike course on the subject. When the hon. Minister of Agriculture told the House that the Pacific Railway scheme which he (Mr. Miller) had supported in 1872 was a mad scheme and a bad scheme, he thought that language very unbecoming in a member of the Government, whose policy, if they could be said to have a policy at all, would be, were it not for the disastrous consequences upon the best interests of the country, little better than a subject of ridicule and contempt. Looking back on the scheme which the hon. gentleman had so spoken of, he was prepared to say to-day that it was perhaps the very wisest that could have been devised for the attainment of the great and patriotic end that was in view. At any rate, the country knew what it was asked to undertake—what extent of liability it was required to assume under the scheme of the late Government. The policy of hon. gentlemen on the Treasury benches was one involved in darkness, uncertainty, and gloom, and, he feared, inevitably threatened oppressive taxation, if not national ruin. Moreover, while at one time willing to assume the whole cost of the railway as a public work, at another nobody could tell what they meant to do or leave undone, and even their Orders in Council were framed to suit the purposes of a Delphic oracle, and incomprehensible to their most trusted friends. In other people such conduct would be looked upon as evidence either of incapacity or dishonesty, or a combination of both. But he would take up the policy for building the Pacific Railway, which he (Mr. Miller) had supported, and which his hon. friend had characterized as a mad scheme. The time had come when such language would have to be dropped, and when wild assertions must give place to reason and stubborn facts. Without stopping to enquire who was to blame for its failure—whether its friends or its enemies—he believed the miscarriage of that scheme was one of the greatest calamities that ever befel the Dominion. That scheme was the granting of a subsidy of \$30,000.



000, and fifty millions acres of land in alternate blocks along the line of railway, to a company to be chartered under the Act of Parliament. But it was said the project was not feasible, and in the next breath it was declared it would overburthen the country, and this was proclaimed by men who professed to be able to carry through the whole work as a Government undertaking.

Hon. Mr. LETELLIER DE ST. JUST—Why did the company not build it?

Hon. Mr. MILLER would tell the gentleman what led to the failure of the scheme. It was the rivalry of two of the most formidable companies ever organized in this country, who were at each other's throats for the possession of the charter. (Hear, hear.) Would any one say that the gentlemen composing these rival companies were not in earnest, and that they did not know what they were contending for. The staunchest capitalists and many of the ablest business men in the Dominion—merchants, bankers, engineers, and others—were members of these companies, and certainly knew what they were about. Then, if they knew what they were about, it surely will not be said that all these men had entered into a conspiracy to delude or rob the country. The chief cause of failure was their suicidal rivalry, adroitly fomented and used by party ambition, and at last over-weighted by the unfortunate occurrences he had already mentioned. If these companies could have been induced to amalgamate, that scheme could undoubtedly have been carried out. He happened to come across an important piece of information recently in an American journal in support of his view. The paper he intended to read was an extract from the Boston Daily Advertiser of the 8th of February, and was addressed to the bondholders by the chairman of the committee to reorganize the Northern Pacific Railway Company. It illustrates the practicability of the Canadian scheme, which had the advantage of a large money subsidy, which the Northern Pacific had not, as well as a large tract of valuable land. The document was as follows:—

“Deeming it a duty to present to you a brief statement of the condition and prospects of the company, I avail myself of the opportunity afforded in the transmission to you of your certificates of preferred stock, to enclose therewith such statement. The financial disaster of September, 1873, which crippled enterprises and destroyed investments through-

out the land, forced the Northern Pacific Railroad Company to suspend the construction of the road, and to make default in the payment of the interest on its bonds. About \$30,000,000 worth of bonds had been sold, the interest on which was nearly \$2,400,000 annually. The trustees of the mortgage, with some of the bondholders, recognizing the total inability of the company, under the circumstances, to carry such a burden, instituted legal proceedings to preserve and secure to the bondholders the trust estate; and in April, 1875, obtained, with the assent of the company, the appointment of a receiver. The bondholders were convened on the 30th day of June following, when they approved the proceedings taken, and appointed a committee of their own number to acquire for them the railroad, and all the property, rights, and franchises of the company, under a carefully considered plan for reorganization. On the 29th of September, 1875, the committee having become the purchasers at judicial sale as contemplated, and the assenting bondholders having converted themselves into preferred stockholders, the latter elected their own Board of Directors, and the reorganization was perfected.

“Your road is constructed and in operation from the western end of Lake Superior to the Missouri River at Bismark, a distance of 450 miles. This is called the Minnesota and Dakota Division. At the crossing of the Red River it connects, by lines of steamers, with the prosperous and rapidly increasing Canadian Province of Manitoba. Its traffic, by connecting steamers on the Missouri River and wagon trains from Montana, a territory of unbounded mineral wealth and fertile valleys; its large transportation for the Government troops, military stores, annuity goods and supplies for the Indians, and the United States mails, give promise for the future of this division. The Pacific division of your road is completed and in operation from the deep waters of the Columbia River to Tacoma, the terminus on Puget Sound, a distance of 105 miles. At Tacoma the Pacific Ocean coast steamers, and the steamers navigating the Sound, make daily connections with our trains running south to Columbia River, and the city of Portland, Oregon.

“Notwithstanding the continued financial depression of the country, the traffic on both divisions in 1875 was a satisfactory increase over that of previous years. The gross receipts of the 555 miles of completed road for 1875 were \$618,590.

The net income was \$152,140. Every mile of the road built has been accepted by the Government, and this entitles the company to 10,000,000 acres of land under the charter. This land the company is selling rapidly to the settlers, at prices thus far averaging about \$5 per acre. The country through which the completed road runs is becoming rapidly settled; agriculture is being developed; the surplus products already form a large proportion of the carrying business of the road; the climate is noted for its salubry and uniformity, and the lands are unsurpassed in adaptibility for raising wheat and the other cereals.

"It is intended that the work of construction will be resumed the present season; and when the financial condition of the country improves, the road will be pushed forward to completion. Meanwhile the existing valuable estate and property of the company will be well taken care of and economically administered. The equipment of the road is ample and of the very best character, so that no expenditure in that direction will soon be required.

"Nine-tenths of the bonds issued have been surrendered under the plan of reorganization, and are being converted into preferred stock. The small amount outstanding is coming in as fast as can reasonably be expected. By May next it is believed that your Board of Directors will be able to show the extraordinary fact of 555 miles of a thoroughly well constructed and equipped railroad, free from a bonded or floating debt; a fact believed to be unparalleled in this country.

"The certificates of your preferred stock are now being issued in exchange for the 7 3-10 bonds, at the rate of \$1,400 for every \$1,000 of the principal of the bonds, which includes interest thereon to July 1, 1878. This preferred stock is received at par for the company's lands east of the Missouri River. The preferred stock will be entitled to dividends at the rate of eight per cent. per annum, before the common stock is permitted to participate in dividends to any extent."

He (Mr. Miller) would not enter into the causes that led to the winding up of the Northern Pacific Railway, as they had nothing to do with his argument. What he would call attention to was, that although the Company had to stop in consequence of being unable to meet the interest on bonds, amounting to thirty millions of dollars, yet, although they had nothing but their wild lands to rely on

they confidently hoped to be able to meet all their liabilities by the sale of those lands, and be in a position to resume work in the coming season. They had, so far, sold all their lands at an average price of \$5 per acre. (Hear, hear.) Those lands were certainly not superior, perhaps not equal, to those of Canada in the Northwest. He made this statement on the authority of the Hon. Minister of Agriculture himself, who had lately been in the country, and who had told him that no man could form any idea of the great heritage they possessed in that unsettled region, without visiting it and seeing for himself.

Hon. Mr. LETELLIER DE ST. JUST—Hear, hear.

Hon. Mr. MILLER—Will it then be contended that a Canadian Company with 50,000,000 acres of such lands, and a money subsidy of \$30,000,000, and a less difficult route, were not able to accomplish what was within the ability of the Northern Pacific Railway, without any money subsidy at all? Parliament may have been too generous in giving so much lands, which would realise at the rate quoted between two and three hundred millions of dollars, a sum far beyond the whole cost of the entire line, but they should consider those lands were worth nothing until they were opened up by railway communication. They should also consider that the fifty millions of acres reserved by the Government in alternate blocks, and thus enhanced, would ultimately yield an enormous sum to the treasury. But if they were sold at \$1 per acre they would nearly double the amount of Canada's money subsidy under the charter. The shrewd men who contended for that charter foresaw the great future value of those lands, and had the Government of Canada bound down for a limited time not to sell their blocks for less than \$2.50 per acre. Party spirit and personal rivalry, that wrecked that scheme, may well stand aghast at those plain facts and figures, and artfully endeavour to withdraw the calm contemplation of the country from them. At the worst, Canada would have secured railway connection from the Atlantic to the Pacific without costing one dollar in the end. He believed without reference to the causes of the failure, that the defeat of that scheme was the greatest calamity that had ever befallen the country, and will be the cause of retarding the development of the Northwest, on which the future strength and

greatness of this Dominion so largely depended. He was not afraid to discuss the whole question with the Hon. Minister of Agriculture, now that the reign of passion and excitement was at an end, whenever challenged to do so by language such as the hon. gentleman had used that day. He came from the extreme east—from almost the most eastern point of the Dominion, and even there or elsewhere he would not be afraid to defend his vote and action on this question, and if to-morrow on a hu tings, in his own county, he would be prepared to stand or fall on the scheme he supported in 1872 for the building of the Canada Pacific Railway—in opposition to the policy of the present Government, if their vacillating, reckless, ruinous, and he would add, disingenuous course of action, could be dignified with the name of a policy. There was one particular in which the company scheme had been censured in certain quarters, and that was the shortness of the time allowed for the construction of the road, namely, ten years. He did not think that any one expected the road to be completed within that period, nor did he consider that those who nevertheless supported the limit of time were fairly chargeable with duplicity towards British Columbia on that account, as had been argued by some persons. It was necessary to fix such a limit as would convince the country of the earnestness of the promoters of the scheme, but otherwise it was not inflexible. But it should be remembered that although this might have been an embarrassment to the company it rather was an advantage in many ways to the Government, and therefore to the country, as a means of retaining greater control over the charter. When the Union was inaugurated, the old Provinces were promised the Intercolonial Railway in three years; but nearly thrice that period had since elapsed, and the Intercolonial was yet unfinished. Still no one charged the late Government or the present with bad faith because of the delay, for the work had been pushed on with reasonable dispatch. So it would have been with the Pacific Railway, and Columbia, in common with the rest of the Dominion, would have been satisfied if the undertaking had been carried out with reasonable expedition, and in a way to show that its completion was really intended at the earliest period possible. That was the sense in which the time limit was understood by all parties when the subject was before Parliament.

With regard to the motion before the House, the arguments of the hon. mover had not only been met, but no attempt had been made to meet them fairly. That hon. gentleman contended that the Georgian Bay road was useless; that the country through which it ran was rocky and sterile, and altogether unfit for settlement, which had not been successfully contradicted; that there was no trade or travel to be accommodated by it, and none likely to be called into existence by its construction. All these positions appeared to be unassailable; and in view of these facts the wonder of the taxpayers of this country was, why millions of their money, in a time of great public depression, should be thrown away without benefit to the country. Was it strange that people should say that the only man these millions would benefit would be the contractor, and that they should marvel what the obligation could be that required so dear a liquidation? (Hear, hear.) But it is said the Georgian Bay Railway is a branch of the Pacific line of the late Government, although we all know that the eastern terminus of that line was to be at Lake Nipissing, and therefore that statement was contrary to facts. But supposing the Georgian Bay road formed part of the scheme contemplated in the charter, the liability of the country was not increased one dollar by it. The company was to receive a fixed sum for whatever they were required to do, in full of all claims against the Dominion. The case was different when the Government were constructing the Pacific Railway as a Government work—a scheme to which the hon. gentleman's language to-day would fitly apply. Then, supposing it was a necessary part of the road, why build it now; why build it twenty years in advance of the period at which it would be required; why build it before the main portion, and the most needed portion of the railway could be completed? Those were the points at issue to which the hon. gentleman did not deign to refer, but from which he had tried to draw off the attention of the House by their old stratagem—by empty declamation about the mad policy of the late Government, when it was the policy of the present Government that was under the consideration of the House. (Hear, hear.)

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST—  
I think the hon. gentleman's statement is not quite correct as to the value of the Northern Pacific Railway shares.

Hon. Mr. MILLER—This is the report of the gentlemen into whose hands the affairs of the road have fallen.

Hon. Mr. LETELLIER DE ST. JUST—The hon. gentleman is not perhaps aware that this section of the Northern Pacific does not extend more than thirty miles west of Red River.

Hon. Mr. MILLER—The document speaks for itself.

Hon. Mr. CAMPBELL—It extends to the Missouri River—600 miles.

Hon. Mr. TRUDEL—It might seem rather strange that the members from Quebec do not agree on the course to be followed in this House with respect to the Georgian Bay Branch, represented to be so much in the interests of our Province. I have heard the hon. Minister of Agriculture state the reason why this road should be built, but I must say the people in Quebec are not exactly in favour of the scheme—at least are not satisfied with the location of the road. On the one side it is represented to us that if we do not get this Georgian Bay Branch to connect our road with the Canada Pacific Railway we will not have any connection at all, as the business will take the course by way of Toronto and to the United States, without reaching the most important cities of the Province of Quebec. This is a very strong inducement for us to advocate a line which will not deprive us of our legitimate share of the benefits arising from the construction of this great enterprise. When the Province of Quebec gave its opinion in this matter two years ago, it was by a series of resolutions unanimously adopted by the Government and the Opposition in the Local Legislature. If this Government had at that time adopted the suggestion made by these resolutions, the Georgian Bay Branch Railway would perhaps not have been undertaken. It was the opinion of the people of Quebec that the road, instead of being built from Renfrew or Pembroke to the Georgian Bay, should be constructed from Nipissing to Deep River; in this way it would go through better land, and it would suit the views of Quebec. The Local Legislature felt very strongly on this matter. The resolution did not go so far as to ask this Government to adopt that route, as we felt the question could not be put in that way before them; it was only suggested that the road should not be located before an instrumental survey should be made, to ascertain if the best line were not that suggested by the

engineers of the Province of Quebec. The hon. gentlemen will see that if this course had been followed it would have given satisfaction to every one in this House. We have heard the hon. gentlemen from Toronto, who are hostile to the Georgian Bay Branch (I should not say from local considerations) say that if they were satisfied it was a part of the Pacific Railway they would have no objection to it, but they would join the Government in carrying out the scheme, but they do not consider it as such. Every member in this House is more or less influenced by local interests. Though general interest ought never to be sacrificed to local interest, still it is necessary that all local interest should be represented here, and it is only by the advocacy of all different local interests by the various members of the different parts of the country, that we will have in the aggregate the interests of the whole Dominion represented here. I have waited for some time for some of the members from my Province, more qualified than I am, to explain the views of the people of Quebec; the hon. gentlemen from Montreal or Lotbiniere, for instance, but as they have not done so, I have undertaken to give some explanations. If the course proposed by the Legislature of Quebec had been adopted, and a survey made of the two routes, and that survey had shown that the Georgian Bay Branch route was the best in the interests of the Dominion it would have been all right, but it is difficult to say whether we can support this road now when a survey of the North Shore has been refused to us. Some hon. gentlemen say they have personal knowledge of the country through which the Georgian Bay Branch passes, and they assert that it possesses no resources, that it is a barren rocky tract from which no benefit can be derived from an agricultural point of view. Mr. Leggo says the connection of our road with the Georgian Bay Branch would be very difficult. As far as we can see, the Government policy is to build this line of railway, and the best thing we can do now is to have a link that will unite our North Shore road with it, but I think it is going too far to say that we accept this link as satisfactory, and that the Georgian Bay Branch meets the views of the Province of Quebec. Of course there is no vote to be taken on the merit of the question, but I thought it was my duty to express, as far as I know, what is the feeling of Quebec in the matter.

Hon. Mr. SCOTT—I shall endeavour to confine myself simply to the salient points more immediately connected with the subject under debate, and not enter into a discussion on the policy of the Government as compared with the policy of their predecessors. I expressed my astonishment that any gentleman should be found at the present day to state that the scheme of the late Government was at all feasible. We know what has been the fate of the Northern Pacific; that road had better advantages than the Canada Pacific could have, yet it went to the wall; and an hon. gentleman behind me tells us they had to sell some of their engines to pay expenses.

Hon. Mr. CAMPBELL—The Northern Pacific had no money grant.

Hon. Mr. SCOTT—My hon. friend has asked where is the traffic for the Georgian Bay Branch. I beg to inform him that in reference to that, if hon. gentlemen will consult the map of Ontario, they will see that the great object of all the railways running from Hamilton, Toronto, Port Hope, and other places, is to reach Georgian Bay and Lake Huron. In the first place, we had the Northern Railway originally from Toronto to Barrie, and in order to reach Georgian Bay it was extended to Collingwood. Then there was the Toronto, Grey, and Bruce Railway. It was found to be comparatively useless until it reached the same water. The Wellington, Grey, and Bruce Railway also was useless until it reached Georgian Bay: the same way with the Grand Trunk; it pushed on until it reached the waters of Lake Huron. All three roads were considered useless until they struck the waters, which meant communication with Lakes Huron, Superior, Michigan, and the great cities—Chicago, Milwaukee, and other great freight depots. The feeling in the country is, that a shorter and more direct route connecting these waters with Montreal could be found, and, being found, it should be constructed. That route was the Georgian Bay Branch. It would also assist the construction of the Pacific Railway, the Eastern terminal point of the scheme of the late Government being the eastern terminal point of the Georgian Bay Branch south-east of Lake Nipissing. The policy of the late Government was to go north of Lake Nipissing; the policy of the present Government is to go south of Lake Nipissing.

Hon. Mr. AIKINS—The policy of the

late Government was to go south of the lake.

Hon. Mr. SCOTT—To my mind the Georgian Bay line is really commencing at the point at which the country declared the Pacific Railway should be commenced, and Quebec and Ontario would no doubt subsidize roads stretching out to connect with that particular point. My hon. friend from Montreal doubts that this is the particular line that was favoured for the roads from Montreal to connect with Georgian Bay, but he will find that this is the only link that could be laid down that would suit the connection. The present line of the Georgian Bay Branch follows the valley of Lake Nipissing. The original object of the Quebec Government was to carry their road to Mattawa, but they had lately made a proposition to this Government to make the connection at Portage du Fort, to which the Government replied they would be very glad to afford every facility to connect at that point. The policy of this Government was announced before the last general election in 1874. The Premier stated at Sarnia that it was utterly impossible to expect this Government to build the through all-rail route to the Pacific, and it was their intention to utilize the water-stretches and connect them with the short lines of railway. This is what we are now doing. I have already stated that the Georgian Bay Branch would not probably be built before the Canada extension and the other lines connecting with are built. There is no object in having it completed before that time; but there is a great object in having it completed when these roads are ready to connect with this railway, which will open up a new part of Canada—some of it as fine a country as exists in Ontario. Believing that a valuable trade would be developed by connecting the railway system of Ontario with the Georgian Bay Branch, the Province of Ontario has granted a subsidy of \$8,000 a mile to a neutral line to make this connection. A very small sum has been spent on the Georgian Bay Branch, while we have laid out nearly \$2,000,000 on the Pembina and Winnipeg Branch, the section from Lake Superior to Shebanowan, and east and west in Manitoba, and in British Columbia surveys. A very small sum—less than \$25,000—has been expended on this road that has created so much agitation in this House whenever the question has been brought up. Hon. gentlemen ap-

pear to think the Georgian Bay Branch is sinking the country in debt.

Hon. Mr. AIKINS—I would call the attention of the hon. gentleman to his speech as reported the other day, in which he said the road had not cost the country one dollar yet.

Hon. Mr. SCOTT—I say that all the expenses put together are not over \$25,000, while the expenditure on the Pacific Railway has reached \$2,000,000.

Hon. Mr. MILLER—Has the Georgian Bay Branch contract been abandoned?

Hon. Mr. SCOTT—In answer to the hon. gentleman, I will state that the Georgian Bay Branch contract has been cancelled—not with any idea of abandoning the project. Hon. gentlemen may rest assured that the Government will not prove recreant to their duty. They propounded a railway policy which they consider in the interest of the country, and that policy they will carry through, believing that they have the support of the people in doing so. I regret to observe that a very extraordinary and deep-seated hostility seems to prevail on the other side of the Chamber on this matter. I will not suggest a cause for it, but this particular policy of the Government seems to have met with constant criticism, constant censure and attack. I abstained, when I got up in my place, from discussing it. I had no idea that this torpedo would have been introduced into this House, and a discussion of the policy of the late Government brought up.

Hon. Mr. MILLER—Who brought it up? Not a word was said with regard to the late Government's policy until the Minister of Agriculture denounced it as a mad scheme and a bad policy. As one who supported that policy, believing it to be in the interests of the country, I felt myself bound to defend it.

Hon. Mr. SCOTT—The hon. gentleman from Belleville went fully into the policy of the Government, discussing not only our policy but the policy of the Ontario Government, and he opened a very wide discussion, but I did not think it was very wise that the policy of the Government should be discussed on either occasion. I did not think so poor a compliment should be paid to the intelligence of the hon. gentlemen of this House as to imagine that they were not conversant with the whole subject long ago, and I did not think because I did not deny everything that was rumoured and every statement

that was made, that they would be accepted as truth. The contractor for the Georgian Bay Branch had a very hard bargain; but if he could have discounted the land, which the hon. gentleman from Belleville says he could, he would have brought the subsidy up to \$60,000 per mile, and this might induce him to go on with it.

Hon. Mr. SKEAD—Is it the intention of the Government to abandon the road?

Hon. Mr. SCOTT—I was very emphatic in stating that our policy is not abandoned. The contract is cancelled for reasons unnecessary now to explain.

Hon. Mr. CAMPBELL—Is the whole of the contract abandoned, or only that part called the Georgian Bay Branch?

Hon. Mr. ST. JUST—It is not right for the hon. gentleman to push these questions. I think it would be far better to put his notice on the Order paper.

Hon. Mr. CAMPBELL—The Hon. Secretary of State volunteered to inform us in answer to our question that the contract has been abandoned, and I simply want to know how far it has been abandoned.

Hon. Mr. SCOTT—The contract was 88 miles—known as the Georgian Bay Branch; that contract has been cancelled.

Hon. Mr. CAMPBELL—Then the only contract made has been cancelled.

Hon. Mr. SCOTT—Not abandoned, but cancelled, for reasons which will be explained to the House at the proper time.

Hon. Mr. MACPHERSON said—Now that the contract for the construction of the Georgian Bay Branch of the Pacific Railway is cancelled, I hope the Government will reconsider the whole question, especially in its commercial aspects. The Hon. Secretary of State spoke of the traffic that passes from the Georgian Bay over the various railways connecting its waters with Toronto, and seemed to anticipate a large through traffic for this railway (the Georgian Bay Branch). Little or no through traffic passes over the railway to Toronto, to which he has referred. Does the Hon. Secretary of State, or any other hon. gentleman who knows anything of the trade of this country, believe for one moment that propellers loading cargoes of 60,000 or 70,000 bushels of wheat at Chicago, Milwaukee, Duluth, or any port on Lakes Michigan, Superior or Huron, will stop at the French River, and transfer their car-

goes to this railway (the Georgian Bay Branch) for transportation to Montreal? It is hopeless to expect this. Produce that it is important should be speedily conveyed to market, and which can be loaded on to railways at Chicago and other Western ports will be sent by rail to the sea board; but produce once shipped on board vessels will be water-borne to Montreal or Quebec. This railway can get no through traffic, and its friends do not pretend it will have any local traffic.

The motion was carried, and the House adjourned at six o'clock.

TUESDAY, March 7.

The PRESIDENT took the chair at 3 p. m.

Prayers were read.

After routine,

THE AGENT GENERALSHIP.

Hon. Mr. DICKEY moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid on the table of this House a statement of the amounts expended on behalf of the Dominion in the Government Immigration Department in London, England, and all expenditures connected therewith, from the 30th June to 1st January last, including salaries, travelling expenses, rent and all other outlays, with the amounts paid in aid of immigration, distinguishing amounts paid for agricultural labourers belonging to the Agricultural Labourers' Union from other emigrants; also copies of all correspondence between the Dominion Government and the Agent General of Canada in London, or any officers thereof, respecting changes in the Immigration Department at London. In doing so, he said:—I move this in no spirit of hostility to the Government, because it involves a policy which has covered a period of years anterior to the present Administration's advent to power. My object is simply to invite the serious attention of the House and the country to the large and increasing expenditure in this branch of the public service, and to elicit an expression of opinion upon the policy of doing so, by comparison of its results with the enormous cost which it entails. In order to do this as briefly as possible, it is only necessary to refer to the facts and figures which can be found in the returns that have been presented from time to time to Parliament. On

examination I found them sufficiently startling, and I have no doubt they will equally surprise some hon. gentlemen who have not turned their attention to the subject. Commencing at the period taken by the Hon. Minister of Agriculture in his report last year, for the year 1870, up to the end of the financial year in June last, my object in this motion is to supplement that, by getting information from that period to the present date. I find that the total expenses paid by the Dominion in connection with immigration and quarantine have risen from the sum of \$36,742.04, for the year ended 30th June, 1870, to \$302,770.68, for the year ended last June. This, I have already stated, includes expenses of quarantine, but I have a very ready mode of eliminating that part from the comparison, in the statement which has been made by the Secretary of the Department of Agriculture, Mr. Lowe, before a committee, in which he places the amounts which properly belong to immigration at \$286,000.

Hon. Mr. LETELLIER DE ST. JUST—Would it not be more proper to discuss this question when the papers asked for are before the House? We have had no notice of the scope which my hon. friend intended to take in this matter, and the figures are not before this House now.

Hon. Mr. DICKEY—I am not discussing figures that are not before the House, but the figures already in the public returns, and I am taking them from the hon. gentleman's own report, so that he is in a position to correct me if I make any mistake. (Hear, hear.) I make this motion in no spirit of hostility to the Government, but as it involves a serious expenditure in the public service, it is right we should discuss it, and the information I ask for extends for a period not yet in the public accounts. If the hon. gentleman requires any further time in connection with the matter, I shall be very glad to give it. I will do full justice, as far as I know how, to the Government in this matter. Assuming that the proportion has been about the same for expenses of quarantine and immigration, I am warranted in estimating that the gross amounts of the \$36,742, in 1870, as compared with the \$302,779, for the year 1875 will fairly represent the proportion which the one year bears to the other, and the House will therefore find that these expenses have risen in six years at the rate of 850 per cent. (Hear, hear.) Turning again to the expenses of the Department

in London, I find that they were for the year ended 30th June, 1870, \$11,171.40, including Great Britain and Ireland. There has been a gradual but rapid increase under the late Administration, as well as under the present one. For the year ended 30th June, 1871, the expenses were \$13,193.35; for the year ended the 30th June, 1872, \$31,100.46; and for the year 1873, \$67,835.52. Now we come to the period when the celebrated conference took place in this city, which involved a very serious change in the immigration policy of the Dominion, and let us see what the results have been. In the year ending June 30, 1874, the expenses of the London office, which then included all the European agencies, had arisen to \$85,648.40, while in the year ending 30th June, 1875, as I have been enabled to gather from the public accounts, they were \$162,604.51. This amount I have probably understated, because I find Mr. Lowe makes it—as reported in the *Globe* and *Times*—\$176,000; therefore I assume there are some other items that should properly be charged to the London accounts. Now, the House will see that these expenses of the London Department have risen within the short period of six years at the enormous rate of 1,600 per cent. (Hear, hear.) Now, what has been the effect of this increased expense upon the number of immigrants? The House will see that the number, instead of increasing, has actually decreased. In the year 1875, as compared with 1870, while the expenses had increased 850 per cent., the number of immigrants decreased at the rate of 16 per cent. (Hear, hear.)

Hon. Mr. SCOTT—Do I understand my hon. friend to say the cost of the London office is \$176,000? He will see that the outside offices are included.

Hon. Mr. DICKEY—Certainly. The Belfast agency is brought into it, because it belongs to the London agency. The salaries and contingencies of the London office alone, for the year ending 30th June, 1875, amounted to \$44,353.57.

Hon. Mr. SCOTT—That is the London office.

Hon. Mr. DICKEY—Yes. Immigration agents in London and the United Kingdom, \$57,321. Then comes the account paid to Agent-General Jenkins for passages, etc., \$64,580, making a total of \$160,254.57. To that I have added a payment which is charged to the Bank of Montreal in London, to pay Mr. Foy in

Belfast. In the report of the hon. Minister of Agriculture, of the conference held at Ottawa, it was stated the policy was to amalgamate the whole of the European agencies, putting them under the London office.

Hon. Mr. SCOTT—Of course, for comparison, the cost of the outside offices in former years will be taken into consideration.

Hon. Mr. DICKEY—I have brought in the amount in former years of the agencies in Great Britain and Ireland and Scotland. As to the number of immigrants in 1870, there were 24,706 remaining in Canada; in 1871 there were 27,733; in 1872 there were 36,578; and in 1873 there were 50,050—a gradual and progressive increase up to the time when these celebrated regulations in November, 1873, were made, after which the following is the result:—The very next year there was a decrease in the number of immigrants from 50,000 to 39,373, while the expenses went on increasing, and in the last year the number was reduced to 20,410. It is a curious circumstance that this decline commenced at the very period when this celebrated change was made in the immigration policy, in 1873. I will not say that immigrants were deterred from coming to this country by any change of Government (laughter), but I do say that this change in the Immigration Department did not work well.

Hon. LETELLIER DE ST. JUST—There was no change of policy.

Hon. Mr. DICKEY—There was a chance in bringing all the business of the European agencies into the London office. It was placed in a most inconvenient quarter of London, and it was attended with great expense. These 20,410 immigrants who arrived here last year and remained in the country included a large number who came from the United States—no less than 9,104, as I find from the evidence of the Secretary of the Department of Agriculture. It can hardly be said that these immigrants were attracted to this country by any expenses incurred in aid of immigration, or by any policy of this Government. Taking these from the total number, we find that the Dominion has actually been paying at the rate of something like \$30 per head for every immigrant coming to the country during the last year, by means of our new immigration policy; that is exclusive of what is paid by the Provinces, for I find by the report of the Minister of Agriculture, for



the year ended June 30th, 1874, that the Dominion Government expended that year \$281,413.11 for immigration, and the Provinces also expended \$237,823.65, making a total of \$519,236.76 for the year, or something like \$55 per head for the whole of these immigrants. That being the case, it appears to me that it is time that the attention of the House and of the country should be called to these facts. (Hear, hear.) Speaking of the London office, I am bound to say that it has been placed in a most inconvenient quarter for the purpose to which it is devoted. Sumptuous apartments have been procured at an enormous rent, three miles from navigation, and from the places where emigrants would be likely to seek information about the country to which they wished to go. (Hear, hear.) It appears to me rather unfortunate, in carrying out the new policy of aiding immigration, they have taken one step not calculated to excite public sympathy in their favour; that is, the department in London actually gives a larger bonus to agricultural labourers belonging to Agricultural Unions than to other labourers, and in that way the House will readily see they excite the opposition of the whole body of tenant farmers in Great Britain. In another respect this policy has been unfortunate, because it has resulted in the employment of a gentleman as Agent-General who is the last man the Government should have employed. I allude to Mr. Jenkins—I say it advisedly. I am aware of his extreme political views and well-known personal antipathy to the Imperial Administration, which he has not had the policy to conceal, and he was the last man to have been appointed to such an important position as that of Agent-General. (Cheers.) Another objection is, that he had not the local knowledge required to commend himself to those who went to him for information about Canada. It is well known I have never been in political accord with Mr. Annand of Nova Scotia; but had that gentleman been appointed, the Government would have had an Agent-General of large political experience, and extensive knowledge of the country from end to end, as well as of country life, who would have been able to give immigrants just the sort of information which they required. It appears to me, for a great many reasons, unfortunate that the Department should have been organized the way it was in London. At the same time, I am bound to give them full credit; for I under-

stand, that having discovered their mistake, they have abolished the office of Agent-General, and in that way have got rid of Mr. Jenkins. (Hear, hear.) I wish to give them full credit for that, and also for the steps which they have taken to materially reduce the future expenditures for immigration. I hope the Government will not stop there. I hope they will, feeling that their policy has produced, at an enormous expense, most insignificant results, go further, and follow the example of the United States. We have an enormous establishment, which, I venture to say, costs us three times as much as any ambassador representing any other Government in the world, in London. With these disproportionate results, where is the necessity for this enormous establishment, even if it were in the right place? I hope the Government will see there is no such necessity. That they should have a small office in a proper locality in London is only following the example of other colonies; but even the United States do not think it necessary to have such an establishment. They see it is to the interest of the great steamboat companies, packet lines, and railway companies to stimulate immigration and thus bring business to their lines. We all know what the result of that policy has been. We know it worked well for that country, and I think we ought to take a lesson out of their book and see if it is necessary to keep up this heavy expenditure with no commensurate result. We would do better to inaugurate a policy that would keep our own people employed at home instead of making this country a filter as it were for immigrants to pass through to the United States. (Loud cheers.) I do not wish to sit down without paying a passing tribute to the admirable manner in which the advantages of this country as a home for emigrants have been portrayed in the various public speeches from time to time of His Excellency the Governor General. (Hear, hear.) If the Government, by such speeches as these, by the circulation of such other information as they have in their department, and by the letters of those who have settled here to those whom they have left behind, are unable to attract a tide of immigration to our shores, we had better give up this expenditure altogether. I trust my hon. friends will accept this motion in the spirit in which it is made, and not only endeavour to do away with half this expenditure but the whole of it, and thus relieve the

country at a time when we most need economy in the administration of its affairs.

Hon. Mr. LETELLIER DE ST. JUST— I do not expect that a debate will arise out of this demand for papers. The demand itself is quite unexpected, and the tone which has been adopted by the hon. gentleman in moving the resolution is of such a character that I cannot blame him for having gone at length into the discussion. The question of immigration is one that has occupied the attention of the world generally, and when we consider the necessities of this country I do not believe there is any gentleman in this House who does not approve of having a large number of immigrants come and settle in our territories. We must not lose sight of the fact that the different Provinces are very anxious to obtain an increase to their numbers so as to add to their growth in a provincial capacity. When this Government came into power they thought they could obtain valuable advice from the members of the different Provincial Governments. We accordingly invited these gentlemen to a conference in Ottawa, where they met and discussed the best mode of carrying out a general immigration scheme, which would result in settling our uncultivated but really fine land. This conference having been held, Mr. Jenkins was appointed to superintend and carry out the new arrangement which had been agreed upon. With regard to the strictures which have been passed upon that gentleman, I must say that I do not think they are very just. My hon. friend has referred to the expenditures of the London office, but I may remark that of those he has quoted some do not properly come under that head. It was agreed upon at the conference to which I have alluded that the Provinces should each contribute a certain amount—Ontario, \$5,500; Quebec, \$2,000; and the smaller Provinces in an equal ratio to the general fund for emigration purposes. By these means, we were able to reduce the cost to the country of this service by a considerable amount. The Government have adopted as their policy to induce as much immigration into this country as possible and at the smallest expenditure. I may remark, however, that at the time we came into power we were pledged by our predecessors to receive a very costly class of emigrants; I refer to the Menonites, who were coming from Russia, where they experienced some difficulty about being

obliged to serve in the army. They were given ten years to make their exodus from Russia, and their delegates to this country were well received by our predecessors. They asked that their people should be exempt from certain military duties. The delegates returned to Russia, and reported favourably in regard to the Northwest Territories. They selected a large tract of land, which was given by our predecessors, and I do not blame them for this donation, because they are a good class of immigrants. The action of the Government in this respect has increased the amount of money we have been obliged to pay for the immigration of the past year, and I will show the hon. gentleman who has just taken his seat that I am in earnest.

Hon. Mr. CAMPBELL—They did not increase the expenditure in England this year.

Hon. Mr. LETELLIER DE ST. JUST— No, sir; I am aware of that. I am not going to deny that the expenditure in the London office has been increased, but that is a matter to which I will refer subsequently. The delegates from the Menonites returned, and had a conference with the late Minister of Agriculture, who agreed that if they would pay \$30 per head from Hamburg to Manitoba, the Government would pay the balance of the cost, and furnish the immigrants with food supplies, from the time they reached Quebec, until they arrived at Collingwood. Certain papers which were binding were passed at the time. Some 1,200 of those who came out the first year cost us from \$21 to \$26 each, which was a part of current expenditure for general immigration. In the following year we had 3,258 of these people who came to our shores, and the cost will be proportionately increased. Another reason for the greater expenditures under the heading of the London office, is the new arrangement by which warrants are issued in favour of agricultural labourers on the other side of the Atlantic, to assist them in defraying the cost of coming to this country. This arrangement was also made by our predecessors, and was binding upon us. The number of immigrants applying for this assistance was very greatly increased by the circumstances arising out of the rupture of the steamship conference, which had previously fixed rates at a certain price. It happened that in consequence of the then state of things, the demands for assisted passages under the arrangement to which

I have reference were greater than previously. There is another reason why the increase has taken place. Up to the year 1873 we were paying the different Provinces, to assist them to promote immigration, a grant of \$70,000, which was distributed between Ontario, Quebec, and the Maritime Provinces. We decided we could not renew this grant, but that we should assist them as much as possible by means of the London office, and through our agents in different parts of the European continent. My hon. friend has made a statement, and as I have not the data on which he relies, I humbly refer him to the statement which appeared in the report published last year, in which he will find the expenditure of the Dominion was \$251,000. In 1873 it was \$234,000, instead of \$67,000, and he will have to recollect that from 1873 to 1874 there is a portion of the year which is chargeable to our predecessors.

Hon. Mr. AIKENS—What portion of it?

Hon. Mr. LETELLIER DE ST. JUST—From January to October. We only acted during three months of the year.

Hon. Mr. AIKENS—But that does not diminish the expenditure by the hon. gentleman's Department.

Hon. Mr. LETELLIER DE ST. JUST— I have attempted to make a statement that must be acceptable to all who will look into this matter fairly and honestly. For the Menonites, for whom our predecessors showed so much consideration, we were called upon to make a loan of \$100,000, which is not to be represented as expended, as it is secured by bonds taken from the Menonites in Ontario. We have no objection to give the hon. gentleman what he has asked for, but I do believe that we are not proceeding according to the rules and order in discussing each question, which forms the subject of a notice of motion. I do not wish to prevent free speech, but I think we ought to act more in accordance with general parliamentary usage. Whilst I am speaking on this subject of immigration, I can say that during the recess I had occasion to visit the Province of Manitoba. I had heard that our immigrants had been taken away by Yankee runners, but as far as my observation goes, I can say they are well protected. I have seen 400 of these emigrants standing and waiting for the steamer which was to come from Fort Garry. During the four or five days they had to stand there, I saw American runners try to take them away,

saying they could get better land in the Far West. The argument of the grasshopper was used to dissuade the emigrants from going to Manitoba, but they proved obdurate to the earnest solicitations of the unfortunate American agents. They had promised to go to Manitoba, and they intended to fulfil their promise. It is true that to take emigrants to Manitoba, we experienced difficulties, but these are greatly diminished by the fact, with which the Americans are acquainted, namely, that we can pass them up the Dawson Road if we are forced to that extremity. We made arrangements to take emigrants from Ontario to Manitoba for \$21, which sum was reduced in time to \$16 and \$14.50. We could not make arrangements lower, and we are now in correspondence trying to renew the arrangements. I think if my hon. friend will compare the number of immigrants coming here and the condition of the country, he will find it compares favourably with any other country. When labour was low here and in the United States, we found emigrants going to New Zealand and Australia, and if our Government were ready to make the same expenditure as they are making in these small colonies, we should have during that time drawn a larger number of immigrants to our country. But when we know that the little colony of New Zealand was paying the fare of emigrants to their destination and giving them land free, and even animals and sometimes shelter, I say it was unreasonable for any country not ready to go so far to expect large numbers of immigrants. It would not be justice to say that we can compete against great advantages of this kind. I think that, considering the amount of money expended, our efforts in securing immigration have been very successful.

Hon. Mr. SMITH—What security has the Government for the \$100,000 advanced to the Menonites?

Hon. Mr. LETELLIER DE ST. JUST—The Menonites in Ontario became security for the money, which is a small sum compared with the actual value of their property.

Hon. Mr. CAMPBELL—I do not thoroughly understand this arrangement.

Hon. Mr. SCOTT—It was fully discussed in the other House last year. It is a simple plan. The Menonites in the county of Waterloo are known to be very well off, and a certain number of them

became security for a given amount advanced to their fellow countrymen, which is a very small ratio of the actual value of their property. Bonds are given that the money will be repaid in ten years, and they become responsible for their friends.

Hon. Mr. McFARLANE—Where do the bonds become payable?

Hon. Mr. SCOTT—In Ontario, I think.

Hon. Mr. LETELLIER DE ST. JUST—No interest is lost to the Dominion in that. Moreover, we had the certificate of persons of position in each place as to the solvency and security of the Ontario Menonites, who are helping their brethren, and I may say the result has been that they have gone into the West well equipped with agricultural implements, and all the necessaries for starting a prosperous settlement, through the generosity of their friends in Waterloo. I may state that I saw on the banks of the Red River when I was out there last season, some 500 ploughs, 50 or 60 mowing machines and reapers, carts, and 50 or 60 pairs of horses, bought by these people at a very cheap figure. I consider them a very good class of immigrants, and not one of them has broken faith with this Government by the inducements held out by American runners, who tried to settle them in the Western States. We find that the immigrants who have settled in Manitoba since Confederation have generally remained there, though they have suffered severely from the grasshopper plague. When I was endeavouring to ascertain to what extent the people were afflicted by the ravages of these insects, I found that the greater number decided they would face the difficulty; that they did not require any alms at the hands of the Government, but if the Government would advance a loan to those who required it, they would accept it on the understanding that it would be repaid when they should have sufficient means.

Hon. Mr. AIKINS—I understand that this \$100,000 is a sum voted by the House of Commons for this special purpose. It was charged against the Department of Agriculture, but not for immigration purposes, and it has not gone into these accounts at all.

Hon. Mr. LETELLIER DE ST. JUST—It has not been included in the amount stated.

Hon. Mr. DICKEY—It is fair to state with regard to this Menonite affair there

is a refund of \$5,758, and that is really one fourth of the whole expenses, which amounted to \$22,580, and there is no part of that Menonite account charged against the immigration accounts. I hope my hon. friend the Minister of Agriculture did not understand me as stating that the whole of this \$176,000 was expended in the London office. I stated that the expense of the London office was some \$44,000; but I included commissions, warrants, agencies, and aid given to immigrants.

Hon. Mr. LETELLIER DE ST. JUST—I accept the explanation, which is correct.

Hon. Mr. KAULBACH—I believe the Menonites are a good and peaceable class of immigrants, and by their great industry will do much to enrich our country, and will meet all their pecuniary obligations, and the late Government are to be commended for the aid and encouragement given them. Yet the country cannot but be astonished at the alarming cost of the immigration service, and great credit is due my hon. friend from Amherst for bringing the matter so forcibly before us. His figures are correct as far as I could follow him. It appears that in 1873 the London officer's salary was \$5,292. Expenses of office, \$9,380. For the year ending June last the salaries and expenses of that office were \$44,353. Just as rapidly as the present Government were lavishly expending the public money, on the other hand the number of immigrants brought into the country decreased—became less and less every year. For instance, in 1873 the number of immigrants was 50,000; last year the number had fallen to 20,000; from the 20,000 ought to be deducted over 3,000 Menonites, and also over 8,000 who came through the United States, leaving about 9,000 obtained through the Government agencies; and these 9,000 cost our Dominion over \$200,000, about as much as the 50,000 cost under the management of the late Government. I think the hon. Minister of Agriculture has failed as yet to show the reason why, though the expenses have so enormously increased, immigration has decreased. I think it is utterly useless to encourage immigration to this country so long as the present policy of the Government continues, and as long as the manufacturing industries and the trade of the country continue to be depressed. The expenditures of the London office have been enormous, to maintain a palatial resi-

dence, and an office some miles out of the centre of London, far away from the busy marts, wharves, and docks. I think it is a disgraceful piece of extravagance while the country is in such a condition. I believe our country abounds in great resources to attract the immigrant, and make him happy and prosperous. Yet until manufacturing interests improve, until the Government changes its do-nothing policy, I think it is unwise to ask immigrants to come into the country and compete for the labour that is insufficient for the people now in the country. I hope that this branch of the service will be largely curtailed, until we have some assurance from the Government that their policy will be changed, so as to give some impetus to the industries of the country.

Hon. Mr. READ—I am not surprised that the hon. Minister of Agriculture cannot defend his Jenkins. I find that for the London office last year ended 30th June, 1875, the total amount of expenditure is \$160,254.57. It might be of some interest to this House to learn what this amount was expended for. I have taken a little pains to look over the accounts from which I have culled the following items, though they are not one half of those which might be considered extravagant. I was not a little surprised to hear the Minister of Agriculture say the expenses of the London office last year were only \$44,000. I find from the accounts the rent charged for the London office is £1,190 per annum, or \$5,783.40; then I find the next item is Mr. Jenkins' salary, \$4,918. These two items alone are over \$10,000. Travelling expenses to Canada, \$700; travelling expenses in Canada to the Lower Provinces, \$700. It must be an expensive place to travel in, these Lower Provinces. These two items for travelling expenses amount to \$1,400. Then there are little travelling expenses from Manchester to Liverpool, and from Birmingham to Leamington, \$214. Then we come to a little item for furniture, \$4,000; and another extraordinary item of \$483.70 for drawing a lease, of which J. Cole got £51 18s. 10d., and Hook & Street were paid £47 12s. 8d. It appears to me as if there were some hooking going on there. Brass plates, \$100; gas fittings, \$430; newspapers, stationery, and printing, \$15,000; *Canadian News*—we all know that the *Canadian News* is a paper to run down Canada—\$3,224; *Toronto Globe*, \$1,100. I find no other Canadian paper receiving anything ex-

cept the *Toronto Globe*. The Manchester meeting is charged at \$260, and the Birmingham meeting \$123—much less. Then we came to an item for salary for Madame Von Koerber, \$1,365. I don't know who the lady is, but the item is there.

Hon. Mr. L'ETELLIER DE ST. JUST—Madame Von Koerber is a lady who was employed by Mr. Pope.

Hon. Mr. READ—I find among other newspapers patronized is the *St. James's Magazine*, to the extent of \$236, though why we should pay for that magazine I can't imagine. Then there is \$124 for clocks, and the last item is \$2,100 to Rev. Lachlan Taylor. I don't object to that item, for I think he earns his money. It is gratifying to find that the Ministry do not attempt to defend this large expenditure, increasing expenditure, extraordinary expenditure; at all events, we must give them credit for reducing it this year in some measure. But on looking over the estimates we find a large amount in them this year for the same purpose. It is time the country should put a stop to this reckless expenditure. No doubt the late Government left plenty of money, but there will soon be little of it left to spend.

Hon. Mr. SCOTT—In the few remarks I am about to make, I shall commence by referring to my hon. friend opposite, where he draws the attention of the House to the expenses of the London office. I am free to confess that many of the charges that are made are higher than the Government thought advisable to continue, and the cutting down of those expenses and the re-organising the office led to the resignation of Mr. Jenkins, and the placing of a gentleman of more moderate pretensions in the London office. Having made this admission, allow me to go into an analysis of the figures, and I think the House will acquit the Government of any defective policy as far as the London office is considered.

Hon. Mr. DICKEY—Is the Government aware that the lease of the London office, for which we pay, has been made out in Mr. Jenkins' name or not.

Hon. Mr. SCOTT—The lease was taken in the name of Mr. Jenkins by an arrangement with the Government. He behaved very honourably in the matter. Although the mode of dispensing with his services was somewhat prompt, he behaved with all the honour of a gentleman. He did not assert any right or claim to continue the lease of the office,

but when the office of Agent General was abolished he declined to act as Immigration Agent for Canada, and resigned his position. I believe the lease and control of the office have been transferred to Sir John Rose.

Hon. Mr. DICKEY—A very loose way of doing business.

Hon. Mr. SCOTT—Portions of the building not used by us are sublet. In Canada we are not responsible for the reduced number of immigrants in 1874. Immigration cannot be wholly controlled by immigration agents or by legislation. We know that other colonies, New Zealand or Australia, for instance, offered large bonuses, and the number of immigrants they got was extremely limited. There are times in the United Kingdom and Europe when labour becomes a drug in the market, and immigration increases. From 1870 to 1873 immigration continued to increase in this country, but in the latter year it declined. In looking over the numbers that came from the United Kingdom and the United States and to Canada, I find the decline of immigration to the United States was much greater in proportion than to Canada; in other words the decline in the United States was very nearly 50 per cent., while to Canada it was not more than 30 per cent. In 1873 the immigration into the United States from Great Britain was 233,000, and 1874 it was only 148,000, while the immigration to the North American colonies was 39,373, against 59,050 in 1873. So that hon. gentlemen will see that it does not in any way reflect on our system of immigration, as the decline in the United States was in much greater ratio than to Canada. I have here an analysis of the various charges on the immigration fund service in the years 1873-4 and '75. I find the London office expenditure during the year 1873-4 was \$10,136, and the corresponding charges for the year 1874-5 was \$44,363. Salaries and expenses paid to agents in the various towns of the United Kingdom and one in Germany and two in France, in 1873-74, amounted to \$62,842, and in 1874-75 it amounted to \$55,371, a reduction of over \$5,000. The expenditure for passenger warrant was increased from \$17,706 in 1873-74 to \$59,830 in 1874-75. Hon. gentlemen will see there is a very great disproportion in the expenditure for passenger warrants between 1873-74 and 1874-75, and the explanation is that it was mainly in consequence of an agreement made by the Hon. Mr. Pope with Mr. Joseph Arch, in

1872-73, to the effect that the Government would pay a certain bonus in an arrangement for passenger warrants to the class of agricultural labourers. This bonus was somewhere in the neighbourhood of \$5 per head. This arrangement was made with Mr. Arch when he was in this country, and he was believed to possess great influence with the agricultural labourers, he being the President of their Union. The aid thus pledged to the Union, through him, by the Canadian Government directly, caused a very considerable portion of all the immigration of agricultural labourers to Canada in 1874. The amount paid to outside agencies was \$7,000 less, and the amount to the London office over \$30,000 more, as between the two years named. Since the London office has been established, a library and reading room have been added, for the use of those persons who visit London from this country.

Hon. Mr. CAMPBELL—I was there during intervals of a month, and during my absence only one person had visited the place.

Hon. Mr. SCOTT—I am sorry it has not been more appreciated. I occasionally see in the columns of the newspapers the names of Canadians who have registered at the London Agency. In comparing the expenditures of 1873-'74, and with those of 1874-'75, it would be well if the hon. gentleman had carried the comparison further, and consulted the estimates for this year. He will find that we have cut down not only the London office, but we have cut down the outside offices more than one half, by dispensing with some agents, and generally reducing all charges. In round numbers, the amount allowed to the London office for 1875-6 is \$25,000; outside agents have been reduced from \$60,000 to \$25,000. This is as large a reduction in making at once. Of the \$25,000 for the London office, the Provinces contribute \$9,000, so that practically it will cost the Dominion only \$15,000 or \$16,000. Some hon. gentlemen have adverted to the office being in an inconvenient position. I believe the site of the building is shortly to be required by the Imperial Government, so that if it is not the very best place for our purposes, an opportunity will be given to select one very much better.

Hon. Mr. LETELLIER DE ST. JUST— I will now make a statement more precise than the one I made from memory of the expenditure for immigration: In

1870 it was \$56,548; in 1871 it was \$63,796; in 1872 it was \$126,124; in 1875, at a time when the present Ministry had nothing to do with the department, it was \$234,000, instead of \$67,000, as stated by my hon. friend.

Hon. Mr. DICKEY—My hon. friend is now giving the total expenses of immigration, but the comparison I read was the expenses of the London office.

Hon. Mr. LETELLIER DE ST. JUST—The comparative expenditure is this: in 1872 the expenditure was \$126,124; in 1873 it was \$234,000; in 1874, the first year we had the management of an Immigration Department, it was \$256,279. The increase is owing to the amount paid for Menonite transportation, but out of which there was a refund of \$5,000, which, being deducted, left the total expenditure for the service of immigration the same in 1874 as it was in 1873, before the increase of expenditure, consequent on the removal of the London office to Westminster. On the expenditure of the London office during the last year there is a deduction of \$9,000, being the proportion paid by the Provinces. When it was found that the expenditure of the London office became too high, the Government took steps to curtail it, and I must say the steps we did take were taken very reluctantly. If there were some delays it was only what was due to a gentleman of Mr. Jenkins' standing. The steps taken were in the direction the public had a right to expect. At this moment there is in this country in certain quarters a feeling of discontent against immigration, foreign labourers being brought in, when there are so many of our own people out of employment. But no man will say we should take steps to discourage immigration altogether, so long as we have so much fertile territory to colonize in the Northwest. I believe if these accounts are looked into with a willingness to render justice to the Government, the House, as well as the public will feel we have done our best to secure a good class of immigration to this country. Some complain that we have the scum of the immigrants that come to this country; this is not the case. Great praise is due the agents for the class of immigrants we get, but we cannot prevent a bad class from coming to the country who come on their own account. Such characters do not generally come by the St. Lawrence, but by New York and Boston, where they find that wages are low and they come over to Canada. Almost all

the labourers who have come to Canada from our agents have been immediately employed.

Hon. Mr. SMITH—Are these Menonites subject to the same laws as other subjects?

Hon. Mr. LETELLIER DE ST. JUST—They come under the laws of the country, but they are exempted from certain military duties by a provision of a statute.

Hon. Mr. SMITH—Are they entitled to vote?

Hon. Mr. LETELLIER DE ST. JUST—That is not affected by their military exemption, and will depend upon the Provincial legislation.

Hon. Mr. SMITH—I question very much whether it is prudent to give large tracts of land to immigrants of this kind. I find they have got at least ten or twelve townships in a block. They have all the rights and privileges of the majority of Her Majesty's subjects, but in case of war they will not take up arms in defence of the country. This is a privilege I think should not be accorded to any class of immigrants, and it is an injustice to the other portion of Her Majesty's subjects. And again, I do not think you should give five or ten townships in a block. It may prove dangerous in case of difficulty, and I question the policy of encouraging these people to come here. I hope the time will never come when a portion of that country will tell us that we have been doing wrong.

Hon. Mr. REESOR—The Menonites who settled in Ontario pledged themselves to the payment of a tax in lieu of the performance of military service. They paid that tax for a great number of years during a time of peace, and, as far as they were concerned, they would willingly have continued to pay it still. But others took the matter up and had it removed, offering as an argument in favour of their course that we were likely to enjoy a period of peace for a great number of years, and it was wrong that this tax should continue to be imposed. The result of this movement was that the tax was removed. The policy of Canada and of the United States has always been to offer every inducement to bring them to the country. They belong to that class of people that produce a good deal more than they consume, and thereby add to the national wealth. It was the confidence the people had in them that induced the Government to exempt them from military service, and it was this guarantee that brought these people to Ca-

nada instead of going to the United States. In the county of Waterloo and the county of York I have never known in a single instance in which any of these Menonites have been brought up for an offence against the law, and they have never occasioned any expense to the community on account of the administration of justice. These reasons I think justify the action of the Government. The security for \$100,000, as far as I can see, is ample. The bonds are signed by some of the wealthiest men in Canada, and a part of their religion is that they shall deal honestly with each other and their neighbours.

The motion was carried.

#### THE INSOLVENT ACT OF 1875.

Hon. Mr. BUREAU moved the following:—That a Select Committee be appointed to inquire into the working of "The Insolvent Act of 1875," and to report what amendments thereto, if any appear to be advisable, with power to send for persons, papers and records. In making the motion, he said:—Early in the commencement of the session I gave notice of a motion for the appointment of a Select Committee to inquire into the working of the Insolvent Act of last year. We can remember the way that Act was passed last session. The House of Commons spent about two months in considering that very important question. We were compelled to pass it in one day *en bloc*, and this has always been the case in reference to measures of that nature. I see by different reports that steps have been taken to ascertain what it is necessary this House should do to advance the interests of the country, and enable us to give all due consideration to public business. In 1863 a resolution was adopted, on motion of Hon. Mr. Ferguson Blair, seconded by Hon. Mr. Letellier de St. Just, directing that any further proceedings upon every Bill which had been presented to the House during that session should be suspended on the day on which Parliament should be prorogued, in order that the promoters might proceed with the same Bills at the next session of Parliament. In 1865, on motion of Hon. Mr. Campbell, seconded by Hon. Sir E. P. Tache, the same resolution was adopted. There was a report adopted in 1868 which shows the matter had been thoroughly examined. The report is that of a Select Committee, of which the hon. member from Kingston was chairman, appointed to consider and report whether

by any alterations in the forms and proceedings of this House the despatch of public business could be more effectually promoted. In their report the Committee come to no conclusion whatever, and the whole matter is still one for much consideration on our part. Last year, near the end of the session, when there was no time to consider the measure, the Insolvent Act was brought down. There is no doubt there were a great many errors in the Bill, and a number of sections opposed to each other, which, of course, must be amended, but my intention is not to have a Committee of Inquiry into that matter. I think in a few days you will have sent to the Senate a number of amendments that are certainly necessary. I would like to state the opinion of Earl Grey on this same difficulty we have here experienced. I will quote from a speech made in 1871, in which he says: "He believed that all their lordships were prepared to sacrifice their private convenience for the sake of public advantage; but the evil was, that at a late period of the session important measures could not receive such consideration as to guard against hasty and imperfect legislation. Not only was it difficult to obtain the attendance of their lordships when the session had lasted six or seven months, but in the other House it was still more difficult to obtain a proper attendance, so that their lordships' amendments might have justice done them. Within the last three or four years important measures have been lost through the impossibility of their lordships' amendments being properly considered. To remedy this crying evil some had proposed that a larger number of measures should be initiated in their lordships' House; but from its constitution that House, with the exception of particular classes of Bills which might usefully begin here, was more suitable for reconsidering and revising than for originating legislation, and he feared no great amount of time would be saved by the introduction of important measures here in the first instance."

And he goes on to say that in the interest of the country it would be better when an important measure was brought down at the end of the session to leave it to stand until the next session. I see also, by the report of a Select Committee of the House of Commons appointed last year, that they took that matter into consideration. The committee was entitled "A Committee appointed to consider whether any and what means



can be adopted to improve the manner and language of current legislation." Before that committee, whose report was adopted by the House of Commons, Mr. Jackson was questioned and answered thus:—

"Would anything be gained by allowing a Consolidation Act to be taken up in a second session at the point it had reached in the previous session?"

"That involves the constitutional question which has been before Parliament upon previous occasions. The proposition to suspend Bills from one session to another has not hitherto found favour with Parliament, but it is an important question."

Now I will quote another opinion on the same subject—that of Mr. Rathbone, of the British Parliament. The question was put to him:—"Would it not be desirable to have this arrangement—that supposing our Bills went up to the House of Lords so late that they could not go through this revision by the revising counsel; or supposing a Bill comes down to us from the House of Lords in the same way, would it not be advisable to allow those bills to be considered in the next session?"—to which he replied:—"I do not think the House of Commons would submit to the House of Lords laying their Bills aside to be considered in a subsequent session. They would think that it was only another way of allowing the House of Lords to get rid of a Bill which they did not wish to pass but to which they do not see a complete answer, and it would be another way of obstructing legislation."

"You do not think that it would be possible to improve our legislation by the adoption of that system?"

"I do not think so. I have said that it would be of some benefit for the House of Lords to have counsel to advise them upon the Bills which come from the Commons in sufficient time."

There is the opinion, on the same subject, of Mr. Eustace Smith:—

"Do you think it would facilitate such a process to allow a Bill to go on from session to session without beginning *de novo* at the beginning of each session?"

"I do not think Parliament would listen to that, and think they would be right. Each session must bear its own burden."

I think we should find this was also the opinion of the hon. gentleman from Kingston if we read his report. It seems to me to be our duty to amend the In-

solvent Bill, as it was neglected by us last session. It was for this reason that I introduced another Bill which will also come up to-day. I thought I ought to give my explanation on this matter, but it is my duty now to ask leave of this honourable House to withdraw my motion. I intend to bring in a Bill to amend the Insolvent Act of last year.

The hon. gentleman was granted leave to withdraw his motion.

#### THE INTERCOLONIAL RAILWAY—COURTENAY BAY EXTENSION.

Hon. Mr. DEVER moved that an humble address be presented to his Excellency the Governor-General, praying that His Excellency will cause to be laid before this House all correspondence between the authorities of the City of St. John, N. B., and the Dominion Government, in the matter of the Courtenay Bay Extension of the Intercolonial Railway to the Ballast Wharf and ground required for the works; also, a statement showing the amount already expended thereon. He said—The motion which I have the honour of introducing is one in which I am most anxious every member of the Senate will take a deep interest, inasmuch as it relates to a portion of a great public work, known as the Intercolonial Railway, of this Dominion—a work to which each of us, as well as every individual in this country, is contributing a large share of their means, and thereby necessarily called on to see that none of those means are squandered or misused in the construction of any part of that property by anybody, much less by the Government the country has intrusted with its care. The Intercolonial Railway, in one of its branches, is intended to terminate at the seaport city of Halifax, N. S., and in another at the city of St. John, N. B. The latter branch is the subject I wish to dwell on now, since I and others believe there is great fault to be found with the manner in which the Government of the day is treating that work. To give you a complete knowledge of this matter let me say that the late Government of Canada by their engineers, projected, after long and careful examination, and then advanced nearly to completion, the piece of railway known as the Courtenay Bay Extension, running from the main Intercolonial Railway in the rear of the city of St. John, through property and houses which had to be purchased and cleared away, at great expense, along by the eastern shore of a locality known as the

Courtenay Bay, some two miles and better to the Ballast Wharf and grounds—a situation pronounced by the Government engineers as being the proper one for the necessary accommodation of deep water heavy freight shipping. Wharves have been built, and rails laid on a large portion of the road; lands were taken and a good deal of confusion made by obstructing property and rights of citizens; when, all at once, by some hidden hand or interest, the work was suspended by the present Government, and remains now in a very forlorn state. The people's money is being lost; and even from a letter I hold in my hand, all applications from the City authorities are studiously not replied to, notwithstanding the statement made a few days ago by the Hon. the Minister of State, that the blame for not having the work completed years ago was attributable to the city of St. John desiring to make a large speculation out of the Dominion Government.

The letter in question reads thus:—

“MAYOR'S OFFICE, CITY ST. JOHN, N.B.  
22nd Feb., 1876.

“HON. MR. DEVER:

“SIR,—The answers given to you by the Hon. Mr. Scott are *very lame indeed*, and I cannot think that he answers for the Government in this matter. I have been Mayor of this City for two years, and during that time have tried all in my power to bring this matter under the attention of the Government. No price was talked of, but that the Council were willing to treat with Government, and, if not satisfactory, to leave the matter to mutual arbitration; but I cannot get any satisfaction—not even a reply to my letters.

“The last answer of Senator Scott is entirely without foundation in fact, as no one has ever made inquiries about the matter, and no one has seen copies of the correspondence except members of the Government, and the word ‘speculation’ is a positive falsehood.

“A. CHIPMAN SMITH, Mayor.”

Hon. gentlemen, I will now conclude by saying that I have tried to do my duty on this important question, and have nothing left but to pronounce the Government of this Dominion as being in my opinion wholly at fault in this matter for allowing themselves, as a Government, to be influenced by some hidden speculator, who wants to ignore this piece of property the Government has paid so much for already, and will have to pay for dearly by

law suits and damages that must certainly follow if they permit themselves to be misled by anybody or “Ring” to abandon this work, in which the city of St. John is so deeply interested, as against any other location said “Ring” may have in view to dispose of to the Government for similar purposes. Again, before concluding I would point out to the members of the Government, who have no private motive to serve in this affair, that some money laid out in labour on the work this winter would be quite a favour to a large number of people out of employment in that city, as well as be a great means of completing the work at a very reduced price, which may not offer again for a long time.

Hon. Mr. SCOTT—I have no objection to the motion of my hon. friend for the papers, which will be brought down. I have nothing further to add to the answer I gave the other day, than that I am sorry there was any misconstruction of my observations in regard to this matter. If the hon. gentleman will consult the report of my reply, he will find that I spoke of former negotiations of the Government. I did not allude to the present or past year. The original cause of the difficulty, as I understand it, was a difference as to price. As to the present case, I am not going to make any explanation whatever. I do not propose to commit myself on a question of Government policy. Whether they will select the ballast wharf, or any other point, I am not prepared to say, but they will select that point which will at once be the most desirable shipping point.

The motion was carried.

#### THE BANKING LAW.

Hon. Mr. RYAN inquired whether the returns required by the Acts 34th Victoria, cap. 5, and 38th Victoria, cap. 17, to be made to Government monthly, by the chartered banks of the Dominion, have been and are made regularly by the said chartered banks; and whether the nature of any of the returns made gives reason to apprehend that erroneous or deceptive statements have at any time been contained in any such returns. In doing so, he said:—This question has been prompted by no wish to throw discredit on the banking institutions of the Dominion, because I know they have always maintained a high position as a body. Unfortunately exceptions to this rule have occurred during the past year. By two Acts respecting banks and bank-

ing, passed within the last five years, the banks were called upon to make monthly returns to the Government showing the position of their affairs and other matters connected with their administration. The Government, I presume, by passing that clause, took under their charge, to a certain extent, the safety of the community at large in relation to the banks, and undertook to protect the public against any improper conduct on the part of bank managers and directors. I think it was an excellent position for the Government to assume, and that they should see to the proper administration of our monetary institutions, which have so much to do with the prosperity of the country, at the same time being careful not to shackle these institutions with any undue or improper interference. The purport of my inquiry is to know how far the regulations of the Banking Act have been complied with, whether the returns have been made regularly and satisfactorily every month, and whether there have been any returns coming under the notice of the Government which would make a reasonable reader of the returns question their accuracy, or the accuracy of preceding returns, and thus direct attention to a deviation on the part of the bank from the provisions of the law. We have frequently had rumours that some of the returns were not such as they ought to have been in view of the requirements of the law, and, almost simultaneous with these rumours, we have had the failure of one or two or more banks in the Dominion. I wish to know whether the returns were of such a nature that the approaching insolvency of the bank might have been foreseen before its downfall. I wish to impress on the Government that there is imposed on them the duty of supervising these returns with great care, and taking some steps, if it can be done, to prevent the occurrence of financial catastrophes in the shape of bank failures. The number of banks to which disasters have occurred is, I am glad to say, very small, compared with the numerous banks chartered and doing business in the Dominion. At the same time, it would appear by the statements made by shareholders that the banks had been carried on with great recklessness, and not in accordance with the provisions of the law. I consider that the Government would be justified in punishing as a misdemeanour the falsifying of the returns. I hope there will be no hesitation in giving such an answer as will give con-

fidence to those banks whose business has been conducted in a proper manner, and explain to those concerns whose business has been conducted otherwise that their conduct will not go uninvestigated by the Government. As yet, I believe there is but one instance in which the Government has taken any steps, but I think it will be useful to the Dominion at large to know if the Government have done so, or that they will do so in any future case calling for their interference.

Hon. Mr. SCOTT—In answer to the first portion of my hon. friend's question, I may say that the banks have made their returns monthly, in pursuance of the requirements of the Act of Parliament. The one exception to this was the Mechanics' Bank, which during a part of 1875 did not comply with the provisions of the Act requiring these statements to be made. There is one matter referred to for which I think the Government should not be held responsible. My hon. friend seems to think the object of furnishing these returns is to enable the Government to exercise some degree of scrutiny over the banking returns. I conceive that would be a most dangerous power to be placed in the hands of any Government. My hon. friend asks further whether any circumstances revealed by these returns indicated the condition of the institutions. In answer to that I can only say it has not been considered by the Government that it was their province to analyze and investigate the bank returns. That is a duty that belongs only to the shareholders. The next question is whether the attention of the Government has been called to any patent defects in the returns. A late case is that of the Jacques Cartier Bank, the returns made by which were absolutely false. They were not discovered to be false by the Government, but by the shareholders of the bank. It might be wise to have a law that would require all banks to be inspected, but it could be only according to a particular rule applicable to all, in order that the public mind might not be disturbed or alarmed at any inquisitorial inspection. If the shareholders of a bank thought there was just cause for alarm or the the statements of the bank were false they might call on the Government to make an enquiry, but any such inspection or enquiry into the affairs of the bank should originate with the parties interested. The Act of Parliament did not contemplate that the Government should have any kind of supervision or inqui-

sitorial powers in this matter ; it simply means that returns shall be made according to forms agreed upon, and these returns shall be published in the *Official Gazette*. But there is nothing in the Act to lead one to the conclusion that it is the Government who should ascertain whether such returns are correct or not ; that is the duty of the shareholder or the bill holder. It may be that the machinery to enforce such an enquiry is entirely too cumbersome ; it may be that the law should be amended in that particular, but whatever is done in reference to the management of our banks should only be done after the most grave and thoughtful consideration. Our banks have, as a rule, been of very great advantage to this country, and their soundness has very rarely been questioned. Unfortunately a short time ago one or two of the banks exhibited signs of weakness, but that would not justify a system of espionage into the affairs of other banks. No Government officer should be clothed with the individual power that would authorize him at any time, when his judgment deemed these returns incorrect, to make an investigation that might cause alarm to the public and injury to the institution.

Hon. Mr. RYAN—I have not mentioned the words espionage or inspection, nor did I contemplate anything of the sort. My object was simply to call the attention of the Government to put an Act in force that without any espionage or without any undue annoyance, would deter banks from making false returns. Why should you call for monthly returns if they are allowed to lie in your office to be seen by the public only through the medium of the *Official Gazette* ; why should the law prescribe to have these returns made at all if the Government are not to take such steps as to secure their correctness. It is quite certain that banks have made returns one month, showing a larger amount of paid up capital than appeared in the next return ; evidently there must have been some false statement in these returns, of a kind that must have been obvious to the Department to which they were made. I protest against the words "espionage" and "inspection," which are words solely used by my hon. friend in this connection, and not by me. I think it is a matter which the Government should be very properly called upon to look into. The clause of the Act respecting false returns, reads as follows :—

"Clause 62, 34th Vic., cap. 5: The making of any wilfully false or deceptive statement in any account, statement, return, report or other document, respecting the affairs of the bank shall, unless it amounts to a higher offence, be a misdemeanor, and any and every President, Vice President, Director, principal partner *en commandite*, Auditor, Manager, Cashier, or other officer of the bank, preparing, signing, approving or concurring in such statement, return, report or document, or using the same with intent to deceive or mislead any party, shall be held to have wilfully made such false statement, and shall further be responsible for all damages sustained by such party in consequence thereof."

Very few persons read the *Canada Gazette* regularly, and it does not reach one fiftieth part of the shareholders of banks. The public newspapers sometimes copy the bank returns. The Government, in passing this Act assumed the responsibility, as it appears to me, that where there are grave causes for suspicion in such returns, they will look after them, but that need not be done by sending an Inspector. If returns of a suspicious character come from a bank, has the Government the right to enquire into it, and do they do it ?

Hon. Mr. SCOTT—I understand it is the practice of the Department to call attention only in cases where there is *prima facie* evidence that the return is false, and ask for an explanation.

Hon. Mr. RYAN—But the explanation is not published, consequently it is of no use to the public. How can they make such a correction as the one I have mentioned, when the paid up capital is reported one month as being much larger than the month following ?

Hon. Mr. SCOTT—It is an error I suppose.

Hon. Mr. RYAN—It is no such thing ; it is a false statement to mislead the Government and the public, and I think the Government ought to take notice of it. In reference to the motions of which I have given notice on the same subject, as I understand that the returns of some of the banks will not be ready for a day or two, I still postpone the motions until Friday.

The House adjourned at 6 p.m.

OTTAWA, March 8.

The PRESIDENT took the chair 5 p.m.

Prayers were read.

After routine,

THE PUBLIC PRINTING.

Hon. Mr. AIKINS moved:—That an humble Address be presented to His Excellency the Governor General, praying that he will cause to be laid before this House, a copy of all correspondence that has taken place between the contractors for Departmental Printing and Binding and the Government on the subject of their contract; also, that a statement may be furnished showing the difference in the rates paid to outside parties for Printing and Binding, and that paid the contractors for similar work; also, a statement to show the quantity of printing performed outside, and by whom, and the difference in the cost in the aggregate; also, a statement giving the amount of stationery purchased in each of the Provinces of the Dominion during the last year, and the cost and the price for which similar stationery could be furnished by the Stationery Department of the Government.

It will be within the remembrance of hon. gentlemen, that when the subject of Parliamentary Printing was under discussion last year on the report of the Committee of both Houses, the opinion was strongly expressed in this House that it would greatly facilitate the business of Parliament if the Parliamentary and Departmental Printing were done by two different contractors. It was found that the printing of private and public bills, sessional papers and returns was often behind hand when the contractor was crowded with work and the business of Parliament frequently was delayed in consequence. It was also found that the Parliamentary printing interfered with the Departmental work, and it was recommended that the printing should be done by two contractors. The Government, it appears, thought it was not advisable to adopt the recommendation, and as a result it has been found that a large amount of Departmental printing has been done outside of the contract at higher rates than are paid to the contractor. I find, on looking over the reports of the Postmaster General, that in the city of Halifax one firm known as the *Citizen Publishing Company* have received during the past year, the large sum of \$10,198 for the performance of Departmental printing that should have been

done by the contractor. I do not know who compose the *Citizen Publishing Company*, but the name of a gentleman occupying a Government position in the other House is associated with it. The hon. members from Nova Scotia must know by whom the *Citizen Publishing Company* is owned and controlled, and they might be able to give some information on the subject. I find, also, in the city of St. John a newspaper known as *The Freeman* received last year the sum of \$8,981 for doing Departmental printing which should have been done by the contractor for Departmental printing. I believe it is very generally known that the *Freeman* is owned and edited and controlled by the gentleman who occupies the prominent position of Speaker in the other House. It occurs to me as extraordinary that when we have a Departmental printer instead of that work being done here it should be done in Halifax, St. John not under contract, not by tender, but a higher rates than are paid to the contractor here. In Prince Edward Island, in the same way, I find that a person named Cavan has received \$543 for Departmental printing. Who Mr. Cavan is I do not know, but I for one take strong objection to allowing outside parties to do printing that should be done, under the contract, at higher rates than we pay here. Why should these two or three newspapers monopolize all this printing in St. John and Halifax when there are other papers published in those places it would be interesting to the House to know. In Halifax two other papers did departmental printing to the amount of \$205, but the rest was all done by the *Citizen Publishing Company*. In St. John, where several newspapers are published, the *Freeman* obtained \$8,981 of the printing from the Post Office Department, and why should such a large sum be paid to this paper while eight papers got only \$338 is beyond my comprehension. If it is necessary to have printing done outside of the contract, the other papers should have a share of it. But the Government is not justified in obtaining printing or stationery from outside parties when it can be obtained at departmental rates from the contractors and stationery department. Had the wish of this House, as expressed in the discussion referred to, been observed, no necessity could have existed for having any of this printing done by outside parties.

Hon. Mr. SCOTT—In rising to acquiesce in the granting of this motion, I concur

in a good deal of what has fallen from my hon. friend, that it would be very much better if all the printing and all the stationery required for the public offices should come from the contractor and the Government stationer. Unfortunately when a bad system is once inaugurated it is extremely difficult to correct it. I find that ever since Confederation the practice of the former Government was to give out to offices in various cities in the Dominion printing and advertising, and to leave the purchase of stationery to the discretion of the head officers of the departments. In the department to which the hon. gentleman has made special reference—the Post Office Department—I find that the system has always prevailed since Confederation of purchasing the stationery and doing the printing incidental to the postal business in New Brunswick outside of the contracts. I have a memorandum in my hands from the Public Accounts, showing the sums paid each year for this service, from 1868, in New Brunswick and Nova Scotia, and in some cases the names of the parties to whom they were paid. One newspaper concern in Halifax, known as the *Reporter*, received during the year 1868 the sum of \$3,588; in 1869, \$5,540; in 1870, \$3,771; in 1871, \$4,000; in 1872, \$5,000; and in 1873, \$7,000. This paper is owned by Mr. Croskill. The Public Accounts are full of just such payments, but I have only had time to compile a very few. The present Government have endeavoured to inaugurate a new system, and they have given notice to all parties who have been doing printing and supplying stationery in the outside Provinces that it must cease at the end of the present half year, that the printing must all be done by the contractor, and the stationery must be furnished by the Government stationer. The saving of paper in this way will be very large; the cost to the Government is one-third or one-half less when furnished by contract than it can be purchased from individuals in small quantities. The gross amount paid for stationery and printing for all the departments in 1869-70 to parties other than the Queen's Printer was \$20,441. This is the statement compiled by Mr. Young, of the Stationer's Department, but it only embraces that year. The hon. gentleman objects now strongly to the Government pursuing a policy that had its birth with their predecessors. He himself occupied a position in the late Administration, when an extraordinary

order was given, a few weeks before they resigned, and verbally too, to Duvernay & Co., of the *Minerve*, for no less than 22,000 copies of the Orders in Council of the Government, at a price of 40 cents, about double the amount paid to the contractor, for work that was not required, as no person would read it except the few who were interested. We have endeavoured, in any printing that has been done for us outside of the regular contractor, to cut down the price, and get the parties to take contractor's rates.

Hon. Mr. CAMPBELL—The Orders in Council had the force of law, and it was necessary to have them printed and distributed.

Hon. Mr. AIKINS—The Departmental Printer was not in a position to perform the work at the time it was required, and that is the reason it had to be done outside.

Hon. Mr. SCOTT—I suppose that is just the reason why all Governments get this outside printing done. But what particular hurry was there to have those orders printed at that time of the year, or why should the order be so large? One of the first reforms this Government made after coming into office was to cut down this kind of printing, and we saved the country on this one order some \$8,000. We curtailed the order, but we did what was reasonable and fair with the parties who had commenced the work, and at the same time obtained the publication of sufficient copies of the volume for those who were interested in it. There is no doubt the establishment of a stationery department under Government has saved a large amount to the country. It was inaugurated by Sir John Rose, and the first year it caused a saving of \$40,000. So far as this printing in the Lower Provinces is concerned, we unfortunately dropped into the policy of our predecessors, and continued it. The reason why the printing for the Postal Department in New Brunswick and Nova Scotia is larger this year than formerly, is, that a large number of way offices have been changed into regular offices, which required more printing. It will afford some satisfaction to the hon. gentleman that an order has gone forth from the Government that this system is to cease, and the printing is to be done by the contractor, at contract rates, and all stationery is to be furnished at contract rates. Before the change in the Government took place, I find that Robertson, Roger, & Co. received an order from the

Postmaster-General for the printing of books to the extent of \$4,900, for which they were paid in advance. The work was printed and sent to the binder, and it was only a few months ago that he got his pay for it. The books were not required, and at the present time a large number of them are unused.

Hon. Mr. AIKINS—The hon. gentleman has quoted figures to show that the acts of the previous Government in this respect were also bad. I will go back as far as 1872 to the Postmaster-General's report, and show the hon. gentleman that in place of about \$20,000, in one year, for the Post Office Department being spent, but little more than that sum was spent in the three previous years, and that difference is mainly made in 1874, while this Department was administered by the present Government.

Hon. Mr. SCOTT—I did not say in the Post Office Department.

Hon. Mr. AIKINS—The hon. gentleman said that was the only Department which has printing done outside.

Hon. Mr. SCOTT—I may be allowed to explain that the year 1869-70 was the only one in which the sums paid by all Departments were compiled in the Public Accounts.

Hon. Mr. AIKINS—I have taken the item of printing, and find this to be the case: That in Nova Scotia, at Halifax and St. John, in 1872, the amount of outside work was \$7,812; in 1873, \$7,739; in 1874, \$10,973. Now, if you take the aggregate of that, it will be found to come to about \$25,000, just about \$5,000 more than the sum spent for this work by the department last year. I defy the hon. gentleman to show that the aggregate for the three years exceeded the amount named.

The motion was carried.

#### THE MONTHLY BANK STATEMENTS.

Hon. Mr. PENNY moved, "that in the opinion of this House, it is desirable to take adequate means to secure the accuracy of the monthly statements of the accounts of the banks of the Dominion, published in the *Official Gazette* by the authority of the Auditor General." The hon. gentleman said: We had some discussion on the subject yesterday, arising on the question of my hon. friend and colleague from Montreal, which I think has to some extent cleared the way for the motion I have made. It is a matter of notoriety that many unsatisfactory statements have been made by two or three

banks in the Dominion. What has been done by some may be done by others, and there is no question this is a very serious matter and may, to a large extent, throw discredit on the country. I need not go into the Acts of Parliament bearing on the subject. The House is aware of the circumstances under which the monthly bank statements are made. These returns are of great importance and should point out the progress of each month's business, the profit and loss within a trifle, or at all events give information with regard to deposits, &c., so as to enable buyers and sellers and proprietors of bank shares to judge of the value of their property. The statements, I believe, are required to be made on oath.

An Hon. Member—They are not on oath but on declaration.

Hon. Mr. PENNY—Well, that is equivalent to an oath. They are published in the *Official Gazette*, and, being issued by virtue of an Act of Parliament, it is only fair they should bear in many respects the character of official documents. Persons making those reports incur very great responsibility, and punishment ought to follow the rendering of false returns. Unfortunately, however, there is a difficulty in reaching this kind of offence. There is no direct contact between the authority requiring the returns to be made and the criminal—if he be a criminal—who makes false statements. This arises from two or three circumstances. In the first place, the law makes the offence only a misdemeanor, and in cases of that class the prosecution as a general rule is undertaken by the party who feels himself aggrieved or injured and not by the Attorney General. Apart from that we all know that the Federal Government has no authority to prosecute. The local Attorneys General take charge of criminal cases, and therefore the party who has to enforce the law has nothing to do with the party who makes the law. As hon. gentlemen know, we have had one or two cases of false returns which have become notorious. The Government intervened with respect to one, but, if I am not mistaken, the intervention was only to the extent of what lawyers call "watching the case," and it was evident nothing else could be done. The local Attorney General would not undertake the case until some complaints were entered by the parties who felt themselves aggrieved. One of the directors of the bank had the manager arrested and prosecuted him on account of the false

return. Our Government then sent down an inspector who had the books compared on oath, and verified the fact that a false statement had been issued, and a local agent was engaged to watch the case. The question arises, seeing that the Federal authorities cannot do more under existing circumstances, whether it is not possible to make punishment for the offence more certain. I have taken some pains to ascertain whether any of our laws direct the officers of the Government to prosecute in certain cases, and I find that the Customs laws only make such provision, but the proceedings under that law are rather civil than criminal. The greatest difficulty in this matter is as to how the Government should arrive at the verification of a false return. Of course some statements are false on their face, but in the majority of cases an examination would be necessary to demonstrate the accuracy or the inaccuracy of the returns. A great deal has been said about the appointment of inspectors; but I think the House generally is of my mind, that such a system would not answer. In the United States there is inspection of insurance companies, which operates in an effective manner. As soon as suspicious circumstances occur as to the manner in which a company is conducting business, an inspector overlooks its books, and accurate information is gained as to its method of working and operations, the expense being charged to the company. Such companies, however, do not run in the same manner as banks, and the system would scarcely apply to the case of the latter. To send a Government Inspector to a bank, the public being aware of the fact, would be an inconvenience, and probably result in loss. My hope is to prevent the issue of false returns by providing a surer and swifter means of punishment, if it can be effected. I do not, however, propose any special means; I only desire that this House should express the opinion that such a result is desirable, in the hope that the authorities will look into the matter, and endeavour to provide some check. But I shall venture to make one suggestion—that the offence should be raised from a misdemeanour to the rank of felony. Such a course would do something to alarm persons guilty of those infractions of the law, and cause them to desist, and it would also put the Attorneys-General of the Provinces under the necessity of prosecuting. Supposing that suggestion should be carried out, I think it would be desir-

able, while intensifying the punishment, to concentrate it upon some single individual. At present all the directors of a bank are subject to be prosecuted for a misdemeanour of this class. Now, we all know what directors of banks are, and I think a great deal of sympathy would be aroused if half a dozen gentlemen—many of them known to be incapable of understanding accounts—were to be prosecuted as criminals. There ought to be one man in a bank conversant with accounts, and he should be made responsible for false returns. I do not think it would be at all too severe to make a law of the character I have mentioned. While forgery is in that category of crime, a false statement, which involves the fortunes of so many people, ought to be made an equally grave offence. As I said before, without pressing any means by which this object should be attained, I think the House will agree with me that some steps ought to be taken to prevent the enormous frauds embodied in false bank statements.

Hon. Mr. CAMPBELL—I agree with my hon. friend, as to the importance of securing accurate returns from banks, and I think he has acted wisely in bringing this matter before the House. It must in this way attract the attention of the Government, and perhaps some action in consequence of this motion will be taken by the Government in the way of considering how far the Act requires amending to secure the objects in view. It was very justly stated by the hon. Secretary of State yesterday, that these returns were originally intended more for the information of those interested than any other person, and that it was rather for them to institute proceedings than the public prosecutor; that the Government cannot investigate or be responsible for the accuracy of the returns which the statute required to be made, and which they received and published; and that even in that way, they were a very great advantage, because the necessity of making a return is constantly before those in charge of banks and operates in that way as a salutary check. But my hon. friend desires to see whether we cannot go further in the way of securing more accuracy, and he suggests we should punish those making inaccurate returns. That would be a difficult thing to do, but it might be effected. The statements are sent in to the auditor. Would it not be possible to make it the duty of that officer, in case he sees reason to doubt the accuracy of any return, to make an affidavit set-



ting forth the fact and submit it to the Minister of Justice? Then it should be the latter's duty, if he considers it necessary, to recommend to the Governor General that the accuracy of the statement in question should be tested. The system of sending inspectors to insurance companies, which has been alluded to, would not answer here; it would be repugnant to our ideas of what is right and an interference with private affairs which would not prove acceptable to the general public. But it would be quite another thing where suspicion had arisen and a responsible officer had made an affidavit to the effect that an examination of the statement was advisable. A strong affidavit should be required; it should set forth that the return was calculated to do injury to the stockholders of the bank or the public. This suggestion, it seems to me, is worthy of consideration as one means of getting the wished-for accuracy in these monthly statements. If after examination the suspicion of the Auditor-General was confirmed, it would be within the duty of the Minister of Justice to suggest, I presume, to the Governor-General that the Attorney-General of the Province in which the headquarters of the bank are should take criminal proceedings against the officers of the bank. Such an amendment of the law might be effected. It would not be attended with the evils of the inspection system proper, which, as my hon. friend the Secretary of State remarked, would be likely to bring about a system of espionage contrary to the feelings of the country. Surrounded with the protections I have indicated, this plan might be safely followed and the suspected statement would be quickly tested and punishment swiftly follow if it is found to be false. If that duty is made incumbent upon the Auditor-General his familiarity with the statements month after month will perhaps enable him to detect quicker than any other person any inaccuracy. As to whether the crime should be changed from misdemeanor to felony, I have not considered that question. If such change was made no doubt the Attorneys-General would see it was their duty to prosecute. I venture to make this suggestion to the Government, who will perhaps agree that it is necessary to take the steps proposed in the resolution. I myself concur in its suggestion that it is desirable to take means to secure the accuracy of the returns. The motion does not point out what the means should

be, and it would not be proper or useful at this stage to suggest anything.

Hon. Mr. LETELLIER DE ST. JUST—By some conversation which I had with the hon. mover on this matter, I understand he does not intend to propose any resolution, but that he desires to get an expression from the members of this House on the subject of the inspection of banks. I don't think I quite understood my hon. friend, the leader of the Opposition, when he said an inspection could be made by persons authorized by Order in Council. My hon. friend must be aware that there is no law to authorize any such investigation. What has happened of late has brought the people to think that some adequate measures should be adopted to protect their interests, and anything that can be done to place the credit of the banks in a more responsible position in the eyes of the country is certainly a benefit. I do not intend to follow this question any further than to say that banks are, to a certain extent, private institutions. Though dealing with the public, they are private chartered corporations, and the Government cannot take upon themselves to search rigidly into their private affairs. There must be no espionage in looking to the security given to the public by the banks.

Hon. Mr. McFARLANE—There can be no doubt that the returns from the banks, as published in the *Official Gazette*, are calculated to mislead persons accustomed to refer to these returns for information as to the paid-up capital, resources, and condition of the banking institutions of the country; and the enquiry of my hon. friend from Montreal, it is to be hoped, will have the effect of making these returns in future more perfect and reliable. My hon. friend's application should, however, have gone somewhat farther, and expressed a desire that greater accuracy should also be secured in the Government returns of the trade and finances of the country, as given monthly in the *Official Gazette*, which are often found to be largely inaccurate and calculated to mislead.

Hon. Mr. LETELLIER DE ST. JUST—It is almost impossible to give these returns correctly in monthly statements. This is the reason why these statements in the *Canada Gazette* are so frequently at variance with the Public Accounts. Since Confederation these returns never corresponded with the Public Accounts, and that is due to the lateness at which some

of them have to be made, and they are received too late to appear at the proper time. There may be some necessity for adopting a different mode of collecting and publishing these returns at short periods, that they may be given more correctly than we can give them at the present time.

Hon. Mr. READ—It seems to me that there is some necessity for a different system of returns. It brings to my mind a little affair that was brought out last session: It seems strange that the banks when they have moneys of the Government in their hands, cannot tell, or the Government cannot tell, where it is, or what the amount is. It will be remembered that last year subsequent returns were called for of moneys in the Canadian banks, in England, belonging to the Government, and when these returns came down, we found that one bank had no less than \$2,190,000 in their hands that did not appear. It seems to me that this bank ought to have known that they had this amount of money belonging to the Government. It is true it was at the English Agency, but they must have known they had it. Another bank had \$486,000, of which it made no return. Another had \$730,000. These banks could certainly have given this return. Another had \$243,333 of the money of the Government, of which they made no return; and another bank \$243,333—in all, \$3,893,333. All this money was at the English Agencies; but it is very strange that the banks could not have given this information. The banking question is one that is beginning to engage the attention of the country, and it is time we commenced to talk about it, as in a very short period all the charters expire, and a new law must be passed. The returns of the Government moneys in the hands of the banks here are generally correct, for we have the means of checking them; but as to the amount of specie, interest, note circulation, or the amount the directors may have on discount, these are matters that should be given correctly.

Hon. Mr. RYAN—The object of my question yesterday was entirely in the direction of my hon. friend's motion, and I am greatly pleased at noticing the much more willing spirit with which the Government seem to entertain some possible project for the improvement in the returns to-day. There seemed to be a disposition yesterday—whether it was because we were close on our dinner hour, and were not then disposed to dis-

uss questions patiently, I know not—there seemed a disposition to avoid an encouraging reply to my enquiry; but I am pleased at the manner in which suggestions very similar in character have been received to-day, giving, as it does, encouragement to hope that the matter will be attended to by the Government. It is very desirable that measures should be adopted for the punishment of officers or directors who send in or connive at false returns.

Hon. Mr. PENNY—My main object is to show that the disposition of this House is to have some steps taken to prevent these very gross frauds on the public; and I daresay that object will be attained by the discussion that has taken place, as well as if this motion were carried in a formal manner. I would say inspection might be ordered under certain circumstances, when the returns appear to the Auditor-General to necessitate it. He can observe when there is an unusual falling off or discrepancy in the statements, but I think the worst kind of false returns are those where nothing of the kind appears on the face of them. For instance, there is a bank whose gold, specie, and Dominion notes were represented at something like a million of dollars in the returns, but when the doors were closed it was found that there was not over \$2,000. Such frauds are not likely to be discovered by the Auditor-General or any of his officers, and these are the very worst. I think an inspection might very well be made on the demand of a certain number of shareholders, representing a certain amount of stock.

The motion was withdrawn.

WINTER COMMUNICATION WITH PRINCE EDWARD ISLAND.

Hon. Mr. HAYTHORNE enquired of the Ministry what course is intended to be pursued in fulfilment of the terms of Confederation between the Dominion and Prince Edward Island, with reference to the steam communication in winter between that Province and the mainland? He said—As the subject to which the notice I have given refers has been brought before the House on former occasions, it will be unnecessary for me now to go into any lengthened detail. I must, however, premise that so long ago as the year 1869 it became my duty, as a member of the Local Government of Prince Edward Island, to discuss the question of winter steam navigation with the Hon.

Mr. Tilley, now Lieutenant-Governor of New Brunswick, who was deputed to visit the Island with a view to bring about its Confederation with the Dominion; and some months later steam communication, winter and summer, formed an important item of the better terms offered by Sir John Macdonald's Government. These terms were not accepted, and the subject remained in abeyance until early in 1873. It then became my duty to visit this capital, in company with the hon. gentleman who now holds the position of Minister of the Interior, with a view to Confederation. Honourable gentlemen are aware that in that year terms of Confederation, of which the performance of the winter steam service was one, were agreed to. The first attempt to fulfil those terms was by entering into a contract with a person named King who placed a vessel on the station which proved to be entirely unfit for the service. In consequence his contract was cancelled about a year ago. About that time Mr. Sewell, of Quebec, visited Ottawa, bringing a model and specification of a steamship intended for the winter navigation of the Gulf of St. Lawrence. This model met very general approval, and when honourable gentlemen left for their homes it was pretty generally understood that a contract would be entered into with Mr. Sewell for the performance of the winter service. In the course of last summer, however, something transpired which prevented this arrangement from taking effect. Later last autumn I became aware of the fact that the Government was negotiating with certain parties in Prince Edward Island to build a vessel for this service in Great Britain which would be at the disposal of the Government. When I arrived at Ottawa this winter to attend to my legislative duties, I was under the impression that a contract had been entered into, but subsequently it turned out that the parties had been unable to obtain in Great Britain a vessel of a kind suited for the service to be ready for next autumn; consequently the affair had once more fallen through, and no advance has yet been made to carry these terms of Confederation into effect. A few days ago certain members of Parliament, of both Houses, met together and addressed a brief memorial to the Premier setting forth these circumstances, and suggesting as all attempts to have the service performed by contract had failed, the best course to pursue was for the Government to build, own and run a vessel themselves.

The unusual nature of the service was also referred to, and it was shown that if any works, breakwaters or piers would be required the Government would be in the best position to ascertain what would be necessary. That memorial was signed by seven out of the ten members and Senators from Prince Edward Island; of the remaining three, one was absent, and the other two were not asked to sign it. I cannot speak as to the course of the Government, but I understand that they are not disposed to adopt the suggestions of the memorial. I am deeply concerned, personally concerned in seeing these considerations guaranteed to us under Confederation carried into effect, and therefore I would most reluctantly return to my home and be obliged to tell the people of my Province that this important part of the terms of Confederation is still in abeyance. I therefore deem it my duty to ask the Government whether they intend to trifle any longer with the people of Prince Edward Island on this question or not. It is one which is very imperfectly understood by gentlemen of the Upper Provinces. If a *cordon* could be drawn round the Province of Ontario, and the exit or entrance of mails and passengers could be thus prevented, on some occasions for ten days or more together, it would somewhat resemble the state of things which frequently occurs in the Prince Edward Island winters—and which will continue until a suitable steamship is placed on the station. In fact our position in the winter months does not differ materially from that of our British ancestors in the days of the Cæsars, when they were described as "almost cut off from the rest of the world."

Hon. Mr. HAVILAND—I have much pleasure in supporting the action taken by my hon. colleague from Prince Edward Island relative to getting a point blank statement from the Government as to their intentions respecting the carrying of winter mails between Prince Edward Island and the mainland. Hon. gentlemen can readily understand the difficulties that have to be contended with in bringing mails and passengers from Prince Edward Island to New Brunswick after the ordinary navigation closes, and also the risk of life to which the members of the Senate and House of Commons are exposed in coming to take their place in this Parliament. During the present session my hon. friend who preceded me, the members in the Commons and myself were from the first of February until the sixth

on the Gulf shore in a farmer's dwelling house awaiting an opportunity to cross, and when we did cross it was at the imminent peril of our lives. One of the boats in which we were making our passage was very nearly swamped in consequence of a storm which separated the ice and left us in an open sheet of water, with a strong south west wind blowing. If it were not for the skill & courage of the boatmen a number of us would never have seen the shore—perhaps some of us would not have been greatly lamented in this House. One of the principal articles of Confederation with the Dominion was that we should be furnished with an efficient mail service across the straits, winter and summer. Now we have been a portion of the Dominion since the first of July, 1873, and we are just as far from that article of the treaty being carried into operation as we were the day the Queen's proclamation took effect. It may seem a trifling matter to the Dominion Government. They move in other weighty questions and take action on them, but as regards Prince Edward Island and its 100,000 people cut off from communication with the mainland, our interests are neglected and overlooked. It is believed by scientific men that if a proper steam boat were constructed on the same principle as vessels that are sent on Arctic expeditions, or those engaged in the seal fisheries, regular communication with the mainland could be maintained the whole winter. If the Government only took the interest in the question which I contend they should do, we would not be in the unfortunate condition we now are. By the establishment of this service it would add at least a month to our autumn and a month to our spring business season. The only way we can get justice is by constant agitation, like the widow who appealed to the unjust judge.

Hon. Mr. MILLAR—Send a delegation to England.

Hon. Mr. HAVILAND—No! No! We have a little faith in the Government yet. They have tried several experiments to get the service performed by contract. King's contract with the vessel Royal Albert was the first; then we had the contract which was entered into with Sewell, which was subsequently cancelled in consequence of his insisting on having the landing places on the New Brunswick and Prince Edward Island shores built by the Government. Very lately we were in hope that a company in Prince Edward Island would be ready with

a boat constructed on the Clyde for next winter, but our hopes were again dashed to the ground. Now the only way is for the Government of the Dominion to take the matter into their own hands, for it is an experiment that must be tried and proved. Capitalists are not likely to go into such a doubtful speculation without receiving a very large grant out of the Dominion revenue. As a general rule, I do not approve of the Government owning and running steamers, but this is a peculiar case, and I trust before navigation closes next year the Government will have purchased a steamer and put it on the service efficiently and properly manned, so that the people of Prince Edward Island will no longer consider they are being trifled with.

Hon. Mr. MONTGOMERY—This is a question in which the inhabitants of Prince Edward Island are much interested. When they entered into Confederation steam communication between the island and the mainland was a part of the terms, but three winters have passed and this condition is not yet fulfilled. It is true the Government have made efforts to carry out the pledge by entering into contracts with persons to perform the service and that the contractors have failed to do the work. It requires a special kind of boat for winter crossing, and as far as I can judge the one designed by Mr. Sewell of Quebec was well adapted for the purpose. If the Government were really aware of the hardships which passengers have at present to endure, I think they would exert themselves a little more to give the people that means of communication with the mainland to which they are entitled. The number of passengers who crossed the Straits last winter was between 500 and 600, but if there were proper facilities for making the passage that number would be largely augmented. As things are at present, no one attempts to cross unless he has imperative business. The Government must have saved a considerable sum by not affording this service, and it might be applied now to procuring an appropriate steamer to make the winter passage. A contract was entered into with Mr. King, and some thousands of dollars were paid him for doing nothing. That gentleman's boat was not fit for the service, being something like the boats at St. John which carry wood down the river. The Government was evidently imposed upon in this matter, and if another contract be entered into they should agree upon

a proper model and have the boat constructed in accordance therewith. I should, however, have greatly preferred that Government should have adopted the advice of the Senators and members of the Island Province as expressed in the memorial referred to by the hon. Senator who introduced the subject, and conducted the winter service themselves by building a suitable steamship and running it on their own account. I trust they will take action immediately and not allow another winter to pass without securing this accommodation to the people of Prince Edward Island.

Hon. Mr. LETELLIER DE ST. JUST.—In answer to the enquiry, I would say that the Government are very anxious that anything which was promised at the time of the annexation of the Island should receive due consideration, and I believe if hon. members will look fairly into this matter they will find we have taken many steps to try and secure this accommodation. I do not deny the hardships experienced from not having this boat during the past three winters, but I am quite sure that the hon. members do not pretend that the boat should have been constructed the first year after annexation. This winter navigation of the straits is quite an experimental affair, and requires a steamer of a special class which cannot at once be found. The facts of the matter are these: Immediately upon this Government's accession to power, they endeavoured to comply as much as possible with the terms of Confederation in regard to the Island. Tenders were asked for, and Mr. King came forward, and offered to place a boat at the disposal of the Government, which would fulfil the service for the first winter, and that he would construct a more suitable steamer for the following year. The boat, however, proved unfit for the service, and Mr. King could not perform the other part of his agreement. The Government then received intimation that a gentleman in Quebec, possessing the skill and qualifications to go into an enterprise of this kind, was prepared to build a boat. His model was shown not only to the members for Prince Edward Island, but those of other Provinces, and it was universally agreed that it was a good one and would answer the requirements of the service. Mr. Sewell therefore obtained the contract in the beginning of 1875 for the sum, if I recollect aright, of \$25,000. After his contract was ratified, however, he informed the Government late in the

summer following that he would not perform it unless jetties or piers were placed on both sides of the straits, so as to make the landing more secure and comfortable for himself and easier for the execution of his contract. This was quite a change in the agreement. If he had gone on with the work and had brought this matter forward later, the Government might have taken it into consideration; but this additional work was a large undertaking, and it was said by persons familiar with the subject, could not be done for \$30,000, which was Mr. Sewell's estimate. That gentleman then said he would not carry out his contract unless these piers were built. Well, what was the position of the Government? Did their conduct imply any unwillingness to comply with the terms of Prince Edward Island's annexation? We had secured the contract and put the work in the hands of the man—a fact acknowledged by those most interested in the service—best adapted to perform it. After this second failure, we were informed that parties in the Island were willing to construct a suitable boat. Two tenders were received from them one \$20,000, and the other \$15,000. The latter offer was made by a company which holds a very creditable position as to financial ability, and the contract was awarded them, but unfortunately they discovered a boat could not be built on the Clyde according to the model in the time allowed. We had stipulated that it should be ready for the service next winter, but they notified us that they could not perform the contract under that obligation. Correspondence ensued between these gentlemen, other parties and the Government, by which it was intimated that if the time was extended they would provide for a temporary boat next winter, and have the special steamer ready for the succeeding year. Upon this point the Government have not yet made any decision. I regret most sincerely that we have not been able to carry out the obligation before this time, but the representatives of the Province must acknowledge the great difficulties under which we have laboured, not because we were remiss in our duty in this respect, but because the parties who were generally considered the most competent have been unable to fulfil their contract in the prescribed time, and because of the exceptional service necessary for this winter navigation. The Government will lose no time or opportunity in trying to

keep faith with Prince Edward Island, which will receive as much consideration at our hands as any of the larger Provinces. The size of the Province, I may remark in conclusion, has nothing to do in a question of this kind; the Government will endeavour to carry out the terms agreed upon at the time of the Island joining our Confederation.

Hon. Mr. HAYTHORNE—The hon. gentleman stated that one of the tenders for Prince Edward Island was for \$20,000. The parties who made that offer were prepared to carry it out and have a steamship of British build ready in time for next winter's service. What the hon. gentleman stated in reference to that particular was not strictly in conformity with the fact—I have no doubt he overlooked it. I quite understand the position of the Government. They decline taking the personal responsibility of carrying out this work, for fear it should turn out another fiasco. They wanted a contractor, so that if the work fell through he would act as a buffer between them and public indignation. They have disappointed the public three times—a fact which if again repeated will not be forgotten at the next general election.

Hon. Mr. LETELLIER DE ST. JUST.— I omitted to state that the \$20,000 tender offered to have the steamer ready in the time prescribed. That amount, however, was \$5,000 more than the lowest tender, which was the reason why the former was not adopted. The firm making it promised to comply with the contract in the same way, and complete it in the same time as those who offered for \$20,000.

#### BILLS INTRODUCED.

Hon. Mr. TRUDEL introduced a Bill to amend the Act of incorporation of the Bank of St. Jean Baptiste which was read the first time.

Hon. Mr. BELLEROSE introduced a Bill entitled an "Act to incorporate the Brothers of Christian Schools of Canada," which was read the first time.

#### CAMPBELL'S RELIEF BILL.

Hon. Mr. REESOR moved the second reading of Campbell's Relief Bill, which was carried on division.

#### INSPECTION OF PENITENTIARIES.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Bill from the Commons, "An Act to provide for the appointment of Assistant Inspectors of Penitentiaries in Manitoba and British Columbia." He said—The House will re-

member that last year the Board of Penitentiary Inspectors was dispensed with, and one person was appointed to make the necessary inspection of the Penitentiaries of the Dominion. It was found to be too much for any one officer to inspect the Penitentiaries of Manitoba and British Columbia, in addition to those of the other Provinces, and this Bill is brought in to obviate this difficulty, by authorizing the employment of Sub-Inspectors, who, at a very low salary will consent to perform the duties for those two Western Provinces. Every one knows that the travelling expenses of an Inspector to Manitoba and British Columbia would be very costly, and we thought it better to provide by legislation for the appointment of two Sub-Inspectors, who will perform this work for a yearly salary of \$250 each. It would appear to some that this salary is too trifling to induce any man to undertake to perform the duties of such an office; but competent persons, holding other offices, or willing to act without that, will easily be found to perform them; and I hope that the House will accept the Bill, as of great advantage for the inspection of our penitentiaries.

The Bill was read the second time.

#### CRIMINAL STATISTICS.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Bill from the Commons, "An Act to make provision for the collection and registration of the Criminal Statistics of Canada." He said—This Bill is of great importance, inasmuch as it is necessary when we desire to know what is the moral progress and condition of the country that we should be well acquainted by statistics as to the fluctuations of criminal cases. The Government thought it would be well to have statistics of life, &c., as well as crime, but they found that it would involve too much expense in carrying it out; but as criminal statistics are important it was found necessary by the cheapest mode to secure such returns as will be a criterion in taking into consideration the morality of the country and its progress. The Bill is, to a certain extent, assimilated to the legislation passed for Scotland, in the 32 and 33 Vic., cap. 33. The first clause provides that the clerk or other officer of the court, or in their default, the judge of every court administering criminal justice, the wardens of penitentiaries, and the sheriffs of districts, shall make certain annual returns to the

Minister of Agriculture or any other Minister who by Order in Council shall be appointed to receive such statistics. Schedules will be prepared and sent to the different officers, who will be called upon annually to give a report, in the case of the clerk, officer or judge where the criminal business is transacted, and in the case of the Warden or Sheriff, the prisoner committed to his penitentiary or gaol, so that from each section of the different Provinces, we shall have complete statistical information. To have these statistics collected cheaply the schedules will be supplied to the officers mentioned, who will not have much trouble in giving the information, and officers of the Local Governments and of the Dominion. I think that for purposes of comparison it would be better to adopt the calendar year, comprising halves of two different years, but inasmuch as these returns would be published for the information of the Legislature, the time indicated in the Bill will have to be adopted so as to give opportunity to the different sections of the Dominion to place their returns in the hands of the Department, which shall be charged to make a report for each term at the beginning of the following session thereof. I do not know the exact reason why the Hon. Minister of Justice deviated from this. I suppose he had some good reason for doing so, but if he has no objection, I will suggest that the calendar year be adopted when the Bill goes into committee.

Hon. Mr. RYAN—I wish to ask the Government if anything has been done by the committee on statistics appointed last session. The subject of criminal statistics was to be included in their report.

Hon. Mr. LETELLIER DE ST. JUST—The Committee made suggestions for the collection of statistics generally, but the Government thought it would be too costly, and they did not feel justified, under the actual circumstances, in going into such expenditure.

The Bill was read the second time.

#### QUEBEC ELECTIONS.

Hon. Mr. BUREAU moved the second reading of the Bill entitled "An Act to remove doubts respecting the validity of certain elections in the Province of Quebec."

He said—This is a very short but important Bill for the Province of Quebec. I introduced it with the support of the principal members of both Houses. When

it was first introduced they said it might be an infringement on the rights and privileges of the House of Commons. When the Dominion Elections Act of 1874 and the Contested Elections Act were introduced, we expected that some amendment respecting lists of voters used in the Province of Quebec would be required. We have certain difficulties in this matter that are not experienced in the other Provinces. The voters' lists are made out by the clerk of the municipality. When the valuation roll is supposed to be corrected after the valuation of all the property is made, all persons qualified by law to vote are placed in the list, and that list must also be revised and corrected. That is the second proceeding, and the third is the subdivision of the lists of voters as sent to the Registrar, and in the cities to the returning officers also. By this practice errors of a most important character have resulted, and the lists given to the returning officer have frequently been incorrect through some informality or clerical error. The result is that after the election is over it is contested on the ground of such informality; the election is upset, and the candidates have to pay the costs. The intention of this Bill is that all these difficulties, called technical difficulties or clerical errors, shall not affect the seat of a member of the House of Commons, and that for these reasons when all the persons have voted according to law, that is to say, when they have been *bona fide* voters according to the valuation roll, the duty of the Judge would only be to scrutinize those who were not entitled to vote. The idea that the candidate would be held responsible for any error of either the returning officers, their clerks, or some other parties, and be compelled to pay the whole expenses of a contested election—sometimes amounting to a very large sum—does not seem to me to be just, and no doubt it was not the intention of those who framed the law. The following is the first clause of the Bill.

"No election had or to be had in the Province of Quebec of any person to be a Member of the House of Commons of Canada shall be declared invalid by reason of any error or informality in the making, or copying, or certifying of any list of voters, or portion of a list of voters, used or to be used at such election, provided such list contains the names of all persons who, according to the valuation roll in force at the time it was made in the municipality, or part of a municipality

to which it relates, for local purposes, and as revised, if it has been revised, even for local purposes, appear to be electors by reason of the real estate possessed or occupied by them within the municipality—or provided such portion of a list contains the names of all such electors qualified to vote at the polling station to the Deputy Returning Officer for which it has been furnished.”

I have quoted the statute of the Province of Quebec, and it is one for the interpretation of this Act. With these few explanations, I have no doubt the Bill will be read the second time, and the House will deal with it as they think proper.

Hon. LETELLIER DE ST. JUST—I think the bill would be an interference with the rights and privileges of the House of Commons, and that it would be better to withdraw it. I think it would be well for my hon. friend to have made his suggestion to members of the Commons, as I hear there are some amendments to be proposed to the present law. I trust my hon. friend will not press the Bill.

Hon. Mr. DICKEY—I was very glad to hear the remarks of the hon. gentleman who has just sat down. There is another fatal objection to the Bill—that is the *ex post facto* operation. By the general law of Parliament, as well as by our own Constitution, the question of the validity of a member's election to the Lower branch comes peculiarly within the purview of the House of Commons, as that of our own members does to this House. It would be, to say the least, indecorous to pass such a Bill originating in this House, and it might be instituting an inconvenient precedent to have the question raised in this way. Least of all should we be the House to create that precedent. In regard to the *ex post facto* operation of the Bill, the objection lies in the first line of the clause:—“No election had or to be had in the Province of Quebec.” It is making an election valid which is invalid according to existing law, which is contrary to the principles of legislation. This Bill has a special object, and we should guard ourselves against the charge of special legislation; we should watch an Act of this kind more jealously than if it had a general application. I hope the hon. gentleman will act upon the suggestion of the Hon. Minister of Agriculture, and withdraw the Bill. If he does not, we shall be obliged to take the sense of the House.

Hon. Mr. BUREAU—I know that as a general principle retroactive legislation is unsound. The Bill is based on common sense, and will not do an injustice to any member whose election has already been contested. I learn that in the county of Charlevoix the election was contested; my Bill would affect that question. As to the soundness of the Bill, I think there is not a member in either House that can sustain other principles. The idea of putting into the hands of a single ignorant individual the fate of an election in any county is absurd. However, I withdraw the Bill as hon. gentlemen have requested.

The House adjourned at 5:40 p.m.

THURSDAY, March 9.

The President took the chair at 3 p.m.

SEPERATE SCHOOLS IN THE NORTH-WEST.

Hon. Mr. HAVILAND introduced a petition, signed by Herbert Bell and upwards of four thousand others, praying the Dominion Parliament to repeal the eleventh section of the Act to Amend and Consolidate the Laws respecting the Northwest Territories, passed in the session of 1875, which establishes separate schools therein. In making the motion, he said:—It is the opinion of some of the most influential and respectable people of the Province of Prince Edward Island that, according to the spirit and letter of the British North America Act, it should be left altogether to the Provinces created under that Act to regulate the schools which may be established within their bounds from time to time, and that it is a matter over which the Dominion Parliament ought not to exercise any power or influence. According to the spirit of the Act, all matters relating to education should be left entirely to the Provinces; and the petitioners are of opinion that the future social prosperity of the Dominion will depend upon educational questions being withdrawn from the Parliament of the Dominion, in which opinion I may state I fully concur.

Hon. LETELLIER DE ST. JUST—The hon. gentleman is out of order in speaking on the presentation of a petition.

Hon. Mr. HAVILAND—Well, I can say that I agree with the prayer of the petition, and I suppose that is not contrary to the rules.



## THE BRITISH COLUMBIA TERMS.

Hon. Mr. CARRALL—In the Speech from the Throne a promise was given that all papers and correspondence between the Governments of the Dominion and British Columbia respecting the change of terms should be laid before Parliament at an early date. I have waited with some little anxiety for these papers, as the allusion to them in the Speech was very meagre, and I would ask the Secretary of State when they may be expected to be laid before the House?

Hon. Mr. SCOTT promised them for Monday.

## THE GEORGIAN BAY BRANCH RAILWAY.

Hon. Mr. CAMPBELL enquired whether before granting any new contract for the construction of the Georgian Bay Branch Railway, tenders will be asked for, and whether the proposed terms of any intended contract will be submitted to Parliament?

Hon. Mr. SCOTT—The Government have the subject under consideration, and before they take any action they will advise Parliament.

## CANADIAN DEPOSITS IN ENGLAND.

Hon. Mr. READ moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House returns of all the moneys to the credit of the Dominion Government in England, whether in the financial agents' hands or in any Canadian bank or their agents in England, and the amount in each case and rate of interest paid, if any, on the first day of February, 1876. Carried.

## BANK AMALGAMATION.

Hon. Mr. CAMPBELL moved the second reading of the Bill to confirm the "Amalgamation of the City Bank and the Royal Canadian Bank, and to incorporate the the Consolidated Bank of Canada."

The Bill was read the second time and referred to Committee.

## ASSISTANT INSPECTORS OF PENITENTIARIES.

Hon. Mr. LETELLIER DE ST. JUST moved the House into Committee of the Whole on the Bill to provide for the appointment of Assistant Inspectors of Penitentiaries in Manitoba and British Columbia. Hon. Mr. Ferrier in the chair.

On the reading of the first clause,

Hon. Mr. CAMPBELL enquired how many penitentiaries the Government proposed to establish in British Columbia?

Hon. Mr. LETELLIER DE ST. JUST said there would only be one in British Columbia and one in Manitoba.

Hon. Mr. CAMPBELL asked if it was intended to have two Inspectors or only one for the two Provinces?

Hon. Mr. LETELLIER DE ST. JUST replied that there would be two, each having a small salary. It would be cheaper than paying the travelling expenses of one Inspector from one Province to the other.

Hon. Mr. GIRARD objected to clause 2, which provides that the sub-Inspectors shall represent the Inspector, but not the Government. He thought it ought to be clearly defined in the Act that the sub-Inspectors should represent the Government.

Hon. Mr. SCOTT said the Inspector was an officer of the Government, and the sub-Inspectors would be officers also.

The Committee then reported the Bill without amendments; and it was read the third time and passed.

## CRIMINAL STATISTICS.

Hon. Mr. LETELLIER DE ST. JUST moved the House into Committee of the Whole on the Bill to make provision for the Collection and Registration of the Criminal Statistics of Canada. Hon. Mr. Hamilton in the Chair.

On the first clause,

Hon. Mr. LETELLIER DE ST. JUST moved that the fifteenth line be amended by striking out the word "such," and inserting after the word "schedules," the words "to contain the collection and registration of the criminal statistics." He said the object was to define more clearly what the schedules should contain.

The amendment was agreed to.

On the second clause,

Hon. Mr. AIKINS enquired why it was that the year for making such returns should end on the 30th of September, instead of the 1st of January.

Hon. Mr. LETELLIER DE ST. JUST said the reason was that the returns could not be obtained up to the 1st of January, in time to be submitted to Parliament the same year.

On the fifth clause,

Hon. Mr. BELLEROSE suggested that it was absurd to give power to sue persons who refused or neglected to fill up the returns, in the Court of Exchequer for a penalty of \$80, as the expenses of such a suit would be comparatively very great where the persons sued resided in a distant part of the Dominion.

Hon. Mr. SCOTT said in such case it was provided that the suit could be brought in any court of record in the Province in which such return ought to have been made.

The Committee reported the Bill as amended; second reading fixed to take place on Monday.

#### ATLANTIC CABLE COMPANIES.

Hon. Mr. KAULBACH enquired when the correspondence between the Atlantic Cable Companies and the Government would be brought down.

Hon. Mr. SCOTT said the papers would be submitted next week?

#### THE RAILWAY POLICY OF THE GOVERNMENT.

Hon. Mr. CAMPBELL called attention to the fact that in a previous debate, when an hon. member said the electors of North Renfrew had pronounced against the policy of the Government in regard to the Georgian Bay Branch scheme at the late election, although they were deeply interested in it, the hon. Secretary of State said it was not a pronouncement upon the railway policy of the Government, because amongst other reasons the Georgian Bay Branch railway did not run through the county. The Secretary of State being from the Ottawa Valley, the House took it for granted that the statement was correct. Since then he (Mr. Campbell) had learned that the road did run through the county in which the election in question took place, and at the meetings which were held during the contest, this very question came up as a direct issue between the Premier and a gentleman who was addressing the people in the interest of the Opposition candidate.

Hon. Mr. SCOTT said he would be extremely sorry that he should be thought astray in his knowledge of the geography of that county. There were two ridings in the county of Renfrew, that in which Pembroke was situated being known as the north riding, and the other as the south riding. Assuming that the line of railway was to run up the Bonnechere, it would not enter the north riding, and his statement was correct, as the Canada Central extension to Pembroke did not, so far as he was aware, enter into the question at all. The Premier at that time was under the impression that the Pembroke route was not the best to adopt in the interests of the public, and he made no promise in that respect.

Hon. Mr. CAMPBELL said his complaint was that the Secretary of State

turned aside the force of the argument used from the Opposition side of the House, that this railway policy was pronounced upon and condemned by a constituency intensely interested in it, by stating that the line did not go through the county.

Hon. Mr. SCOTT said it did not go through the riding where the election took place. The people in the North Riding would be interested in the line being located through Pembroke, while the South Riding would be interested in the line running through the valley of the Bonnechere.

Hon. Mr. MILLER—I am not very well acquainted with the geography of the Ottawa Valley, but I thought the County of Renfrew was situated in that valley, and I was also under the impression that it was one of these counties through which the Georgian Bay Branch of the Pacific Railway would run. These, I say, were my impressions when I spoke on the question on Monday, when I took occasion to remark that the scheme was submitted to the people of Renfrew at the late election, and their decision was adverse to it.

Hon. Mr. SCOTT—Against the railway.

Hon. Mr. MILLER—The electors decided against the Government. I presumed I was wrong when the Hon. Secretary of State corrected me, and I did not refer further to the matter. It was only this moment I discovered that his correction was not according to the facts. I think my argument should have the force it was entitled to under the circumstances.

Hon. Mr. SCOTT—If the hon. gentleman can make anything by hair splitting, I suppose it is perfectly fair. I am well aware of the controversy respecting railway routes which has been going on in the county in question for many years, and I know that the people of Pembroke are interested in having the road to the Pacific go through that town. The line surveyed runs through the valley of the Bonnechere and Eganville, and touches a remote corner of North Renfrew. My hon. friend does not surely suppose that I would willingly place him in a false position. As far as I understand the political issue in North Renfrew, I believe the people are interested in carrying the extension of the Pacific Railway by Pembroke, while the inhabitants of a section of the South Riding are interested in having it to go by the town of Renfrew. There has been a rivalry between those

two towns for the last few years. Both were favourable to the extension of the Canada Central, and a by-law of the town authorities was passed granting a considerable sum of money towards the work. Railway politics are superior there to other interests.

Hon. Mr. SKEAD—I have no doubt that the road would pass through a portion of the North Riding, an unsurveyed township in the north corner, if I am not mistaken.

Hon. Mr. SCOTT—A part without inhabitants.

Hon. Mr. SKEAD—There is no question that the sentiment of that constituency is favourable to the railway, and quite in accord with the Government on the question. But there is a little sectional feeling, and a large number of the people would be better pleased if the railway went through Pembroke. As proposed, according to the knowledge I have of the survey, the line will pass through the valley of the Bonnechere and touch the North Riding.

Hon. Mr. SCOTT—The extension from Renfrew is on the south side of the Bonnechere.

Hon. Mr. SKEAD—I must disagree with my hon. friend; it touches both ridings. Instead of 20,000 inhabitants, as has been stated, there are 65,000 in the two counties.

Hon. Mr. PENNY—I am very glad to find a county in Upper Canada refusing a sum of money for a railway. I hope we shall find more counties of that character.

The subject then dropped.

The House adjourned at 4 p. m.

FRIDAY, March 10.

The PRESIDENT took the chair at 3 p. m.

#### PROHIBITION.

During the routine proceedings Hon. Mr. Vidal presented a numerously signed petition praying for the enactment of a prohibitory liquor law. He proceeded to make some remarks on the subject, when Hon. Mr. Haviland raised a point of order. While introducing a petition the previous day, Mr. Haviland was ruled out of order when he took a similar course to that urged by the hon. gentleman, and he now asked for the ruling of the chair.

Mr. SPEAKER—There is an appointed rule of the Senate on the subject, but

great latitude is allowed in this respect in the House of Lords as well as the House of Commons in England. On reference to the decisions of the Right Hon. Charles Shaw Lefebvre, I find that a member in presenting a petition, is at liberty to state its purport and its prayer. The statement of the hon. member should therefore be confined as much as possible to giving the purport of this petition and its prayer.

#### INLAND REVENUE.

Hon. Mr. SCOTT introduced a Bill entitled "an Act to amend the Act respecting Inland Revenue."

#### GEOLOGICAL SURVEY.

Hon. Mr. McFARLANE desired to ask in an informal way when the report of the Geological Survey would be laid on the table.

Hon. Mr. LETELLIER DE ST. SUST—said he was not in a position to state when, but he would make enquiries.

#### CRIMINAL STATISTICS.

Hon. Mr. LETELLIER DE ST. JUST moved the third reading of the Criminal Statistics Bill, as amended.

The Bill was read the third time and passed without any debate.

#### PRINTING COMMITTEE'S REPORT.

Hon. Mr. SIMPSON moved the adoption of the second report of the Joint Committee on Printing.

Hon. Mr. RYAN asked whether the report recommended the printing of the list of the names of the shareholders of banks. He thought it was very essential this year that the public should be made aware of who the shareholders of the several banks were, in view of certain circumstances that had lately transpired in connection with some of these institutions.

Hon. Mr. SIMPSON said it had been customary for the Printing Committee to order the printing of these lists, and he considered that it was important that they should be printed this year, in consequence of the great number of changes that had taken place. But this report did not recommend the printing of the lists this year, as the committee found that the cost would be very great, and it was desirable to keep down expenses. These latter were rapidly increasing. Last year the amount was \$57,000, and this year \$70,000 were asked for in the estimates for printing.

Hon. Mr. SCOTT said the cost of printing these lists was about a thousand

dollars, and the opinion expressed by the majority of the Committee was that it was a sort of return that should be printed about every third year. If any special reasons existed for printing it this year, no doubt the Committee would reconsider their decision.

Hon. Mr. BUREAU—The hon. gentleman (Mr. Simpson) will permit me to state that in the \$70,000 are included \$13,000 for arrears, and a balance unprovided for in the estimates of last year.

Hon. Mr. SIMPSON said the return would cost over two thousand dollars; the mere printing itself would cost \$1,500, and then there was the price of paper to be added.

Hon. Mr. McMASTER said he was not aware that any particular date was fixed by law for which bank returns should be made, showing the names of the shareholders. He thought some of the returns that had been submitted had been made up a considerable time before the meeting of the House.

Hon. Mr. RYAN said the Act stated that the returns should be submitted within fifteen days after the meeting of Parliament.

Hon. Mr. CAMPBELL said it did not say the returns should be made up to that date.

Hon. Mr. RYAN contended it was proper that the returns submitted should be of a very recent date.

Hon. Mr. SIMPSON asked that his motion be withdrawn and the matter would be reconsidered by the Committee. The motion was withdrawn accordingly.

#### QUEBEC HARBOUR COMMISSIONERS.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Bill entitled the Quebec Harbour Commissioners' Act Doubts Removal Bill. The hon. gentleman said:—This is a Bill to render more effective the Act passed last session for the formation of a new Harbour Commission for the port of Quebec. I may state that it is in accordance with the views entertained by the shipping interest with regard to the subject. It was intended last year, when the Bill was before Parliament, that there should be two representatives of the shipping interest on the Board, but the Bill was unfortunately passed with a provision for only one, thus putting that interest in an unfavourable and rather uncertain position. With this explanation, I move the second reading of the Bill.

Hon. Mr. BOTSFORD—I beg leave to call the attention of the hon. gentleman to the last part of clause 3, and ask whether it will affect any private or other interests of parties who have acted under the law as it is. It reads thus: "This Act shall be construed as forming one Act with the said Acts of 1873 and 1875, and any thing done or action taken by the Governor or Minister of Marine and Fisheries or by the said Corporation, or by either of the said Boards of Trade, or by the said Shipping interest, in conformity to the intent of the said acts as hereby declared, is hereby confirmed and shall be held to be and to have been lawful and valid." It will be perceived that it provides that all acts under the existing state of things are lawful and valid.

Hon. Mr. LETELLIER DE ST. JUST—There is no private interest whatever that can be affected by this clause. The Commission acted as if the law had been passed as originally intended. If, however, there is any defect in this clause, it may be rectified in committee.

Hon. Mr. RYAN—So far as I can learn from those interested, there is no objection whatever to the present measure. At the same time, I think it my duty, as reflecting the opinions of some of those gentlemen, to say that they look with great anxiety to the appointments which may be made to the Harbour Commission. If men connected with the trade and interests of Quebec are appointed, I have no doubt a great deal of good will result; if not, I think the measure will fall worthless to the ground. Efforts should be made to form an efficient Board.

Hon. Mr. PRICE—I also hope that the men appointed as Commissioners will be properly qualified, and deeply concerned in the interests of the port.

Hon. Mr. MACPHERSON—The postponement of the second reading of the Bill was at my request, and I must thank the hon. Minister of Agriculture for his courtesy in that respect. My object was to give to persons interested an opportunity of judging whether the Bill was in accord with their ideas. Although it is merely a necessary amendment of the Act of last session, I agree with what has fallen from the hon. member from Montreal, that the satisfactory working of the Commission depends entirely upon the appointments made. If the new Board is actuated by the simple desire to promote the interests of the port, and to

carry out the intentions of the Legislature, great good will result. The matter is in the hands of the Government, and upon them rests the responsibility.

The Bill was read the first time.

BANQUE ST. JEAN BAPTISTE.

Hon. Mr. TRUDEL—Before moving the second reading of the Banque St. Jean Baptiste Amendment Bill, I will make a few explanations. The Bill is a very short one, and is only to extend the time fixed for the Bank to get the certificate of the Treasury, that a certain amount of its stock has been paid. It is provided by the 7th section of the general Act, relating to banking, that no bank shall begin operations before such certificate is furnished. The Act of incorporation of this bank provided that the certificate should be furnished in the course of twelve months. Circumstances have arisen since incorporation which have induced the provisional directors to believe it inadvisable to make payment of the first instalment, and the Bill is to extend the time until May 1st, 1877.

Hon. Mr. BELLEROSE—I believe there is no objection to the passage of this Bill, but at the same time, I think it does not go far enough. While asking an extension of twelve months to make this payment, the Bill ought to confer on the shareholders the right to retire or withdraw their subscriptions or stock if they wish to do so. The Bill, I see, is introduced on a petition signed by the provisional directors, and the stockholders consequently had no voice in the decision. When the Bill comes before the Committee, such an amendment as I have suggested ought to be added.

Hon. Mr. WILSON—I understand a clause will be inserted in Committee to give the stockholders who have already subscribed the privilege of continuing or discontinuing their subscriptions as they see fit. It would be difficult to keep the stockholders or subscribers bound to the arrangements that have been made. The time has expired; many of those persons who have subscribed are unable to pay their subscriptions, and when the time is extended as proposed in the Bill before the House, their interests should be considered.

The Bill was read the second time.

CHRISTIAN BROTHERS' BILL.

The second reading of the Christian Brothers' Schools Incorporation Bill being called,

Hon. Mr. BELLEROSE said—The Bill not having been printed, I move that the item be dropped, and the second reading be postponed till Monday. While I am on my feet I may say that in bringing the bill forward, I was aware it would not receive the unanimous vote of the House, and in preparing it I thought it my duty to take the Act passed two years ago, and put it, *de novo*, before the House, to see how it would be received. I am sorry to say that it has not met with the same favourable reception as the Bill did at the time referred to. The present measure is an exact copy (the name being changed) of the Act to incorporate the Missionary Society of the Wesleyan Methodist Church of Canada. It is not to give corporate powers to this or that Church, but to give to three or four gentlemen united together the power to possess property, as well as to fix the amount they may hold. That is the only thing we ask.

The second reading was then arranged for Monday.

THE NORTHWEST TERRITORIES.

The Bill from the Commons, entitled "An Act respecting the Northwest Territories, and to create a separate territory out of a part thereof," was read the first time

SALARIES OF COUNTY COURT JUDGES.

The Bill from the Commons, entitled "An Act to provide for the Salaries of County Court Judges in the Province of Nova Scotia, and for other purposes," was read the first time.

PRIVATE BILLS.

Hon. Mr. LETELLIER DE ST. JUST moved that the time for presenting petitions for private Bills be extended to Saturday, March 35th.

Hon. Mr. MILLER—I should like to ask the hon. gentleman if the date is intended to be finally and positively fixed by this motion.

Hon. Mr. LETELLIER DE ST. JUST— I do not see how it can be extended any further, unless some very strong exceptional case should arise.

Hon. Mr. MILLER—We only induce dilatoriness on the part of those wishing to bring petitions for private bills before the House by not fixing the time definitely.

The motion was carried.

SHAREHOLDERS OF BANKS.

Mr. SPEAKER presented the lists of shareholders of the following banks:—Molson's Bank, Bank of Liverpool, Bank

of Toronto, Metropolitan Bank, Maritime Bank, Bank of the Dominion of Canada, Exchange Bank of Canada, Bank of St. Hyacinthe, Union Bank, Halifax Bank, St. John's Bank, Pictou Bank, and Bank of Ottawa.

The House adjourned at 3:55 p. m.

MONDAY, March 13.

The PRESIDENT took the chair at 3 p. m.

After routine.

CONSOLIDATED BANK OF CANADA.

The Bill entitled "An Act to confirm the amalgamation of the City Bank and the Royal Canadian Bank, and to incorporate the Consolidated Bank of Canada," reported from Committee, was read the third time and passed.

THE SUPREME COURT.

Hon. Mr. CAMPBELL moved that an humble Address be presented to His Excellency, the Governor General, praying that His Excellency will cause to be laid before this House all papers and correspondence which may have passed between the Government of the Dominion, or any member thereof, and the Secretary of State for the Colonies, respecting the provisions of the statute 38 Vic., Cap. 11, intituled "An Act to establish a Supreme Court and a Court of Exchequer for the Dominion of Canada."

Hon. Mr. LETELLIER DE ST. JUST—There has been no such correspondence.

ATLANTIC MAIL CONTRACT.

Hon. Mr. DICKEY enquired of the Government when the contract for carrying fortnightly mails between Halifax and Queenstown will expire, and is it the intention of the Government to put an end to this contract and substitute weekly, or more frequent, communication across the Atlantic for carriage of mails and passengers on completion of the Intercolonial Railway? He said the enquiry related to a matter of very great importance, not merely to the Maritime Provinces, but also to a great portion of this Dominion. The Intercolonial Railway was rapidly approaching completion, it was understood that the road would be formally opened not later than next Dominion Day, and it was in view of this he made the enquiry whether the railway would be utilized by the Government in order to secure the shortest possible

communication across the Atlantic. Halifax was now the most easterly point accessible by rail on this side of the Atlantic from Europe, and had so far an advantage over United States ports that it was 400 miles shorter for steamers than Boston, and 570 miles nearer than New York. Passengers coming across the Atlantic, especially in winter, would be well inclined to take the very first through railway instead of continuing their voyage by steamer. In the next place a route that would effect a saving of time of from twelve to twenty-four hours would naturally attract a considerable portion of mails to and from the northern part of this continent and Europe. On these two points, without giving the question a local aspect, his hon. friends would see that it was a matter of the utmost importance that passengers and mails should be attracted to Halifax, to furnish traffic for the Intercolonial Railway, that had not at present any very great prospect of a paying business. He hoped the Government would give some assurance that when the Intercolonial Railway was completed it would be the means of giving the shortest possible route across the Atlantic, by steamer, at least once a week, and if possible oftener, from Halifax.

Hon. Mr. MILLER said he fully concurred with his hon. friend on the propriety of placing the matter under the consideration of the Government at present, as there could be no doubt when the Intercolonial Railway was completed Halifax would be the great depot for mails and passengers coming from Europe to the Dominion. But he would remind his hon. friend (Mr. Dickey) and the Government that when any step of the kind proposed had to be taken, no such contract should be entered into for any period longer than five years, for he looked forward confidently to the time—and he believed it was not far distant—when the railway would be extended to Louisburg, which he believed would be the great Atlantic depot for the shortest line of communication between Europe and this country. He looked forward to the completion of the railway to Louisburg in five or six years, and while he should feel very much pleased to hear a satisfactory answer to the question of his hon. friend, he would not like to see any arrangement made for such service extending over a greater period than five or six years.

Hon. Mr. BOURINOT said he entirely concurred with the views expressed by

his hon. friends who had just spoken, more especially the anticipations respecting Louisburg, but he must observe that it was desirable that they should have a more speedy line of boats than they had now. They had reason to complain in Nova Scotia of the very slow voyages of the Allan boats so called; the boats were not only slow, but their arrivals at Halifax were much retarded by having to touch at St. John's Newfoundland, which made the voyages much longer. Between the trips of these boats and the trips of the Cunard Line, which conveyed our mails in former years, there was a difference on an average of at least three to four days each voyage in favour of the Cunard.

Hon. Mr. CAMPBELL said that during the time he was Postmaster General it was suggested from Ireland, or by the Allans, that instead of running the steamers to Lough Foyle, they should adopt Lough Swilly, which would make the ocean route to America 50 miles shorter. A correspondence took place with the Light House Board with a view to establish certain light houses on Lough Swilly that were necessary if that station were adopted. He wished to draw the attention of the Government to it.

Hon. Mr. HAYTHORNE considered that in any contract entered into for carrying mails between Halifax and Great Britain, the contractor should be bound to steam direct between the two continents without calling at intermediate ports, which frequently causes delay, not only by the time consumed in stopping, but by the loss of favourable winds.

Hon. Mr. LÉVELLIER DE ST. JUST said the contract which was mentioned in the first part of the enquiry had expired, and as to the second part the Government had the matter under consideration. He did not see that any further declaration was necessary, but hon. gentlemen were aware that when these changes took place which were to arise out of the construction of the Intercolonial Railway it would be necessary for the Government to be ready with a policy to meet the emergency.

Hon. Mr. DICKEY said, with regard to what his hon. friend (Mr. Miller) had stated, he would gladly hail the day when the eastern terminus of the railway system of the Lower Provinces was removed to Louisbourg, which would be some two hundred miles farther east than Halifax. He hoped the Government would

also pay attention to the suggestion of his hon. friend as to the quality and speed of the vessels in any future contract. It was a fact that vessels had been employed in this fortnightly service inferior to those which were used in the weekly service, and he hoped the Government in making other arrangements would see that a better class of vessels would be employed on this route, and that Halifax would be made the winter terminus on this side.

#### ST. PETER'S CANAL.

The Hon. Mr. BOURINOT enquired—Is it the intention of the Government to abandon the scheme of their predecessors in office in relation to the enlargement of the St. Peter's Canal, as prepared by Mr. Perley, C.E., and, if so, what reasons led to such course? He said this matter was allowed to stand until now, in consequence of the intention of another gentleman since the first day of the session to bring it up in the other House. After some delay, it was brought up, and when the mover had concluded his speech on it, an adjournment of the debate took place. A few days afterwards it was brought up again, but the mover being absent, the subject was then dropped. It was postponed and delayed, but last week it was forced in the other House, when a spirited debate ensued, when all the reply they got for an answer from the Premier was simply that Mr. Perley, the Engineer in charge of the work, was abroad, he presumed on some voyage of discovery, and his return was necessary before any answer could or would be given by him (Mr. Mackenzie.) If Mr. Perley's presence was essential, he thought the session might end before he made his appearance, and as his (Mr. Bourinot's) enquiry had been three weeks among the notices of motions, he thought he was fully justified in bringing the matter before this hon. House. Not only on that ground was he justified, but because when a member of the Nova Scotia Legislature sixteen years ago he had taken a deep interest in the opening of the St. Peter's Canal; he therefore flattered himself he had some claim in taking a prominent part in the discussion. He must, however, in justice to others, say that his energetic and most lamented friend, Mr. Harrington, who represented Richmond, Cape Breton, was the first to move in the matter, and after he entered the Nova Scotia Parliament his hon. friend who sat behind him (Mr.

Miller) ably advocated its construction as well as his colleague, Mr. LeVescomte. Both Mr. Miller and himself had continued to do so since the Union. The manner in which the matter had been postponed had awakened his suspicion. To explain why he would have to give a slight sketch of the Canal. The present dimensions, although familiar to many, were not probably known to all the Hon. Senators; they were:—Length of lock, 120 feet; width of lock, 26 feet, and depth of water 13 feet. In 1873 it was decided that it was not of sufficient capacity for a large class of vessels which wished to follow that route, and Mr. Perley was sent by the late Administration to examine and report what would be the best size to which to enlarge it. Mr. Perley reported that the Canal should be enlarged to 230 feet length of lock; width 55 feet, and 15½ feet water depth. This report was approved of, and in 1874, \$75,000 was placed in the estimates to commence the work. But the Government allowed the matter to stand, and took no steps to prosecute the work, and the gentlemen of the other House from Cape Breton passed it over in silence; whilst here this procrastination was debated and condemned. Last year there was a revote of \$75,000, but for a long time no notices of tenders were issued, until public opinion and the press began to express itself in loud terms against the Government, and then we began to hear of telegrams and hints to the Administration of the danger of further delay. Then and not till then, spurred on as they were, notices for tenders at last appeared, at a somewhat advanced period of the season, conformably to Mr. Perley's plans and specifications; but to the astonishment, and he might add disgust, of every one in Cape Breton and elsewhere, these notices were withdrawn without any reason being assigned. The Premier, who is the Minister of Public Works, took it upon himself to act as though he was the Dominion Parliament, the Dominion itself. He set aside the action of Parliament, and substituted for the notices referred to for the enlargement of the canal, others on a reduced scale. Mr. Tuck, a gentleman from New Brunswick, and qualified for the undertaking, got the contract awarded to him. But, fortunately, it was not proceeded with. The Government was glad, he supposed, of this cause of more delay; this was attributed to the opposition of the owner of the land, who refused to give the right of way without adequate com-

ensation. From the outset the Government could not ignore this claim. But it gave them more time to postpone the execution of the work; and now the question was, should the Government, or rather the Minister of Public Works, after Parliament voting money for a certain work to be done according to certain plans and specifications—stop the works, change the plans, and order it to be done on a reduced scale, without advising the House? This was an important question, a question which would form a precedent for the future. The act of the Minister was despotic in the highest degree, and such an act should not, and ought not, to be endorsed by any Legislature. He supposed, however, it would be countenanced, for the followers of the Premier did not look very closely to his acts; but there was a higher Parliament, a louder opinion that would be heard elsewhere, when these facts were made known—it was an act which the public and press of Canada, and of every free country, would heartily condemn. He had already said it was fortunate the work had not been proceeded with on the reduced plan, as it could be suspended until a new arrangement could be made with Mr. Tuck for its continuation agreeably to Mr. Perley's plan. The locks as now proposed would be too small, they could only accommodate vessels of a small class, and larger ones which resorted to those waters would be virtually excluded. A large proportion of those which entered the principal ports in Cape Breton were from 1,000 to 2,000 tons. If the enlarged plan is adopted, it would benefit the Island of Cape Breton and its trade to a degree that few in that Chamber could understand. He did not believe any member of the Government had ever visited the locality to enable them to judge of the great importance the canal would be. Before concluding he wished also to say that a few days ago he took part in a debate with regard to the proposed eastern extension of the Truro and Pictou railway to Canso from New Glasgow. When that portion of the line was completed it could be utilized for the conveyance of goods and passengers, by a suitable steamer touching at some point in the County of Richmond, thence through the proposed canal to the head of East Bay, a distance of only twelve miles from the town of Sydney, and would call at Baddock, County of Victoria, terminating the voyage at North Sydney. He was certain this enterprise would be well sustained and patronized. He hoped



the Government would reconsider their decision, that they would pause before they consummated a great wrong on the people of Cape Breton, and remedy their mistake before it was too late.

Hon. Mr. SCOTT said there was no authority by statute or Order in Council with reference to this work. His hon. friend had discussed this subject on a very delicate basis. He had charged them with bad faith and alleged that the late Government proposed a scheme for the enlargement of this canal to particular dimensions, and that the sense of the country was expressed thereon. He must confess that he never heard or saw anything of that before.

Hon. Mr. MILLER said the hon. gentleman could not have much difficulty in finding that information. He had no doubt at all that the late Government, two years before they went out of office, had the question of enlargement under their consideration, and early in the summer of 1873 Mr. Perley was sent down to report thereon. That gentleman was selected for the duty because he was intimately acquainted with the country, had been connected with the work in former years under the Provincial Government, and was considered the best qualified man for the service. All the materials of his report were gathered while the late Government were in office, but the report might possibly have been made after the present Administration came in.

Hon. Mr. SCOTT—I find a report dated 1874. I have been looking for some information, but have been unable to find anything.

Hon. Mr. MILLER—The facts are as I have given them.

Hon. Mr. BOURINOT said as far as his information went, Mr. Langevin, the late Minister of Public Works, sent Mr. Perley to report on this matter, and he reported in accordance with the facts mentioned. That was a fact well-known in the history of the Province.

Hon. Mr. SCOTT said he found Mr. Perley's report, which he had in hands, was made in 1874. He had been unable—and he had examined the records under his control—up to the present time to discover in what way the late Government bound itself with regard to this report. Mr. Perley reported as to what he thought necessary for the trade of the locality. This Government had simply reduced the width of the canal.

Hon. Mr. BOURINOT—All the dimensions are changed. The length of lock recommended by Mr. Perley was 230 feet; and the modified plans reduced that 30 ft. The width was 55 feet, and the present Minister of Public Works recommends 19 feet; the depth is reduced one foot.

Hon. Mr. SCOTT—Perhaps my hon. friend will allow the question to stand until to-morrow, when I will get a copy of the contract. The hon. gentleman merely put a question on the paper, which I was prepared to answer, but not to discuss the points which might arise out of it.

Hon. Mr. MILLER—Cannot the hon. Secretary of State say whether there is any intention to go back to Mr. Perley's plans?

Hon. Mr. SCOTT—There is no intention to depart from the present contract whatever. Something has already been paid on it, and if there is any delay, it arises from the fact that parties owning property have had to be paid in the ordinary way.

Hon. Mr. MILLER—Does the hon. Secretary of State wish to open the matter up again to-morrow?

Hon. Mr. SCOTT—I do not wish to open it up, but if the hon. gentleman wants any information I shall be glad to give it.

Hon. Mr. BOURINOT—I ought to have put my question in a formal manner when on my feet. If in order, I shall give it now; it is as follows:—Is it the intention of the Government to abandon the scheme of their predecessors in office, in relation to the enlargement of St. Peter's Canal as prepared by Mr. Perley, C. E., and, if so, what reasons have led to such course?

Hon. Mr. SCOTT—In answer to that, I may state that I am not aware of any positive scheme for the enlargement. The Government have given out the contract on such a basis as they think will suit the commerce of the country.

Hon. Mr. BOURINOT said there was nothing said about the late Government in the question. He simply demanded why the plans adopted two years ago had been changed.

Hon. Mr. PENNY—Order!

Hon. Mr. BOURINOT—I am perfectly in order.

Hon. Mr. PENNY said the question had been put and answered, and it seemed to him that the discussion was out of order. The ruling of the Commons was very strict on this point.

Mr. SPEAKER said the practice of the House of Commons was very strict, and demanded that all questions should be limited to matters immediately connected with the business of Parliament, and should be put in such a manner as not to involve an expression of opinion, argument, or inference, nor should any facts be stated unless necessary to make the question intelligible. In the same manner the answer should be confined to the points in question, with such explanation as to render the reply intelligible. A certain latitude, however, was sometimes allowed in the case of a Minister of the Crown replying. In the House of Lords greater license of debate was permitted in putting and answering questions and commenting upon them. There was no especial rule relative to this House, and the hon. gentleman was in order.

Hon. Mr. MILLER would ask the indulgence of hon. gentlemen while he added a few remarks to the clear statement of his hon. friend (Mr. Bourinot.) He had so often urged the enlargement of St. Peter's Canal in the Senate since Confederation, when the subject had been neglected by others whose special duty it was to press it on the attention of Parliament, that he believed he had done something to induce the late Government to decide on the improvement of the Canal. He had no desire to weary the House with a repetition of the arguments he had frequently used on such occasions. He thought it was unworthy of the Government to attempt to evade a frank answer to the meaning of the question, by saying that they did not know what was the policy of the late Administration with regard to this work. It was well known that in the summer of 1873, months before the advent of the present Government to power, Mr. Perley was sent by the Department of Public Works to report on the necessary enlargement of the Canal, and ordered to furnish the Department with plans and specifications for that purpose. About that time Mr. Perley proceeded to Cape Breton, and collected information to enable him to carry out his instructions. He (Mr. Miller) could easily understand how the report might not have been written out or dated before the beginning of 1874, as all that was requisite was that it should be prepared in time for the estimates, and before the meeting of Parliament. But the Secretary of State could not deny that the materials for the report were

collected by the engineer in the summer of 1873, under the orders of the late Government. It was therefore a childish evasion to say in answer to his hon. friend's question that the late Government had no policy on the subject. The plans and specifications had been submitted to Parliament in 1874, and after that the Government had asked and the House of Commons had voted the sum estimated to be required to carry out those plans. There was then nothing said about any alterations of the proposed dimensions of the canal, as stated by his hon. friend from Cape Breton. He had been told last session by the hon. Minister of Agriculture in his place in Parliament, that the work would be proceeded with during the past season, but no word was then spoken in any way foreshadowing the subsequent alterations. The members of both Houses from Cape Breton, as well as the people of that Island, were therefore led to believe that the policy of the Government was to adhere to Mr. Perley's report and plans. But during the recess the Minister of Public Works had undertaken to alter the whole scheme of enlargement, of his own mere notion, and, so far as had appeared, without any new information to justify his conduct. The Government could allege nothing to justify the change, but the caprice of the First Minister, which was not a very desirable rule to be subjected to, and not at all consistent with our Parliamentary system. Under the altered plans the canal was going to cost over \$200,000 and when completed would be very little better than it was at present. Perhaps \$100,000 might be saved for the moment by the new scheme, but the intended enlargement would not meet the requirements of the present time. An agitation would be kept up until they got what was necessary for the increasing trade and commerce of the country, but the undertaking would cost three times as much hereafter as it could be done for now, before the new walls were built. When the existing walls were once taken down, in order to proceed with the excavations, the canal should be made sufficiently large for years to come. The probability was that the course taken by the Government would result in having expended in the near future on the enlargement contended for, three times the sum that would be saved for the time being. That was shortsighted economy. It was more than that—it was an act of meanness, injustice and bad faith

towards the people of Cape Breton, to treat a small public work, that was so necessary to their prosperity, in such a manner. He felt that they had been treated by the Government very unfairly and arbitrarily in the matter, and he strongly resented the duplicity practised towards them. After their silence in Parliament, the Ministry were carrying things with a high hand to act as they had done, but it seemed to be of a piece with the treatment they were now disposed to award to other small Provinces. British Columbia had her charge of bad faith against the Government; Prince Edward Island had her charge of bad faith in regard to steam communication with the mainland, which was ventilated in Parliament a few days ago; and now Cape Breton had her charge of bad faith in connection with St. Peter's Canal, which altogether looked like a settled policy of bad faith towards the weaker and smaller Provinces. Was it because they were small and weak they were treated in this fashion? The Government might pursue the course of ignoring the just claims of the weak, while they had a large majority at their back, and until the people had an opportunity of speaking out at the polls. He was glad they had declared their policy at last, although it was so hard to get it out of them. There was yet one hope for the friends of the canal. In all probability it would require two seasons to make the excavations, and the work of erecting the walls and building the locks would not be begun before the third season, and by that time, if not sooner, the present Government would be a thing of the past. Their successors would be obliged to carry out the original plans, by making a new agreement with the contractor before the masonry was commenced; but the country would even then be compelled to pay very dearly for the blunder of the Minister of Public Works, by the increased price the contractor would exact from them for consenting to the change. (Hear, hear.)

Hon. Mr. LETELLIER DE ST. JUST said if anything was to be regretted in this debate, it was the manner in which the Hon. Secretary of State had been assailed. His hon. friend and himself had always endeavoured to be courteous in answering questions, and the charge made could not fairly be thrown in their faces. It had been answered by his hon. colleague that their predecessors had no policy with regard to the improvement of

this canal; no Order of Council had been filed of their intention to carry on this work according to the plans of Mr. Perley. He did not see that Cape Breton had much cause for complaint if the plans submitted by that gentleman had been a little reduced. The canal had been referred to as a small matter; but it would be of larger capacity than the Welland Canal, and ought not to be spoken of in that contemptuous way.

Hon. Mr. MILLER said the St. Peter's Canal was intended for sea-going vessels, and the comparison was not a legitimate one.

Hon. Mr. LETELLIER DE ST. JUST said the locks were to be lengthened and the canal deepened, so as to enable vessels of 36 feet to pass through. This was a great capacity for a canal, and it was wrong to speak of it as a ditch of no consequence. The breaches of faith charged against the Government by the hon. gentleman from Nova Scotia (Mr. Miller) were in reality acts and deeds in accordance with the opinions of the people of the Provinces, and in line with the honest purpose of the Government. His hon. friend had no reason, if he was not satisfied with the answer given him, to allege they were trying to hide something from the House. The Hon. Secretary of State had stated there was a contract with regard to the canal which was to be proceeded with. The work, which was of a stupendous character, would cost a large amount of money, and no doubt when finished would be generally recognised as one of great utility. When every matter in connection with the improvement was considered, his hon. friend would not speak lightly of it. It was not advisable to incur expenditure which was beyond the demands of the trade of the locality.

Hon. Mr. AIKINS said the complaint was that the improvement contemplated was not sufficient to meet the requirements of the trade. But there was something more serious behind this. The plans of Mr. Perley were laid upon the table of the Lower House, and a sum of money was voted for the purpose of the work; but the Minister of Public Works changed the plans and ignored the action of Parliament. This was a matter which deserved the attention of Parliament.

Hon. Mr. SCOTT said it was unfortunate to discuss the case without having the facts before them. He did not know all the facts, and he appealed to the hon. gentleman opposite to say whether he had not fairly stated his position at the

outset. He stated that Mr. Perley had not made a report to the late Government, because his report was dated 1874; and he moreover observed that if the present Government had reduced the width of the canal, they were not bound to accept all Mr. Perley's recommendations. A statement had been made about the voting of a large sum of money for this work, but he only found two votes in the estimates, one of \$10,000, and the other of \$75,000, instead of \$250,000. That surely did not indicate that the country had committed itself to the expenditure mentioned, and he thought the attack of his hon. friend opposite was uncalled for, unjust and ungenerous when he had given all the information he had on the subject. He did not propose to reply, but trusted the House would exonerate him from the charge of discourtesy. He always endeavoured to be civil and to give as much information as was prudent under the circumstances. If the late Government had committed themselves to the enlargement of the canal, the hon. gentleman would have had a basis for his attack, but he had been unable to procure any evidence that such was the fact.

Hon. Mr. MILLER—Why did they send Mr. Perley to report?

Hon. Mr. SCOTT said there was no instruction to Mr. Perley to make the canal any particular size. A telegram was sent to that gentleman asking whether the width of the canal could be reduced from 50 feet to 40 feet, and he replied "Yes, that width is quite sufficient except for paddle-wheeled steamers."

Hon. Mr. MILLER said the hon. Secretary of State had stated that he had failed to find any evidence whatever of the intention of the late Government to proceed with the enlargement of St. Peter's Canal. The circumstances were these:—Mr. Perley was directed by the late Minister of Public Works to proceed to the canal, and after careful consideration to make a report of the required enlargement. He did as ordered, and spent much time in doing so. He returned to Ottawa in the autumn with the intention of having his report submitted at the autumn session of Parliament in 1873, but a change of Government took place and he presumed Mr. Perley was not required to send in his report; it was therefore delayed until the meeting of Parliament. Afterwards it was submitted to the present Government and when the Minister of Finance brought down his esti-

mates in 1874, he had set aside \$250,000 for the work, on the report which had been made by Mr. Perley under the instructions of Hon. Mr. Langevin.

Hon. Mr. SCOTT said he thought the sum was \$75,000.

Hon. Mr. MILLER said the sum estimated was \$250,000, but the vote in the Estimates was \$75,000 for the commencement of the work.

Hon. Mr. LETELLIER DE ST. JUST said, in 1874, Mr. Flynn moved in this matter in the other House, and Mr. Mackenzie said the report of Mr. Perley was the only plan or specification they had.

The subject here dropped.

#### GOVERNMENT ADVERTISING.

Hon. Mr. AIKINS moved that an humble Address be presented to His Excellency the Governor-General, praying that he will cause to be laid before this House a statement shewing the newspapers in which advertising has been done by the Government for the year 1875, in each of the Provinces of the Dominion. The statement to give the rates paid for such advertising, and the amount paid each paper, as also the total cost.

Hon. Mr. SCOTT said the hon. gentleman had better include in his motion the years 1872, '73, '74, and '75, by way of comparison.

The motion as amended was carried.

#### POSTAL DELIVERY.

Hon. Mr. READ enquired if the Government intend taking any steps towards extending the postal delivery system, and to what extent?

Hon. Mr. LETELLIER DE ST. JUST said this matter was under the consideration of the Government. Up to this time deliveries had been organized in some of the cities, but whether it would be extended to all of them remained to be considered.

Hon. Mr. READ suggested that the Government should extend the system to the towns.

Hon. Mr. SCOTT said it was found that it would cost considerably more than was expected.

#### QUEBEC HARBOUR COMMISSION.

Hon. Mr. LETELLIER DE ST. JUST moved the House into Committee of the Whole on the Quebec Harbour Commissioners' Act Doubts Removal Bill.

The Committee reported the Bill without amendment, and it was read the third time and passed.

## CHRISTIAN BROTHERS' SCHOOLS.

Hon. Mr. BELLEROSE moved the second reading of the Christian Brothers' Schools Incorporation Bill.

Hon. Mr. CAMPBELL said he did not desire to oppose the second reading of this Bill, as long as it asked for nothing that would not interfere with the ordinary systems of education in the Provinces of the Dominion. For instance, systems were established by the Local Legislatures of Ontario, Quebec, Nova Scotia, and New Brunswick; and he supposed what was proposed to be done under this Bill would be subject to the laws of these Provinces. It might be supposed that this law, established by a higher Parliament than a Local Legislature, might give the Brothers greater powers respecting the holding of lands than the laws of the Local Legislatures. But this was not the case. The Bill on which this was formed was passed in 1872, incorporating a Wesleyan Society in Ontario, and provided that they could hold land to the value of \$30,000 per year. This Bill provides that the Brothers can hold real estate to the annual value of \$50,000. In these respects some amendment might be necessary, but he was sure his hon. friend (Mr. Bellerose) was only anxious to arrive at the same intention as was arrived at in the Bill of 1872.

Hon. Mr. BELLEROSE said the Bill spoke for itself. The Brothers wanted incorporation, but this Bill would not give them power to do anything that would be in opposition to the laws of the different Provinces. There was nothing to prevent the Christian Brothers, whether they were incorporated or not, any more than any other private citizens, from having private schools. He did not see anything in any of the provisions binding them to establish such schools on any particular system. They only asked by this Bill to have corporate powers, that they might possess real estate to such an amount as they required to carry on their business. The other Bill which passed this House in 1872, alluded to by the hon. gentleman (Mr. Campbell), and on which this was framed, was not objected to, and this Bill did not go the same length so far as the principle was concerned; but the Brothers might find it necessary to own more property than the other, and there was a good reason for it. It was very well known that the Protestant Society, which was incorporated two years ago, were mere members of a comparatively small congregation—small in this Dominion; but

the Brothers were interested in the instruction of about one-fourth of the community, and they intended to have the number of schools throughout the Dominion which required the property, so that there was a reason to ask for a little more power in that respect. He did not suppose the House would have any objection to this corporation possessing real estate of an annual value of \$50,000, when they would have so many schools in the seven Provinces of the Dominion, and to refuse that power would be refusing to do justice to that great body, the Catholics of the Dominion. The Brothers desired to establish agricultural and industrial schools, and for this purpose they must have property. In order to have agricultural schools they should have model farms; and to have model farms they must have power to possess landed property, so that it was not too much to ask to be allowed real estate to the amount of \$50,000 per annum. Under the circumstances, he might freely say that the granting of power to the Brothers to possess real property of an annual value of \$50,000 was not granting them so much as was granted to the Methodist corporation in 1872, who were empowered to hold land of an annual value of \$30,000.

Hon. Mr. MACPHERSON said in granting these Acts of incorporation they should study to make one conform with the other as much as possible; so that they might have a clear precedent for such legislation. It would in fact be better if there were a general Act, which would enable such societies to get corporate powers without special Acts of Parliament.

Hon. Mr. ALLAN said apart from the mere fact of allowing the Brothers to hold property, there should be no exclusive privileges given them beyond what they now possess. If it was only to enable them to hold property, the House should not object to the Bill.

Hon. Mr. HAYTHORNE said he could bear testimony to the efficiency of the Christian Brothers Schools, but the Senate should be careful in granting them corporate powers. He drew attention to the 4th and 5th clauses, which referred to a committee of management, partly appointed and partly elected, and pointed out that the House had no knowledge of the constitution of the body which it was proposed to incorporate.

Hon. Mr. MILLER said he agreed with his hon. friend (Mr. Macpherson), it would be more desirable to have a General Act,

of which bodies requiring incorporation could avail themselves, and he thought it would be well worth the consideration of the Government to place such a law on the statute book. He had looked over the law carefully, as he was given to understand that an objection would be taken that there were exceptional privileges asked for in it, and he for one was not disposed to grant exceptional privileges to one corporation that he would not accord to others without reference to denomination. He did not, however, see anything in this Bill that was objectionable. It followed very nearly the precedent established by this House in the Act granted to the Wesleyan body in 1872; but even though it exceeded the powers granted in that Bill, as long as there was nothing wrong in what the promoters of the Bill asked, it should not be opposed. As to the other point referred to by his hon. friend (Mr. Haythorne), it was a matter for the Brothers themselves how they elected their committee. With regard to the Bill coming before this Parliament, instead of going before the Local Legislatures, he could see very clearly that the object was to save trouble and expense. A general Act of Incorporation would suit all the Provinces. In the town in which he lived, for example, there was a large portion of the population that were prepared to avail themselves of such schools, and the Christian Brothers had promised to establish a seminary there, on condition that a valuable property should be given to them for this purpose. The same thing would occur in all the other Provinces. He quoted from a Cambridge graduate, a Protestant writer, who gave a very high character of the Christian Brothers, as teachers of the poor, and spoke highly of the usefulness of the order. He (Mr. Miller) was very well pleased that the Bill had been so fairly treated, and he hoped when it went to the Committee it would receive the impartial attention that should always be granted to legislation of that kind.

Hon. Mr. SCOTT said the Brothers had already sought incorporation in one or two provinces, a circumstance which might lead to embarrassment were this Bill passed. He noticed that the gentlemen named in the preamble were also named in the preamble of the Ontario Bill. The latter measure was entitled "An Act to incorporate the Christian Brothers' Schools;" the title of this Bill was slightly different, and the conditions were also different in some instances. In Ontario

they were restricted to holding property of the value of \$5,000. To pass this Bill would be creating legislation entirely in discordance with what already existed.

Hon. Mr. BELLEROSE thought and believed that if an Act of incorporation was obtained from this Parliament, that Provincial Acts would not be in force.

Hon. Mr. MILLER presumed the proper course would be to afterwards get the local Act repealed.

Hon. Mr. BELLEROSE—Certainly, if any difficulty arises.

Hon. Mr. DICKEY thought there was a great deal in the suggestions made by the Secretary of State; it would create a clashing of interests to pass a general law overriding the others, unless the powers of those Acts were surrendered. It would be well for the hon. promoters of the Bill to consider this.

Hon. Mr. BELLEROSE said, supposing the Act of incorporation went to the Superior Court, and it was decided that Parliament had no power to deal with the matter, because of the existence of the local charters, it was at the risk of the Brothers themselves.

Hon. Mr. AIKINS pointed out that the statement that this society was poorer than the Wesleyan Missionary Society was scarcely correct. The Christian Brothers had an income of \$500,000, whereas the latter organization had \$150,000 a year. Besides, that society was really organized for charitable rather than school purposes.

Hon. Mr. BELLEROSE said what he stated was this—that there was as much reason for incorporating the Christian Brothers as the Wesleyan Missionary Society, as the latter denomination did not number so many as the Catholics. A congregation might be very rich and yet poor in numbers. That was a very good argument that the real estate ought to be larger than the Wesleyan Society.

The Bill was read the second time and referred to the Private Bills Committee.

#### SALARIES OF COUNTY COURT JUDGES.

The Nova Scotia County Court Judges Salary Bill was read the second time.

The House adjourned at 5 p.m.

TUESDAY, March 14.

The PRESIDENT took the chair at 3 p. m.

Prayers were read.  
After routine.

PROHIBITORY LIQUOR LAW.

Hon. Mr. VIDAL moved that the Hon. Messrs. Aikins, Alexander, Armand Benson, Bureau, Ferrier, Flint, Girard, McClellan, McLelan, McDonald, Macdonald, Montgomery, Wark, and the mover be a Select Committee to examine and report upon the several petitions relating to legislative prohibition of the traffic in intoxicating liquors, and that six members of the said Committee shall constitute a quorum. In moving for this Committee it was not his intention to make any remark further than to state that because no petitions were being presented on this subject during the present session, it should not lead the House to suppose there was any abatement in public opinion on the temperance question. The petition which he had the honour to present to this House on Friday last from the Montreal Convention, was understood by the friends of temperance throughout the country to be the embodiment of their views and wishes and their prayer, and it was acting upon the advice of that Convention that the temperance bodies throughout the Dominion refrained from presenting petitions this year. There was no abatement whatever of the deep interest taken in this important question, and in all probability this Parliament would hear from the people on it unless some advance were made this session towards granting the legislation they desired.

Hon. Mr. CORNWALL moved in amendment to increase the number forming a quorum of the Committee from six to nine.

Hon. Mr. VIDAL had no objection to do so if the hon. gentleman could assign a reason.

Hon. Mr. REESOR could see no necessity for increasing the quorum of the Committee, as their report would have to be considered by the whole House and it would be for them to do so.

Hon. Mr. AIKINS could see no reason why this Committee should require a larger number to form a quorum than any other Committee of the House, of the same size.

Hon. Mr. VIDAL agreed to strike out the last clause of the resolution.

Hon. Mr. CORNWALL withdrew his amendment, and the main motion was carried.

GOVERNMENT BANK DEPOSITS.

Hon. Mr. READ moved that in the opinion of this House the practice of the Government as regards the depositing Public Funds in the Banks of the Dominion is calculated to produce undue and unnatural expansion and contraction in business, and is prejudicial to the interests of the country. In moving the resolution he claimed the indulgence of the House while he presented the reasons why he had arrived at the conclusion that the present system of Government bank deposits was calculated to create expansion and contraction in business, and was detrimental to the public welfare. It would be necessary for him to refer to our banking system, the system of Government deposits and other Government transactions with the banks as far back as the year 1863. In that year the finances of Canada were not in a very prosperous condition, and all would recollect that at that time the Finance Minister of the Sandfield Macdonald—Dorion Ministry found it necessary to apply to the Montreal Bank for assistance. That bank not being very scrupulous, did not fail to take advantage of the necessities of the country in exacting terms not in the interest of the country, some of which were that the Government should keep all their deposits in the Montreal Bank and no other; that they should keep a large amount of money at all times on deposit, at the credit of the Government, and that this arrangement should expire only after long notice had been given. Hon. gentlemen would recollect the debates that took place upon that arrangement. When the Government required exchange on England, to meet their necessities, the bank did not fail to charge a good round premium—it was said at the time, a very large per cent above what exchange could be bought for over the counter; the difference, if his memory served him rightly, being two per cent. Things went on in that manner until 1866. In 1866 the Finance Minister of the day proposed that the Government should issue notes to the extent of \$5,000,000, and he introduced a measure, the terms of which were, to a great extent, dictated by Mr. King, of the Montreal Bank. This measure provided that any bank could withdraw its own circulation scrip and issue Govern-

ment notes, the Government paying to the banks five per cent on their circulation, and that went on until Sir John Rose introduced another banking scheme, a measure that was generally conceded to be a cast-iron one. However, he did not press it; there being a strong objection to it, as it had not sufficient elasticity, which our banking institutions required. He was in the House of Commons at the time, and although not a weak supporter of the Government, he informed Sir John Rose that he would oppose this measure, even if it defeated the Government. There were times when banks had to expand, and while at certain times they had to issue bills to move the crops of the country, the return was generally back in gold before these bills were returned for specie. The measure was of such a character that banks could not issue notes without first giving gold to the Government. It did not therefore pass the House, but was withdrawn. Coming down to a later period, Sir John Rose resigned, and the Government of the day had to look for another Finance Minister, and they found one in Sir Francis Hincks. Everybody wondered; the press of the country denounced the appointment in unmeasured terms, and no one seemed satisfied. At the time he (Mr. Read) was travelling in England with a friend, a member of the House of Commons, and he recollected when they heard of the appointment his friend remarked that Sir John must have gone crazy for taking Sir Francis Hincks into his Cabinet. But hon. gentlemen were all aware of the service which he (Hincks) rendered to this country. He first took hold of the silver nuisance and banished it in a short time. He then took hold of the Bank of Montreal question, and relieved the country from its grasp. He had the courage to say that the notice for the discontinuance of the arrangement with that bank should be given, and it was terminated, and a new system inaugurated. When the Government found that their deposits were greater than it was necessary for them to keep, they reduced taxation, and when the present Government came into office there was a surplus in hand, the result of six years' operation of the old Government, of over ten millions of dollars, as may be seen by the present Finance Minister's own statement, issued in England on the 13th of October, 1875. Yet the present Government with this surplus in their hands increased the taxation. He took exception

at the time, for he believed, as he did still, that it was an unwise, unnecessary, mischievous and uncalled for measure, not in the interest of the country. It was injurious to the Dominion for the Government to enact such a mischievous measure, and to announce a deficit in the Speech from the Throne, when in fact there was a bona fide surplus, as will be seen by Mr. Cartwright's own figures, which he laid before the English people on the 19th October, 1875, when he went into the money market of the world as a borrower:—Surplus, 1868, £204,358 14; 1869, £345,351.66; 1870, £1,181,302.76; 1871, £3,608,530.56; 1872, £3,039,840.20; 1873, £1,636,574.84; 1874, £887,566.56; 1875, £972,000. The announcement of this deficit was not only incorrect, but proved most disastrous to the negotiations which were then going on by our Commissioner in Washington for reciprocal trade relations with this country. He was not at all disappointed when the Hon. Finance Minister, to show the true condition of the country, wrote his famous letter of the 19th of October last, published in London, which showed there was no deficit, and there was no foundation for the increase in the taxation of the country. He would quote from that letter. Mr. Cartwright says:—"The revenue has shown a continuous surplus during each year since Confederation in 1867, although it has in the interval been charged with much heavy expenditure of an exceptional kind, such as outlays connected with the several Fenian attacks on the country, the acquisition and organization of new territories, and providing an adequate defensive force for the Dominion," &c. These were very important amounts that were charged to the consolidated revenue of the country. But in addition to that, he would read further, and prove that the Hon. Finance Minister had shown there was an annual surplus in the receipts of the Dominion ever since the year 1868, in pounds sterling, as follows:—

YEAR,	REVENUE.	EXPENDITURE.	SURPLUS
1868	£2,857,652	£2,809,603	£ 48,049
1869	2,995,661	2,924,901	71,060
1870	3,231,714	2,988,648	243,066
1871	3,937,112	3,124,616	742,496
1872	4,142,968	3,517,698	625,070
1873	4,276,740	3,930,998	396,744
1874	4,973,649	4,791,028	182,626

Then he said, "In the year ending the 30th June last, notwithstanding the unprecedented depression in trade in Canadian staples, the returns, (though somewhat incomplete,) show a satisfactory result of a surplus of £200,000 sterling." Was not that a flattering statement, to



say that the late Government had rolled up for them after six years of their administration of the affairs of the Dominion, a surplus of over ten millions of dollars, over seven millions of which was still in the hands of the banks of this country, to the credit of the Government? In addition to this the Finance Minister stated in the same letter that "the annual payment for the sinking fund is included in the current expenditure, and forms in the aggregate a further sum of £700,000 since Confederation, about \$3,400,000," so that everything had been charged to current expenditure, and the result was, that in the eight years up to now the surplus was nearly twelve millions of dollars—not a bad balance sheet for the country to exhibit. He had briefly explained the arrangement which was made, and would next show that as the Government deposits increased in the banks so did the trade of the country expand, and that in proportion as the deposits decreased would contraction follow. It was necessary to show the state of the finances when the taxation was imposed in 1874. In March of that year there was in the hands of the banks over \$7,900,000, and in the following year over \$10,000,000. The tax which had been imposed had therefore not been expended, and in his opinion it should not have been imposed unless it were requisite. It would be well to show how far these Government deposits had increased the expansion of trade. The discounts would be a fair criterion to go upon in this respect. We found on the 31st August, 1873, the discounts were \$118,000,000; on the 31st August, 1874, \$131,000,000; on the 31st April, 1875, when we had in the banks no less a sum than \$14,319,539 61, the discounts amounted to \$138,000,000; or, in other words the expansion from August 31st, 1873, to August 31st, 1874, was \$13,000,000. Following that a little further, the expansion from August 31st, 1873, to the 31st April, 1875, during twenty months, was \$20,000,000. While the deposits in the banks had increased \$10,000,000, the expansion had increased \$20,000,000; and it was a fair assumption that the Government deposits in the banks had something to do with this. Next take the contractions. From the 1st April, 1875, to 1st January, 1876, the discounts contracted \$16,000,000,000, and it was only fair to suppose that the circular issued in June last notifying the withdrawal from the banks of some \$6,000,000, had had the effect of contracting the discounts. He

took exception, therefore, to the Government borrowing a large amount of money in England to lend. In his budget speech of last year, the Finance Minister said:—

"No doubt it would have been very easy to make the loan on the Imperial guarantee, but it must be observed that had we done so we would have lost a very favourable opportunity for negotiating a loan on our own credit which might not return again, and—what I consider of more importance—we would have lost the control of the market to a certain extent, that is to say, we would have lost the power to go the English market as borrowers, at such times as are most convenient and suitable for ourselves. Moreover, I think it would have placed us at a certain disadvantage with the Imperial Government and British Columbia if we had asked for the Imperial guarantee while there was any dispute between ourselves and that Province as to the construction of the Pacific Railway. For all these reasons I advised my colleagues, and they accepted the suggestion, that we should avail ourselves of the opportunity of negotiating a loan on our own undivided credit. As to the amount of the loan, I may remark that it is not quite so large as it appears. A loan of four millions sterling at ninety only amounts to about three and a half millions sterling, or \$17,500,000; and although I would have been glad, other circumstances being equal, not to have placed so large a sum upon the market at once; yet bearing in mind that I had very good investments for the money if I got it, and also bearing in mind that it was absolutely imperative on me to borrow some part of it, inasmuch as six millions of debt were maturing and had to be paid, and inasmuch as a large steady expenditure on capital account is steadily going on, I felt it was very desirable to borrow, if we had a good opportunity, enough to meet these demands, more especially as Canada had appeared in the English market in 1873; and if I appeared in 1874, and then again in 1875, I had the best reason for believing that such a course would have been seriously prejudicial to the interests of this country."

But notwithstanding this reasoning, the Hon. Finance Minister had again appeared as a borrower in the English market in 1875. It might be well to see if this money was invested properly. When we examined the Public Accounts and and returns of the banks, and saw where

the money had been invested, it would be seen that it is not in the best interests of the country to borrow money for such purposes. The Bank of Montreal got the lion's share of the deposits, as would appear from the following figures:—December, 1873, that bank had \$1,807,369 without interest; in April, 1874—the very time when Mr. Cartwright was imposing fresh taxation—there was \$3,807,600 without interest, and \$2,000,000 at interest. Taking periods of three months after that, the amounts were, in the same Bank:—

1874.		At Interest.	
On demand.			
July.....	\$2,384,885		\$2,000,000
October..	3,813,574		2,973,333
December.	3,055,568		2,973,333
1875.			
April....	\$1,769,414		2,973,333
July.....	1,385,614		1,500,000
October..	1,394,485		1,000,000
December	1,298,701		1,000,000

When the money in the hands of the banks in England was considered, the matter looked still more formidable. In March, 1875, the deposits in England were:—Bank of Montreal, \$2,190,000; British North America, \$486,666; Quebec Bank, \$730,000; Molson's Bank, \$243,333; Ontario Bank, \$243,333. This made the nice little sum of \$14,319,539 in the hands of the banks at that time. These figures spoke for themselves, and he thought he was justified in saying that the system was one that could not be defended. But he also attacked the system on account of its unfairness; it could be used for purposes of not the best or most defensible kind. The Bank of Montreal has a capital of \$12,000,000, and has been doing a large amount of Government business. The above figures gave an idea of its operations in this respect, but a comparison with the other banks would render it more striking. The Merchants' Bank, with a capital of \$7,000,000, in December, 1873, had \$375,362, on demand; in April, 1874, \$358,197; in July, \$382,749; December, \$300,675; April, 1875, \$325,186, at interest; July, \$180,239 at interest; October, \$163,822 on demand; and December, \$185,196. This showed why the Bank of Montreal could pay a dividend of 14 to 16 per cent, while everybody else was in straitened circumstances. A comparison with other banks gave like results. The Bank of Commerce did not appear much of a favourite with the Government. Some small sums were deposited with it: the largest sum in 1874 was less than \$500,000, and the deposit was down to \$24,000 in October, 1875. The Royal Canadian, with a paid-up capi-

tal of \$2,000,000, in 1873 had \$163,000 at interest; and in April, 1874, \$10,000 without interest, and \$163,000 at interest. In 1875 Government appeared to do a little business with it, as might be inferred from the following figures:—

	ON DEMAND.	AT INTEREST.
April	\$16,200	\$200,000
July	60,798	196,333
Oct	66,589	140,333
Dec	69,239	146,333

The Ontario Bank had, in December, 1873, \$180,491 without interest, but it appeared to have been favoured somewhat. There was a singular revelation in these accounts. In June last the deposits in the Ontario Bank were \$389,666.12 without interest, and \$669,194 at interest; but in the next month we found \$611,302 without interest, and the interest bearing deposits reduced to \$206,666. The singularity about this was, that the interest-bearing portion was withdrawn and placed on demand. This was a method of doing business which no man of ordinary capacity would adopt; it was the evidence of something behind the scenes, but what he was not prepared to say. All banks ought to be treated on the same principle in regard to those deposits, and he had adduced enough to prove existing inequalities of a serious character. If more were required it can be found in the following statement:—

GOVERNMENT DEPOSITS IN THE ONTARIO BANK.

1874.	On Demand.	Bearing Interest.
January.....	\$214,463.16	
February.....	273,780.88	
March.....	291,861.14	
April.....	300,468.27	
May.....	238,906.22	\$192,765.54
June.....	No returns.	
July.....	220,642.55	196,416.67
August.....	328,658.01	246,416.67
September.....	336,088.14	440,861.11
October.....	336,088.14	440,861.11
November.....	361,445.91	440,861.11
December.....	370,971.31	440,861.11
1875.		
January.....	314,094.80	440,861.11
February.....	347,129.69	462,527.78
March.....	377,128.97	447,527.78
April.....	354,009.28	669,194.46
May.....	359,331.95	669,194.45
June.....	369,666.12	669,194.45
July.....	611,302.77	206,666.67
August.....	500,456.68	206,666.67
September.....	598,082.98	209,591.67
October.....	597,752.52	
November.....	433,427.61	
December.....	428,666.05	100,000.00

These returns were called for in March, 1875. In addition to the above there were \$243,333.33 in the hands of the Ontario Bank in England, although it has no branch there. Some time ago a remarkable letter was written, which might afford some explanation of the present system. It was as follows:—

"BOWMANVILLE, Jan. 17th, 1874.

"——— Esq.

"DEAR SIR,—Although I am not disposed to oppose Mr. Gibbs on personal grounds in the approaching elections, still as one who has laboured long and hard to promote the interests of Canada, I now ask my friends to support men who will support the present Government, for the following reasons:—

"1. For the country's good and to show to England that the Canadians will not sustain or tolerate men who will barter our rights and stain our character for base or sordid motives.

"2. Because many of the men forming the present Government are my personal and esteemed friends.

"3. Because, if the present Government is sustained, I will be able through them to get justice for our party in *needful appointments and otherwise*.

"4. Because, if they are sustained, our bank and other Ontario banks—and through them the country—*will have the use of the Government surplus until required*.

"May I ask you to give my old friend Mr. Cameron your candid and hearty support?

"I am yours truly,

"J. SIMPSON."

If the system indicated in the fourth paragraph of this letter had been carried out he would have no complaint to make, but there had been no attempt to carry out the spirit of that letter in practice, and the present system was fraught with danger, and calculated to lead to corruption. But another circular was issued, which showed that even the managers of the same bank were used in this matter. A bank manager had considerable power in the small towns, and many business men had to succumb to the pressure which they could bring to bear against them. This second letter was as follows:—

"We," that is the bank," "are largely interested in the success of the present Government, as their continuance in power will largely add to the success and prosperity of the bank. Our President, the Hon. John Simpson, is calling upon all our friends to give us a hand for Mr. Cameron, and he would esteem it a great favour if you could give us a helping hand along with our other friends."

This House could easily understand the power of money, particularly when such circulars as these were issued. He could not help denouncing the system as

fraught with much injustice. These precious and remarkable letters were written on January 17th, 1874, just at the time of the elections. He felt that he was justified in bringing this matter before the House. He had shown that as Government deposits had expanded discounts had increased; and that since the Government had issued their famous circular to the banks, in June last, it had the effect of reducing the discounts sixteen millions of dollars. It was a fair inference to draw, that while the Government deposits increased to \$10,000,000, discounts also increased to \$20,000,000; and when Government deposits decreased about \$7,000,000, discounts decreased \$16,000,000. It could not but be seen that the present system of managing Government deposits was one not in the interests of the country, for it gave an opportunity for the Government to leave large amounts of public money in the hands of political favourites. Why the Ontario Bank, having a paid-up capital of only 1-23rd of all the bank capital of Canada, should have at one time \$1,240,000 of Government money in its coffers, a large portion without interest, while the Merchants' Bank, having a paid-up capital 1-9th of all the paid up bank capital of Canada, should have only a small amount of Government money (\$325,000) on deposit, and that at interest, he could not understand, unless there were some personal or political reason for it. The more readily to understand the way in which this bank was treated, a reference to the official returns will show:—

	On Demand.	At Interest.
December, 1873.....	\$375,362	—
	1874,	—
April.....	\$358,197	—
July.....	382,749	—
December.....	300,875	—
	1875.	—
April.....	—	\$325,186
July.....	—	189,269
October.....	\$188,222	—
December.....	185,196	—

He had taken exception to the increased taxation imposed in 1874, and he found he was correct in doing so, and he had no reason to regret the course he had taken. It might be stated that the late Government held large deposits in the banks. He admitted they did at times hold large deposits in the banks, but it was at times when the prosperity of the country was so great that they could not get rid of their surplus, so they took the tax from off tea and coffee, and five per cent off the total amount of customs duties; but the present Government, with a large

balance in their coffers, put it in the hands of the banks, where it remained at this day, and increased the burthens of the people. There was no excuse for increasing the taxation in order to spend money for steel rails that were to be unused, and to charge to current expenses some \$700,000 which should have been carried to capital account. Not only that, but they passed a measure last year increasing the specie deposits, in all amounting to five millions of dollars withdrawn from the ordinary business of the country. Another step on the part of the Government to be complained of was, that when there was a great demand for a larger circulation they reduced the \$1 and \$2 notes circulation no less than \$600,000. There was a crying necessity for one dollar and two dollar notes, and he hoped the Government would take means to force them out in the interests of the business community. Seven millions out of twelve of Dominion notes were in \$500 and \$1,000 bills, which were held by the bankers and did not get into circulation, so that the only real circulation of Dominion notes was about \$3,326,000, the banks holding the rest. The whole policy of the Government in this respect was bad. They had withdrawn the circulation and increased the specie reserve; they had charged to revenue what should have been charged to capital in the working of the Intercolonial Railway some \$700,000; they had paid over \$3,000,000 on account of steel rails, at a time when they were not needed, and they had now \$15,347,600 of public money in the hands of financial agents, and the various banks of Canada and their agencies in England, of which \$4,103,061 was deposited in the banks of Canada on the 15th of June last, at 5 per cent interest, \$1,706,669 at 4 per cent, and \$4,169,643 without interest. In the Canadian banks at London, on the same date there was \$3,893,333 at 4 per cent. It was only with great difficulty they could get any account of these deposits in England, and subsequent and special returns had to be asked for before it was found that there were four millions of dollars locked up in the coffers of these banks that did not appear in the bank returns. It was very strange the banks did not give any account of this large amount of money being in their hands when they sent in their monthly returns. According to the statement which he held in his hand from the Auditor General, on the 29th of February the banks of Canada

and their agents in England held \$15,347,600 of the people's money, a very good balance sheet, which he would give in full for the information of the House:—

Statement of the balances in the hands of the financial agents of the various banks in Canada and England, on 15th June, 1875, and on February 10th and February 29th, 1876:—

June 15th, 1875.

Financial Agents (variable interest)	\$732,579.88
Banks in London, at 4 per cent interest.....	3,893,333.33
	<hr/>
Bank of Montreal, London, overdrawn.....	4,625,913.21
	<hr/>
	4,432,479.25
Banks Canada, at 5 per interest.....	\$4,103,061.13
do 4 per cent.....	1,706,666.66
do not at interest.....	4,169,643.08
	<hr/>
	9,979,370.82
	<hr/>
	14,411,859.07

February 10th 1876.

Financial agents (variable interest)	4,240,439.09
Banks, at 4 per cent. interest.....	4,062,450.00
	<hr/>
Bank of Montreal, overdrawn.....	8,302,889.69
	<hr/>
	88,153.23
	<hr/>
	8,214,731.41
Banks Canada, at 5 per cent.....	\$2,892,755.56
do 4 per cent.....	100,000.00
do not at interest.....	2,759,491.22
	<hr/>
	4,252,246.78
	<hr/>
	13,466,977.19

February 29th, 1876.

Financial agents (variable interest)	4,069,433.94
Banks, at 4 per cent. ....	4,062,450.00
	<hr/>
Bank of Montreal, overdrawn.....	8,131,883.94
	<hr/>
	120,153.13
	<hr/>
	8,011,730.81
Banks Canada, 5 per ct. ....	2,292,755.56
do 4 per cent.....	700,000.00
do not at interest.....	4,370,114.19
	<hr/>
	7,362,869.75
	<hr/>
	15,374,600.56

It was stated that the financial stringency was caused in part by the dulness in the lumber trade. He denied it; while we might have felt the necessity of a larger market for lumber, that product was not the only export of the country. The total exports of lumber in 1874 were \$26,817,715, of which \$14,928,403 were exported to England, where it did not sell at a very bad price. In 1875, we exported \$24,749,947, of which \$16,394,045 went to Great Britain, and it did not bring such very bad prices either. Still our lumber exports were only about \$25,000,000 annually, out of the total exports of the country of \$89,000,000, so that it could not have had such a serious

effect on the general stringency. It would be contended by the Government that their deposits had not a serious effect, but when it was considered that the total trading capital of all the banks was only \$60,000,000, and they discounted to the tune of \$140,000,000 upon the strength of the Government and ordinary deposits, it would be at once admitted that Government had encouraged reckless trading, over-importation and over-production by placing their money in the hands of the banks, and when they called for it unnecessarily the result was disastrous to the commerce of the country. Then again the Government through themselves and their friends had led the merchants into serious trouble by their speeches in Montreal and elsewhere, leading them to anticipate an increase in the tariff, and thereby inducing them to withdraw their goods from bond. He found that the receipts from customs for the month of February, 1875 were \$1,049,961.20, and from excise for the same month \$392,130.95 or a total of receipts for February, 1875, of \$1,782,493.74. During the same period in the present year in consequence of the merchants withdrawing their goods from bond in expectation of changes in the tariff, the receipts from customs were \$1,814,018.61, and from excise \$1,232,406.94, a total for February, 1876, \$3,395,909.27, or an increase over the receipts of the corresponding month in 1875 of \$1,613,415.53. This would certainly get the merchants into deeper trouble. He thought he had shown at least that the present system of depositing public funds in the banks of the Dominion was calculated to produce injurious expansion and contraction of trade, and therefore prejudicial to the interests of the Dominion.

Hon. Mr. PENNY said he was very glad to find from the speech of his hon. friend from Belleville, that he possessed a great deal of financial talent, that would to some extent remove from the Senate the odium which the gentlemen in the other House were inclined to throw upon them, of a lack of legislative ability. He was not able to follow his hon. friend through such a mass of figures; but he would mention one or two facts that would have some bearing on this subject. He was very glad to find that the hon. gentleman was still true to the principles laid down by the present Government, that the burdens of the people should not be increased, but that taxation should be kept as low as possible, and he

congratulated himself on being able to be at one with him in this respect. With regard to this question of the Government deposits in the banks every one knew that it was a loss to have capital lying idle, and so far his hon. friend was right; but, also, he supposed, there was no business man who was not aware that it was necessary for all concerns having large pecuniary transactions, and therefore for the Government, to have a large sum of money where they could reach it at once; that was practically in the banks in order to conduct the administration of the affairs of the country. He did not think two wrongs made one right; but he did suppose that when a line of policy had been followed for a number of years by all previous Governments, there must be good reason for it, as there assuredly was; and if it were not a crime for the late Government to have deposits in banks, it could not be any greater crime when continued by their successors. The same reasons of necessity that governed the late Administration in this matter were applicable to the present Government in inducing them to do the same thing. If this Government had begun this system of having large deposits on call in the different banks, it might be supposed that they had some special interest in it, but if they did only what had been done before, it was reasonable to suppose that all did what was right. If they looked at the policy of the late Government, they would find that this system began at a much earlier period than they would be led to suppose from the arguments of his hon. friend. He would not go very far back, and taking the last months of the late Administration he found larger Government deposits in the Canadian banks, and his impression was that there was also a considerable balance at the same time in the hands of the English agents. But leaving them out as having nothing to do with the question, and confining himself to Canadian banks, he found that in 1873, the Government deposits were as follows:—

January .....	\$5,710,000
February .....	7,102,000
March .....	7,709,000
April .....	8,145,000
May .....	9,487,000
June .....	9,405,000
July .....	7,760,000
August .....	7,420,000
September .....	6,500,000

In three months there was a fall of 50 per cent. He thought that this was quite

as great a fluctuation in the bank deposits of the late Government as had been shown by the figures of his hon. friend from Belleville. He had not gone over these returns for several years to see where this money was deposited, but he supposed each Government made their deposits with due regard to the public welfare and a desire to give all parts of the country some share of the benefits. Causes would arise from time to time which would make it imprudent to give some banks the same amounts as others, but these causes were of a kind that could not be discussed. His hon. friend had alluded to the Ontario Bank, with three millions capital having \$300,000 of Government money in its hands, without interest, and for a short time \$600,000. But on turning to the *Official Gazette* of 1872, in the month of July, he found that the Royal Canadian Bank, with a capital of \$2,000,000, had \$883,056 of Government money on deposit. The next month the same bank had \$941,232; in September they had \$887,651, and in October \$956,438. These were striking, but not the most striking figures, in connection with the statement of his hon. friend. He found that the Union Bank also, with only \$2,000,000 of capital, had in October of 1872, of Government money on deposit, \$1,204,779, he supposed put there by Sir Francois Hinks, whom his hon. friend had spoken of as a very able financier. He (Mr. Penny) believed him to be so—and if he made this large deposit in a bank of such small means, there was doubtless some reason why he did so—at least he was sure his hon. friend would say so. In the following month, September, the same bank had on deposit \$1,116,570. In August they had \$922,121, and in July they had \$1,089,897. He thought, he repeated, that under these circumstances there must be some good reasons which actuated both Governments in making these deposits, and if there were not, he was very much surprised that his hon. friend had taken so long to find it out.

Hon. Mr. DICKEY asked what proportion of the money was on interest, and not on interest?

Hon. Mr. PENNY said he had not taken off that detail; but as far as he remembered, he thought, perhaps, the larger portion was on interest, except in the case of the Montreal Bank.

Hon. Mr. KAULBACH said he had given great attention to the facts and reasoning of the hon. gentleman, the mover

of the resolution, and if his figures were correct, which no doubt they were, the practice of the Government in respect to public funds could not be in the interest of the public; and may even affect the stability of the banks. His hon. friend from Montreal failed to show the necessity in 1874 for our Finance Minister having to borrow so large a sum, to impose so heavy a debt upon us as twenty millions—when the money was not required—and the country taxed to pay the interest. At that very time the banks were holders of large deposits from the Government; given, as it appeared, with partiality, not drawing any interest. Among other favourite banks, the Bank of Montreal then held without interest nearly \$4,000,000. When the policy of the Government was denounced, the hon. gentleman resorted to the same expedient which has uniformly been the cloak of the Government: "That their predecessors did the same thing."

Hon. Mr. PENNY said he justified it on other grounds—on the ground of propriety and necessity.

Hon. Mr. KAULBACH said the hon. gentleman had failed, in his opinion, to show any reason why twenty millions was borrowed, when we had millions of dollars profitless in the banks—\$3,800,000 in the Bank of Montreal not paying any interest—borrowing money, paying interest on it, and lending it without interest. It was invariably the case that the Government and its friends, when every other reason for their conduct failed, sought for precedents in the acts of their predecessors, but in that they often failed, as in this case. It might be they were deceived in the Government returns—all parties assumed the distinction between deposits "payable after notice," and deposits "payable on demand," was that the one bore interest, the other did not; but that assumption, it appears, was not reliable. To borrow money to lend was not the duty of the Government, and such policy must be condemned. It was extremely doubtful whether such policy tended to the safety of even the banks, but certainly it was not to the interest of the public—not even to bank borrowers. It tempted the banks to loan money freely; and then, as the hon. mover of this resolution clearly showed, the Government demanding payment, as it did by its general circular, caused a sudden reaction, a restriction of loans, and a demand for payment from bank customers, tending to great

loss and probable failures of business men. Such unnatural expansion and restriction could not fail to be injurious. This question was one worthy of careful consideration, and if possible other means should be devised by which Government deposits may be held, without detriment to the public welfare.

Hon. Mr. MACPHERSON said the question referred to in the resolution was a very important one, but very little had been said about it during the debate; gentlemen had confined themselves entirely to another question. According to the resolution they should have discussed the proper way of keeping the public deposits; whether it was admissible to adhere to the present system or whether some new method should be devised. It was important to know whether Government had dealt impartially with the banks in this matter of deposits. He would not dwell upon that point, but rather confine himself to the subject of the resolution. The banks had to pay interest for a large proportion of the public deposits, and it was unreasonable to expect that those deposits would be left idle in their vaults. The money was employed just as their own capital was, for the purpose of commerce. All knew it was much easier to lend than to collect when money might be required. Government, of course, needed money occasionally, and the only way of meeting their liabilities was to call it in from the banks with which they had deposited, and in doing that a stringency was created which was inevitable. It was desirable that this question should be discussed prior to the expiration of all the bank charters in 1881, when legislation upon the subject of the resolution would become necessary, and, in his opinion, means should be devised of withdrawing public deposits from the channels of trade. This would do away with the expansion and contraction complained of, so far as these are affected by the employment of the public deposits by the banks. It would also lead to greater economy. The public would be much more watchful of the financial policy, and the Government would see that loans were not made before they were wanted, because they would have to pay interest thereon and receive nothing in return. The general answer to the objections to the present system was that interest was being received for the deposits—that the money was borrowed in a country where interest is low and loaned where it is high. It was desirable that

the answer should cease to exist, and that money should not be borrowed or taxes imposed until absolutely required. If there was a place of public deposit, a treasury, where the funds would be kept and employed only for the purposes of Government, it would lead to good results.

Hon. Mr. ALEXANEDR—This was one of those public questions on which it is expected the Senate should pronounce an opinion, one which should be discussed in this Chamber with great advantage to the country, because it was well known that no expression or vote of this House could affect or imperil the position of the Government of the day, and consequently there was more freedom to express opinions irrespective of party considerations. The feeling of the country was that it was not necessary for the Government to borrow so largely before the money was required. There could be no doubt that great evil had arisen from depositing for a limited period large amounts in the banks, and it is questionable whether even to the banks themselves such a practice was not fraught very often with evil results. The Finance Minister had in another quarter expressed the view that from the temporary possession of so much capital the banks had been imprudent, had fostered and encouraged excessive importations by men of straw, disturbed the general trade of the country, and probably injured their shareholders. If this were so, were not the Government censurable for such a system of deposits? More especially, if it could be shown that larger loans had been effected than were necessary, and that large amounts had been raised long before they were required. At this very moment we had upwards of \$14,000,000 on deposit, while a large part of it would not be used during the present year. Many men of experience dissent from the view that it is necessary to borrow in 1874 what would be required in 1875. In commercial circles it was held that small loans might be made more advantageously than larger ones, and it is a question whether less evil would not accrue from our borrowing more frequently, smaller amounts, just as they are required for the enlarging of our canals and other public works now under contract, instead of negotiating so large an issue of Dominion debentures, so long before the money was required. If the Minister of Finance could not go to England so frequently, could such not be ne-

gotiated by cable or by letter through our regular financial agents? When we look at the very disastrous effect produced by this system of large deposits in our banks leading to overtrading, and consequently much insolvency, the Government and Parliament ought to study how this evil is to be avoided in the future. There was no desire to ascribe to the Government any corrupt motives, but some might attribute this excessive and premature borrowing to the want of financial skill and ability. Money could be wasted in the way suggested just as readily as by the purchase of steel rails prematurely.

Hon. Mr. SCOTT said in discussing the resolution the gentleman from Belleville had taken occasion to make an attack upon the Government. He would not follow him through all the devious ways which he had taken. He had spoken of large sums of money having been borrowed by the Government and deposited by them in the banks, but he did not speak of the estimates of expenditures which had been made. The last estimates of his hon. friends had provided ten millions for their canal, Intercolonial and Pacific railway policy, which works cost large sums of money to carry out. Moreover, there had been large sums for Prince Edward Island, amounting to about a million of dollars, to be paid; it would be found that nine millions would hardly cover the sums wanted at the last session by his hon. friends, which were chargeable to capital account. A point had been attempted to be made that it was inadvisable to borrow in advance, but that the sums required should be raised from year to year. In the opinion of several gentlemen, who had held the position of Minister of Finance, it had been contended that Canada should not go too frequently to the English capitalists to borrow. Gentlemen here who were familiar with the history of Canada, would recollect that within the last ten years the Government of the country had had to pay the Bank of Montreal as high a rate of interest as eight per cent. With the large amount of expenditures which Canada had now to make, if the Finance Minister did not anticipate payments, money would have to be borrowed in Canada at large rates of interest.

In answer to Hon. Mr. Campbell,

Hon. Mr. SCOTT said that the occasion to which he had referred had been just before Confederation. With the proceeds of the ten millions borrowed in London in 1875, four millions of debt had to be paid

in England and an amount of interest equivalent to that sum had been temporarily left there, he thought rightly, instead of bringing it here to affect and disturb the circulation. From October, 1873, to the present time there had not been above three millions variation in the amount of deposits in Canada, which would be the highest or lowest amount of inflation or contraction. He did not think that Canada could now go to England and get the money on as favourable terms as it did then. The market of England was continually fluctuating, and Canada's position was not such as would enable her to float a loan as favourably now as she did last year. He supposed the hon. gentleman, having placed his resolution before the House, but having indicated no particular policy, would be prepared to withdraw it after the discussion which had taken place. He held that the Government's policy in borrowing had been perfectly justifiable, and had been justified, as he believed no one would say with the stupendous works which Canada had on hand she should not have a margin.

At the suggestion of Hon. Mr. Campbell, Mr. Read withdrew his motion.

#### NOVA SCOTIA COUNTY JUDGES.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Nova Scotia County Court Judges' Salary Bill. He said it was a Bill which was brought before this House last session, and which was objected to at the time by members from Nova Scotia, on the ground that the law which had been passed by the Local Legislature, creating these Courts, was to be repealed. The Bill for that purpose was actually before the Local House at the time, but the expectations of the hon. members of this House from Nova Scotia were not realized. Since that time the Government had been asked, under the provisions of the British North America Act, to provide for the salaries of these Judges, as the Courts had been established two years and the Local Legislature had twice shown their intention to have the laws remain on the statute book, consequently it remained for the Dominion Government to bring in this Bill to provide for the salaries of the Judges. The Bill was the same as the one introduced last year.

Mon. Mr. BOURINOT said when the Bill came up for discussion last year he had opposed it for a variety of reasons, some of which still existed. In the first



place the country did not demand such a Bill; it would lead to a great deal of litigation, for by all accounts some of the County Judges were not qualified for the position. This was one of the reasons he gave last year for opposing the measure. Another reason was the House of Assembly was then sitting, and they were informed by telegraph that the Bill was about to be repealed. It was a new House, the members had just been returned from the country, and he thought they were the parties who were most capable of judging whether such a Bill was acceptable to the Province or not. They adopted the measure and placed it on the statute book, and as the Local Legislature had so decided, he had to withdraw his opposition, although his reasons remained the same, and he thought the Bill would create a great deal of evil in the Province of Nova Scotia.

The Bill was read the second time and the House adjourned at 6 p. m.

WEDNESDAY, March 15.

The PRESIDENT took the chair at 3 p. m.

Prayers were read.

After routine,

LIST OF BANK SHAREHOLDERS.

Hon. Mr. McMASTER moved that in the opinion of this House it is desirable that uniformity should be observed by the various chartered banks of the Dominion in sending certified lists of their shareholders to Parliament. To this end it shall be the duty of the clerk of this House by circular addressed to the chief officer of such banks to request that each list of shareholders shall be made up in alphabetical order to the first day of January in every year, and in conformity with the terms of the Statute 34 Victoria, Cap. 5, it shall be duly certified and laid before Parliament within fifteen days after the opening of the session. To resolve further, that before the lists of shareholders are printed, the Clerk of this House be directed to return such as have been presented during the present session to the chief officer of the respective banks with a request that it may be made exactly to conform with the foregoing resolution. He said his object in bringing up this motion was for the purpose of laying before this House in a regular way the returns of the lists of shareholders of the different banks. The

returns as they were now made were of different dates, and some of them were without either dates or signatures. Others sent in the lists that were published at their annual meetings some six or eight months ago. With a view to remedy this, and to secure uniformity in the returns, he submitted this resolution. He did not suppose the banks had any intention of evading the law in making their returns, and he thought perhaps an expression of opinion on the part of this House would be sufficient to remedy the matter. He was prepared to withdraw his motion if the Government would take up the question.

Hon. Mr. LETELLIER DE ST. JUST said he did not see any great objection to the motion, except that it would only express an opinion, and this opinion might be disregarded by these chartered banks, who were not obliged by the law to make returns in the manner asked for in this resolution. The hon. gentleman would do better to withdraw his motion, and bring in a bill to amend the Act 34 Vic., and determine at what date these returns shall be made.

Hon. Mr. CAMPBELL said he quite agreed with the view taken by the Minister of Agriculture. It would be much better to withdraw the motion and bring in a bill to amend the Banking Act, as the resolution would not secure the object which was sought for.

Hon. Mr. SIMPSON said it was his opinion if the banks knew that the Senate required them to send in returns of the lists of their shareholders to a certain date, that requirement would be complied with. The Ontario Bank had furnished its return up to the 15th of October, but he thought there should be uniformity in making returns to a certain date.

Hon. Mr. MACPHERSON said he supposed the Government would introduce a measure on this subject. It would be useless for any private member of this House to introduce a bill upon a public question unless the Government agreed to make it their own. He did not think it would be advisable for the House to order the banks to make returns which the law did not compel them to comply with.

Hon. Mr. LETELLIER DE ST. JUST said if the hon. gentleman who moved the resolution would allow it to stand for a while he would consult with his colleagues on the subject.

Hon. Mr. WILMOT said some of the banks in the Maritime Provinces made no returns at all. He thought it advisable that they should be brought in, so that all banks chartered by the Dominion should make these returns.

Hon. Mr. WARK said the banks referred to did not come under the Act until their present charters expired.

Hon. Mr. McMASTER said he did not contemplate any new returns; the return he expected would be the same as they now had, but it would be obligatory upon the banks to send in their returns up to the same date. He had no objection to allowing his motion to stand if the Government would look into the matter.

Hon. Mr. LETELIER DE ST. JUST promised that he would do so, and the order was allowed to stand.

#### THE STEEL RAILS PURCHASE.

Hon. Mr. SMITH moved that this hon. House, in view of the necessity that exists for economy and retrenchment, do resolve itself into Committee of the Whole, to consider what ought to be done with the large quantity of steel rails held by the Government, which are not required for the public works of the Dominion at present, or likely to be for a considerable time to come, the quantity being 49,500 tons, costing now over \$3,000,000, on which a loss has already been made of over \$800,000. He said his reason for bringing in this motion was, that a very large amount of public property was being unused, and it was his opinion that some suggestion might be made to dispose of this property in a manner that the country would not lose much more than it had already lost on the transaction. He would show that the loss up to the present was over \$800,000. For fear that there might be any doubt as to whether this statement was correct, he would give a memorandum of a purchase made not long ago in England. It was a purchase of 25,000 tons of steel rails, not much more than half the quantity referred to in the resolution. The cost was £8 3s 6d. per ton in England; exchange, 9½ per cent, \$39.78; 2s. 6d. sterling for handling, would be 61c.; 12s. 5d. sterling for freight, would be \$3.04; 2s. 6d. for insurance, 61c.; add for other small expenses 46c. per ton, and it would make only \$44.50 per ton. The quantity purchased by the Government was 49,500 at \$54. per ton laid down—a difference of \$9.50 per ton, amounting on the entire purchase to \$470,250. Interest

carried for two years would make in all a difference of \$880,632. He did not make this statement from hearsay or from supposition, but from an actual purchase made. He had other purchases before him which had been brought to his notice, which showed that the country had lost a very large sum of money on this transaction. The judgment of the parties who ordered these rails must have been very bad, or they would not have purchased them so long in advance of any prospect of their being required for the use of the country. He believed now that if a portion of the rails could be disposed of it would be much better than that they should be held over for a couple of years unused. It was not from any ill feeling towards the Government that he had brought this matter before the House; his object was to see if means could not be taken to dispose of this property. Before sitting down he wished to say a few words on the manner in which the mercantile portion of the Dominion had been deceived in consequence of an anticipated change in the tariff. On the 26th of January, a change was foreshadowed by a friend and supporter of the Administration in Montreal; and on the 27th it appeared in the *Montreal Herald*. This fact alarmed every trader in the country, and as they have come through a severe period of commercial depression they were anxious to save the anticipated increase of duty on the goods which they had in bond, so they raised money at large rates of interest and released them. This, he considered, was a great hardship on the commercial men of this country. If there was to have been no change in the tariff, the Prime Minister and the Finance Minister should not have allowed their friends to foreshadow a change, and by their silence, lead the merchants to believe that a new tariff would be introduced. Many of them had paid duty on and removed large quantities of goods from bond, that they would not require for twelve months to come. If the Finance Minister allowed a change to be foreshadowed for the purpose of raising money to fill the treasury, it was an act that would not be endorsed by this House or by the country. No Finance Minister should be allowed to place the merchants of the Dominion at such a disadvantage, particularly at a time of such commercial depression.

Hon. Mr. SCOTT said he thought the motion of the hon. gentleman would have

been much more in harmony with the sentiments he had uttered if it had been a resolution condemning the Government for not increasing the tariff. It was quite clear that it was out of the fullness of the heart the mouth had spoken; it was not because the Government had purchased a quantity of steel rails prematurely that the hon. gentleman condemned them, but it was because the Finance Minister had not put on an increase of 2½ per cent. on the tariff. No doubt the hon. gentleman had run his chance of such an increase, had taken his goods out of bond and was paying his banker a large amount of interest on the money. He did not think the hon. gentleman could place on the Government the responsibility of foreshadowing a change in the tariff. Deputations had waited on the Finance Minister and had expressed their views of what they considered ought to be done if a change of tariff took place, but they were quite unwarranted in drawing the conclusion that because they were received politely by the Government the policy they advocated was to be carried out. As far as the steel rails were concerned he begged to assure his hon. friend that the Government believed they had no more rails than they required at the present time. They considered they were justified in making the purchase they had made, and a large portion of the rails would be utilized during the coming season. The hon. gentleman was very nearly correct as to the cost of the rails; he believed the average cost of 49,000 tons delivered in Canadian ports was \$54.60 per ton. He would now inform the House what disposition the Government had made of these rails, and it would be for hon. gentlemen to state whether in view of the construction of the Pacific Railway the Government were not justified in taking advantage of what they believed was a low market to purchase what they required. They had at the present moment all graded and ready for rails the line between Pembina and Winnipeg, a distance of 68 miles, which would require 6,120 tons of rails, of which there were now at Red River 5,118 tons. During the last three years it had been considered both by the former Government and by the present Administration that that branch was one that should be the first to be constructed. They all believed, and had every reason to believe, that the portion of the road on the American side of the line would have been finished to Pembina before this, and it was

our interest to have the branch from Pembina to Winnipeg finished at the same time, so as to have through connection by rail to the North-west from Ontario. The sections between Fort William and Lac des Mille Lacs, 40 miles, were nearly all graded and ready for the rails. The Government had on hand there 5,460 tons of rails. Then there was the section from Winnipeg to the junction with the main line of the Pacific Railway where it crossed the Red River, north, 20 miles, which would require 2,170 tons.

Hon. Mr. MACPHERSON asked what road that was.

Hon. Mr. SCOTT said it connected with the main line of the Pacific Railway which was being constructed east from Red River towards Lake Superior.

Hon. Mr. MACPHERSON—Is that the main line?

Hon. Mr. SCOTT said it was the main line, and it would cross the Red River 20 or 23 miles north of Fort Garry.

Hon. Mr. CAMPBELL enquired if the road ran from Winnipeg to the main line how did it constitute a portion of the Pacific Railway?

Hon. Mr. SCOTT said the statute authorized the building of a branch between Pembina and the main line. It was thought this point of intersection would be in the vicinity of Winnipeg, but the main line is located further north, making it more direct than deflecting south to Winnipeg.

Hon. Mr. CAMPBELL—What is the use of extending the Winnipeg Branch north before the main line is completed?

Hon. Mr. SCOTT said it was now being built from Red River to Lake of the Woods.

Hon. Mr. CAMPBELL—Under what authority is the Pembina Branch line to the Junction being built?

Hon. Mr. SCOTT said it was under the authority of the Pacific Railway Act, which authorized the extension of the Pembina line to connect with the main line of the Pacific Railway. This Pembina Branch and its extension would require 8,000 tons of rails. In British Columbia the Government had 5,000 tons of rails. Hon. gentlemen would agree with him that when they undertook to construct the Esquimalt and Nanaimo road the Government were quite justified in contracting for the rails for it. Nobody could have anticipated that Parliament would repudiate the terms which had

been agreed upon on the arbitration of Lord Carnarvon, and that the road would not be proceeded with. It was announced in Parliament in 1874 that the Esquimalt and Nanaimo road would be constructed immediately. The policy was endorsed by the Commons, and he considered the Government were justified in purchasing the rails.

Hon. Mr. MACPHERSON—Does the hon. gentleman say the Government was justified in purchasing the rails for the road before the line was surveyed?

Hon. Mr. SCOTT—Any business man would be justified, when he anticipated a rise in the market, in buying in a low market in advance of his requirements, just as the hon. gentleman who moved this resolution, anticipating a change in the tariff, had taken his goods out of bond to avoid increased duties.

Hon. Mr. MACPHERSON said the hon. gentleman was a trader and risked his own money, and it was not a parallel case for the Government.

Hon. Mr. SCOTT said he had already accounted for 23,000 tons of rails; in addition to that they required at Halifax 11,045 tons for the Intercolonial Railway. One thousand tons of those were on hand, and 10,000 tons more were on the way out; that accounted for 34,255 tons.

Hon. Mr. CAMPBELL—Ten thousand tons on the way; from where?

Hon. Mr. SCOTT—From England.

Hon. Mr. MILLAR asked what part of the Intercolonial Railway the rails were required for, as it was completed as far as Halifax?

Hon. Mr. SCOTT said he really did not know; he was so advised.

Hon. Mr. WARK said there were forty-one miles of old rails to be taken up and replaced with steel rails, and the old rails were to be given to some of the branch lines.

Hon. Mr. SCOTT said he found that as early as 1871 the Government of the day had made large purchases of rails for the Intercolonial Railway, some of which were not yet used, but Parliament did not consider it necessary to censure them for making such purchases.

Hon. Mr. CAMPBELL said that no rails were purchased whatever by the late Government. The Intercolonial Railway was built by Commissioners under authority from Parliament.

Hon. Mr. SCOTT said he would accept his hon. friend's explanation and let it go to the country, but he doubted very much if the people would relieve the late Government of the responsibility of the acts of the Intercolonial Railway Commissioners. In 1871, 11,000 tons of rails were purchased from the firm of Barrow, Henrich & Co., for which the average price delivered in Canadian ports was \$58.60. The next purchase was from the Ebbw Vale Co., in 1872, seven thousand tons, at \$61 per ton. There was also a purchase of rails from John Hawes & Co., commencing in 1873 and extending to 1874, the average rate of which was \$85.53 per ton. That purchase was the last evidence the present Government had of the value of steel rails, and the Minister of Public Works believed that it was a prudent thing when rails had fallen to the very low rate they did in the latter part of 1874, and after consulting with a number of leading men in the iron trade, to make this purchase in a low market by calling for tenders. He was under the impression that some of the purchases for rails for the Intercolonial Railway had been made without tenders.

Hon. Mr. MACPHERSON asked how much was paid for the rails when they were bought above the market price that prevailed when the rails were laid?

Hon. Mr. SCOTT said the last rails cost \$85 per ton, and some of them were not laid yet, he supposed.

Hon. Mr. CAMPBELL said the hon. gentleman was quite ready to suppose anything.

Hon. Mr. SCOTT said the hon. gentleman would see that the last experience in purchasing rails that the Department had under the former Government was \$85 per ton, and the average price of the late purchase was \$54.60, which left a considerable margin for the interest on the investment during the period the rails were unused. He was advised that it was customary for railway companies to lay in supplies of rails in advance so that they could have them when they required them; and when it was seen that the Government required 34,000 tons of rails in one year, they were justified in purchasing what they did when prices were considered unprecedentedly low. It might be if they had not done so they would have been censured by hon. gentlemen opposite for not availing themselves of the opportunity that was afforded. Rails, he believed, were never so low before as

they were at that time, and had prices gone back to \$84 and the Government were obliged to pay half a million dollars more for the rails they required they would no doubt have been censured for not taking advantage of the low market.

Hon. Mr. MACPHERSON—Is it the intention to lay rails on the Pembina branch before the American road is open?

Hon. Mr. SCOTT—That subject has not been discussed.

Hon. Mr. MOLELAN said so many references had been made by his hon. friend the Secretary of State to the Intercolonial that he felt called on to address a few words to the House. The opening remark of the hon. Minister, taken in connection with what fell from the member for Montreal sitting beside him, would lead to the supposition that the Government held that the Opposition desired to increase taxation in this country. He did not believe there was a man on the Opposition benches of either House who had that desire. On the contrary the great complaint of the Opposition is that the Government has imposed additional burdens on the people, uncalled for and without a proper discrimination as to the effect on our industries. He held that the large sum necessary to carry on the business of the country, when judiciously applied in the tariff to the protection of such industries as each Province has peculiar natural advantages for, will be found quite sufficient. Every Province in the Dominion has advantages for the prosecution of some industry, which might be judiciously protected to the advantage of the whole, and without increasing the volume of taxation. If simple increase of taxation was wanted, then the present Government was meeting that want. In the returns to Parliament for the period the hon. gentlemen opposite had held power there had been an increase of taxation to the extent of \$5,476,183, on a reduced importation of over eight millions. It would lead him aside from the question to which he wished at that time to address himself, to go over the accounts, and show how the gentlemen on the Treasury Benches had disposed of this large sum; but he could not pass from it without saying that it must have struck every hon. gentleman who had looked into the Public Accounts, to see how enormously the members of the Government have increased the expenses of their own offices. In contingencies the increased expenditure in the two years the hon. gentlemen have been in office, compared

with the last two years of their predecessors, has been \$124,978.86, and the total increase, by the same comparison, in the thirteen offices, held by the thirteen members of the Government, has been \$495,052.64. With an increased taxation of over five millions, and half a million added to the expenses in the offices in which the hon. gentlemen sit, it was hardly fair to gentlemen in the Opposition to suppose they could desire to see taxation increased. In the matter more immediately under consideration, the Hon. Secretary of State had informed the House that at certain points in the Northwest some eighteen thousand tons of these steel rails may, at some period, he hopes not very remote, be used, that five thousand tons more are shipped to British Columbia for a road the Government will not pretend they have the least idea of building; and 11,000 tons more they propose using on the Intercolonial. In 1871 all the rails—45,000 tons—required for the entire Intercolonial were engaged, and what they propose to do with 11,000 tons more, a quantity sufficient to lay 125 miles of road, was to him incomprehensible. Could it be possible that the Government had decided to lay a double track on the Intercolonial? It would not be a greater stretch of authority or usurpation of power than the purchase of the 50,000 tons of rails at a cost of three millions, or to lay before Parliament the report of their engineer on St. Peter's Canal, ask for a grant of money to carry it out, advertise for tenders for the work on the dimensions and specifications of that report thus sanctioned by Parliament, and then coolly change the entire plans, and contract for the work on the unauthorized change. Hon. gentlemen opposite ask why we contracted for rails in advance of the time when we expected to use them? The answer is in the entirely different circumstances under which the contracts were made. The hon. gentlemen rushed into contracts for three million dollars worth of rails before they had a mile of road to lay them on located or contracted for, whilst in the case of the Intercolonial the entire road was under contract and the work of grading so well advanced that rails were laid in 1871, and in 1872 the Nova Scotia section of the road opened for traffic. There was also, if possible, a wider difference in the rail market at the time of the two contracts. Late in 1870, we found the testimony in favour of steel rails so rapidly ac-

cumulating that the Commissioners believed it was the only true economy to use them instead of iron; they also saw that the same evidence that led them to this decision would operate on all the railway world, and that for some years there would be a demand for steel rails that would tax to the utmost the capacity for production, and this, combined with the advanced prices, would for some years enormously increase the cost of steel rails, and the Commissioners decided to contract for the whole quantity required. This was not done hastily; notice was given on both sides of the water of the quantity required, and tenders were received direct from the principal manufacturers in the United Kingdom.

Hon. Mr. DICKEY.—When were the rails to be delivered?

Hon. Mr. McLELAN.—Whenever required for use up to 1873. Unexpected difficulties occurred in the construction of the Miramichi and Restigouche bridges, which delayed the completion of the whole road beyond the time named in the contracts; but the circumstances mentioned induced the Commissioners to give the contract then for the whole and were their justification, as they effected a saving of over a million of dollars by so doing.

Hon. Mr. MILLER.—Had you the authority of Parliament to make the purchase then?

Hon. Mr. McLELAN.—Under the general Act for the construction of the Intercolonial we had authority to contract for everything connected with the road.

Hon. Mr. SCOTT.—No one doubts that; no one is criticising the purchase.

Hon. Mr. McLELAN.—But you cited the contract as a precedent and justification of your purchase, which was evidently without any consideration of the entire change in the condition of the iron trade. The Government appeared to him to have acted after the manner of a reckless gambler. Seeing that the late Government had saved at least a million dollars by contracting in advance for the forty-five thousand tons, they say "we see your million and go ten per cent. better; we will take 50,000 tons." And the result is a loss of nearly a million and a lot of rails on hand for which there is no use. Did it never occur to the gentlemen on the Treasury benches to look at the condition of the iron trade of the world? The high prices and enormous demand for rails in

the years '71, '72, and '73, had led to large increase in the capacity to manufacture on both continents. In the United States 14 new Bessemer steel works were established in 1872 and 1873. This increased power of production was met by a large falling off in the demand, a decline in wages and fuel, which led to a steady decline in prices from the beginning of 1874 down to the present hour. Of 696 completed furnaces in the United States fully one half were out of blast, and in the United Kingdom very many were also closed, and had the Government turned to the authorities under their own hand they would have seen that it was commercial madness to expend three millions on rails they did not need. He had made a few extracts from the very best authority on the condition of the markets, the *London Economist*, with which he would trouble the House. Commencing with the month of October, 1874, the time at which the Government decided to make this purchase, he found the quotations of the iron market presenting a continuous decline.

October 10th, 1874—"If prices are any guide in the course of business in the iron trade, that industry is still on the decline; buyers are naturally unwilling to place orders for iron now when the market is continually becoming more favourable to them."

Nov. 7th—"Finished iron, especially rails and heavy iron, is in so extremely dull demand that many factories are closing."

December 5th—"No revival has occurred in the demand for finished iron, prices still giving way."

December 26th—"The production of finished iron, though sustained at fair rates in some districts, is on the whole dull and depressed."

January 2nd, 1875—"The gloom and depression now reported in the iron trade on the whole appears to arise from the poor prospects manufacturers see of returning activity at anything like profitable rates."

February 6th—"Notwithstanding the cessation of work in two counties of South Wales district, no special activity is apparent in the others. In finished iron a fair trade is reported, but the same consideration as to drooping prices of fuel have effect."

March 6th—"Prices of iron are held up by the cessation of work at South Wales but the tendency would otherwise appear to be still downward. Orders given out

are all reported small, and of the kind denoting a restricted demand in the absence of confidence as to prices."

April 3rd—"Consumers await a further reduction of quotations, and producers find coal getting cheaper and cheaper, and wages are steadily tending in a downward direction."

May—"Market steadier."

June—"Assumed a more demoralized appearance."

July—"Dull and unsettled,"

August 7th—"Prices still tending downward."

September—"More orders, but for prompt delivery, prices still tending down."

October 2nd—"Little appearance of activity."

November 6th—"Large manufacturing firm closed for want of orders."

December 4th—"A little increased activity to complete contracts before Christmas, and partly from a fall in prices."

1876, January 1st—"Iron manufactures remain depressed."

February 5th—"The price of iron is still giving way."

February 26th—"In the iron trade there is increased dullness. Prices continue to fall without showing the least tendency to check themselves."

From these quotations it will be seen that from a period previous to the purchase of these rails, there has been a steady decline, and it will be seen how unwarrantable is the assertion of the hon. gentleman opposite, that the Government made a favourable bargain. Had the hon. Secretary of State, instead of taking credit for this transaction, admitted that it was a costly mistake, he would not have troubled the House, and he would have spared the hon. gentlemen the reading of the strong condemnation which their own officer gives of them. The House will recollect that in 1874 the Government sent their officer, Mr. Brydges, a gentleman of unquestionable ability—a gentleman whom the Premier pronounces competent and efficient on all railway matters, to examine into the working of their railways in the Maritime Provinces. Amongst many things which Mr. Brydges condemned was the purchase through John Hawes & Co. of a certain quantity of rails for relaying portions of the old road in 1874. He condemned the purchase because made through a third party, and most strongly because made in a falling market before they were re-

quired for use. Mr. Brydges says in his report:—"There is no doubt whatever that at the close of 1873 and beginning of 1874 the steel rail market in England was well known to be in a declining condition, and no prudent man would buy rails at that time, unless he actually wanted them for immediate delivery. This was known to all those who were buyers of rails, and I doubt if any other railway on this Continent, at that time, made contracts for rail deliveries, seven and eight months in advance of the actual time when they wanted to use them." Such is the crushing condemnation which the ablest officer in their employ gives to this transaction. It is true he is not speaking of the three million purchase, but of the smaller purchase, made under conditions far more favourable to the purchaser than those under which the larger purchase was made. Mr. Brydges is condemning the purchase through a third party, John Hawes & Co., and in a falling market, of the rails, which the Secretary of State tells us cost \$85 per ton, a purchase made under the present Government.

Hon. Mr. SCOTT—I beg pardon; that is not the fact.

Hon. Mr. McLELAN—Will the hon. gentleman listen to what Mr. Brydges says: "Although the rails were not required to be delivered on the line until after June, 1874, the order for them had been given as far back as the months of December and January previously." Surely the hon. gentlemen opposite were on the Treasury Benches at that time. In another portion of this same report Mr. Brydges directly says, in censuring Carroll, that the order was given some months after the change of Government in October.

Hon. Mr. SCOTT—I find in the certificate from Mr. Braun that the purchase from John Hawes & Co. is marked April, 1873.

Hon. Mr. McLELAN—That was an earlier purchase made under different circumstances. The purchases which Mr. Brydges so strongly condemned in the passage read to the House were made in December and January, under the present Government, and when, as he declares, "no prudent man would have purchased." If the condemnation be so strong in the smaller purchase, how overwhelming it is when applied to the three million contract! He would not at this time pursue this question further, but leave the Government that boast of having made a

favourable bargain branded by the certificate of their own officer as wanting in common caution and prudence.

Hon. Mr. READ said he was pleased to find that the hon. gentleman opposite did not take the same position as he took when the question was up for discussion a short time ago. Had he maintained the same position, that the rails were worth the money now, he (Mr. Read) had intended to probe the matter further and show conclusively to the House that his figures were rather below than above the mark, and a loss of \$800,000 made by the purchase up to this date. The roads that were under contract and were apparently going to be built made a total of 190 miles, while the rails purchased would lay 550 miles. The contracts given out were as follows:—45 miles from Thunder Bay to Shebanoiwag; 77 miles from Cross Lake to Red River; 68 miles from Red River to Pembina, and another road of 23 miles which was a new thing, and Parliament had heard about it for the first time in this House. The fact being that 190 miles of road are in the course of construction, and that there were rails for 550 miles, it was reasonable to ask what was to be done with the remainder. We know to-day that there was a large expenditure of money on these rails. The transportation to British Columbia, interest, etc., made the total expenditure up to date little less than \$3,250,000. He would be delighted to relieve the Government of the responsibility for this; the rails were purchased too soon and at too great a cost. There was no good defence of the transaction. It was a most unwise measure; it was simply laying out money because they had it in their possession and scarcely knew what to do with it. They had imposed a tax on every cup of tea and coffee drunk in the Dominion, as well as on shipbuilding material, to expend on steel rails and other unnecessary things.

Hon. Mr. MACDONALD (B. C.) said this matter should be looked upon as an ordinary commercial transaction, and could be fully justified as such. Government, in a few years, will require rails for over two thousand miles, and they purchased sufficient for five hundred miles, and that at a time when prices were supposed to be highly favourable. Previous to this purchase, iron of all kinds had been very high, owing to union strikes and the operations of large iron and coal masters. The market began to fall steadily for some time; the chief railway engineer, knowing

that a large quantity of rails would soon be wanted, thought the market had arrived at that state when a purchase ought to be made, and recommended accordingly. He imagined no hon. gentleman in this Chamber would undertake to say that he could foresee such a decline as has taken place in the iron market. If one of a number of partners in a firm, with the approval of all, made purchases in a foreign market at a time when it was supposed this could be done advantageously, and if at some time afterwards prices should fall, and a large stock remain unsold, would it be just in the partners to turn round and censure the one who made the purchase? If all business men were prophets there would be no losses, no commercial depression, no overproduction by manufacturers. This resolution might apply with as much force to importers and lumbermen who have larger stocks on hand than requisite to meet the demand, as to the Government for purchasing a little in advance. He contended that the transaction was amply justified.

Hon. Mr. KAULBACH said he was surprised at the attempt of his hon. friend who had just now taken his seat to justify the steel rails purchase by the Government. That hon. gentleman said the purchase was supposed to be good: that the Government had the right to trade in the market; that the money might as well be invested in rails as lie idle in the banks. He (Mr. Kaulbach) joined issue with the hon. gentleman, and said it was an unwise purchase. There were no rails wanted at the time; the Government had no legal right to purchase; the rails were purchased in a falling market, when the supply was far in excess of the demand; and millions of the public money were wasted by this unwise speculation, whilst the rails lay deteriorating in value, and might become comparatively useless. With the exception of his hon. friend, he doubted whether any hon. gentleman could be found to justify such an unwarranted waste of public money at a loss, as had been shown, of millions of dollars to the country. The *tu quoque* argument had utterly failed the Government in this instance. The motion before the House was based on the necessity which exists for economy and retrenchment; therefore, he felt justified in commenting on the gross extravagance of the present Government, who, when in Opposition, had declared that, if entrusted with office, the public expenses would be cut down in all directions. The contin-



gencies in the several departments for the last year under the late Government were \$179,611, while the first year under the present they amounted to \$208,707, one item of which under the late Government was \$26,517, and for which the present Government required no less than \$39,570. The total charges on revenue in the Customs Department in 1872-3 were \$567,765; in 1874-5 \$682,673, showing an increase of about \$115,500. In the Inland Revenue Department there was an increase in the charges also in the same years from \$171,704 to \$199,253. In the Public Works Department in 1872-3 the sum charged to income, not including railways, was \$1,415,403; last year it rose to \$1,757,075. These sums are independent of the expenditures on capital account. The Post Office Department also showed a very large increase, the figures being respectively \$1,067,866 against \$1,520,861. The deficit in this Department in 1872-3 was but \$234,208; last year it was \$365,539. What was more extraordinary was, that whilst the value of dutiable goods imported last year decreased, as was shown by his hon. friend from Colchester, some \$8,000,000, yet the expenses of that Department, the costs of collecting, had largely increased. Turning again for proof to the Customs Department, as shown by the Public Accounts in his hand, the cost of collecting revenue in Nova Scotia in 1872-3 was \$93,990; last year it was \$103,654. In New Brunswick for the same years it increased from \$73,353 to \$94,716; in Quebec it went up from \$176,985 to \$196,592; and in Ontario the account advanced from \$183,505 to \$217,051. These figures formed but a small part of the bill of indictment which might be framed against the Government, and which must strike the public mind with great force. When the late Government was in power, every item of public expenditure, the country was led to believe, was enormously extravagant. The enormous increase of cost in collecting revenue must be owing in some measure to the increase in the number of officials which the Government has unnecessarily made in the interest of their friends. When the late Government was in power, their opponents declared that the number of clerks in the various public departments was excessive, and that their most onerous duties were to draw their salaries, yet the staff of clerks has been largely increased. To learn how the money goes, we had but to refer to the Public Accounts

of 1875. Take the Premier, for example: his salary is \$8,000 a year, and we find that last year his private secretary got \$2,300; travelling expenses to England were \$2,443.33. Then, again, on pages 65 and 75 there were other items for travelling expenses of \$81.35 and \$152.50, making in all for that year \$12,967.19. We were told that upon a change of Government if the present men were placed upon the Treasury Benches the number of Ministers would be reduced from thirteen to seven, but the number of Departments had not been reduced; on the contrary, the costs and number of clerks has been largely increased. Each Minister has his private secretary, and what some of them had to do nobody knew, and the Government would fail to inform us. Even the high position of the Representative of Royalty did not fail the attacks of the gentlemen opposite in their efforts to persuade the public that they would retrench, and yet even in this particular it could be shown how grossly inconsistent had been their practice since their accession to office. The Government was indefensible, notwithstanding the pledges and professions on which they seized power, only to be unseated when the people had the opportunity of judging their public acts, which were so at variance with their professions.

Hon. Mr. LETELLIER DE ST. JUST said it was asserted by an hon. gentleman (Mr. Campbell), the Government had no authority to extend the Pembina Branch north to the junction with the main line. The hon. gentleman would find the authority in the Act of 1874, Vic. 37, chap. 14, which was as follows:—"The whole line of the said railway, for the purpose of its construction, shall be divided into four sections, &c. Branches of the said railway shall also be constructed as follows:—A branch from the main line near Fort Garry, in the Province of Manitoba, to some point near Pembina, on the southern boundary thereof." From St. Boniface down to Pembina this branch was now ready to receive the rails, and on the line from Red River east, a distance of 78 miles, there were from 27 to 28 miles graded. The rails that had been sent for these roads had been sent with the authority of Parliament, which he had just quoted. As to the purchase of the rails there would be difference of opinion. If the market had advanced instead of falling, the Government would have been blamed for not having purchased rails at a time when the market was low. It had

to be remembered that these rails were required for places difficult of access, and a better opportunity had never been afforded for cheap transportation to the west than was afforded last season. The Government had been denounced for increasing the expenses of administration, but it must be considered that, according as the country was developed, the expenses of government would increase. When the estimates were placed before the House it would be time to discuss them, and good reasons would be found for any increase in them. It was expected that the railway on the American side would be completed to Pembina next season about the same time as the Pembina Branch would be ready for traffic.

Hon. Mr. WARK said he did not intend to take any part in this debate if it were not for the observation of the late Commissioner of Railways. It ill became that hon. gentleman to sneeringly allude to the Intercolonial Railway and say that the Government might undertake to lay a double track. It was that hon. gentleman and his colleagues who were responsible for the locating of the road in a place where a single track, and that a narrow gauge track, would be in a position to perform all the work of the road for the next quarter of a century. He could give some of the history of the way in which that road was located and managed. They had abandoned the Major Robinson route, which ran through a fertile country, and carried it through swamps and barren wastes where nobody would ever settle, because it was five miles shorter, and when they came to laying down the rails they found there was not a shovel full of ballast to be had over fifty miles of the road, and they had to lay another track five miles long to reach a ballast heap.

Hon. Mr. CAMPBELL said that every one who had listened to this debate must be satisfied that this purchase of steel rails was a most unwise one. No doubt at the time the gentlemen who made the purchase were influenced by the state of the market; at the same time there were circumstances attending the transaction and the mode of calling for tenders which were, to say the least, very singular. The impression which the Hon. Secretary of State desired to create in the minds of hon. gentlemen was that due notice was given when tenders were called for, but it would be remembered that the first notice extended over a period of only five days. It was not advertised in England,

and he believed it only appeared in the Montreal papers, and this was all the notice that was given to the public to tender for 50,000 tons of steel rails, worth over two millions and a half of dollars. This was not the course of the Intercolonial Railway Commissioners when tenders were called for by these gentlemen. They advertised them for a length of time both in Canada and in England, and every opportunity was afforded for the public to compete. In this case only these five days notice was given until attention was drawn to it by the public press, when an additional period was given. Whether the Government had arrived at the conclusion that they were purchasing in a falling market, after watching the papers closely every day and following the prices current with the closest attention, was another question. Had due attention been paid to the markets and the prices current for steel rails he believed the Government would not have made the purchase. The hon. Secretary of State, a day or two ago, in answer to a request of his for returns respecting the whereabouts of these rails, promised that they should be brought down. He had asked for them in February and the House ordered them on the 18th, but they had now arrived at the 15th of March, and the returns were not brought down. But when the Hon. Secretary of State was attacked on this question he came down with a statement which he had prepared on short notice when he required them for his own purpose, although he could not procure them for the House. The explanation given as to the mode in which the rails were to be disposed of was extremely unsatisfactory. The Hon. Secretary of State had a few days ago stated that some 11,000 tons of the steel rails were appropriated for the Intercolonial Railway, but now he said only 1,000 tons were appropriated, and the other 10,000 tons were on the way out for the same purpose. He said a large quantity of the rails were sent to the Pacific Coast, as the Government had reason to believe they would be required for the Esquimalt and Nanaimo Railway. The Government had reason to believe that that road would go on for a very long period, because shortly after the Bill authorising its construction passed the Commons it was defeated in the Senate, and the suggestion that the rails were sent out there for the Esquimalt road came at an opportune moment as an excuse to account for so many of them. But admitting that the Secretary

of State had accounted for 39,000 tons, the Government stood committed to the policy of having purchased some 50,000 tons of rails in advance of their being required, in a falling market, to the great loss of the country, and he did not think the hon. gentleman had explained away the damaging position in which this purchase had left the Government.

Hon. Mr. PENNY said it appeared to him that this matter should be treated entirely as a commercial transaction. The price paid by the Government was the lowest ever paid for steel rails up to that time, and to say now because rails had gone a little lower that the purchase was unjustifiable seemed to him to be one of these extreme views on which men sometimes ruin themselves. Take the Montreal Bank stocks for instance; this time last year they were at a price supposed to be very low. Some hon. gentlemen of this House bought under that impression, but before six months passed these stocks declined three or four per cent., yet would it not be thought unreasonable to say it was a ruinous policy to purchase bank stocks when they were considered low, because they afterwards fell still further? Business men understood that when prices were low, it was not wise to wait for the lowest figure, and he had no doubt in this case prices of rails would advance sufficiently, in a very short time, to leave a considerable profit to the country on this transaction.

Hon. Mr. MACPHERSON said the hon. Secretary of State had scarcely attempted a defence of the purchase of steel rails, and it seemed almost unkind to say more about it, as the transaction had been admitted to be unfortunate and injudicious. But it was scarcely just to the country that they should be governed in this House by considerations of kindness which they would like to extend to the hon. gentlemen personally. The purchase of steel rails when made was a matter for the exercise of judgment, and the way to judge of the wisdom of the course pursued was to consider the facts at the time of the purchase being made. The last thing required in the construction of a railroad, except the equipment, was the rails. In a settled country it took a long time to have any considerable extent of railway ready for the rails; if that were true of a settled country, how much longer would it take to prepare a line of railway through an unsettled, unexplored country like that through which the

Pacific Railway] had to be built? He found in the report of the Minister of Public Works, a report of the Chief Engineer of the Canadian Pacific Railway, dated June 30th, 1875. The House should have a supplementary report down to the end of the year, informing it of the extent of work done down to the latest hour. This report, however, was six months later than the date of the purchase of the steel rails, and he would refer them to what the engineer said. Under the head of "Woodland and Prairie Service," on page 162, he says:—"The line of railway has been located for construction between the waters of Lake Superior at Fort William and Lake Shebandowan, about 45 miles; likewise the line between the Lake of the Woods at Rat Portage and Red River, about fourteen miles in length." This is all that was done between Lake Superior and Red River six months after the rails for it had been bought and paid for. Then with respect to the Pembina branch, he would ask the hon. Secretary of State if it was the intention of the Government to lay the rails upon that road before the American railway was completed to Pembina? He held that it would be not only using the rails unprofitably, but it would lead to further serious loss to the Dominion if the road were run until the American railway was finished to Pembina, connecting that branch with the railway system of the United States. There could be no traffic for the Pembina branch, therefore the rails sent to Pembina were sent long before they were wanted. But to return to the Chief Engineer's report, under the heading of "Surveys Generally," the Engineer stated:

"Surveying operations are being pushed forward over the entire distance between Lake Superior and the Pacific. It is confidently believed that the line will be practically established before the close of another year."

That was, the line would be located two years after the rails had been bought. He asked if it was wisdom on the part of the Government to have purchased 50,000 tons of steel rails, representing millions of dollars, at a time when it was evident to themselves, or ought to have been evident, that scarcely one of these rails would be required for two years after the date of purchase, and that several years longer must elapse before many could be wanted? Was it too much to charge the Government with having done what was exceedingly indiscreet and exceedingly

costly to the country? Now, what was the consequence of this transaction? The Government had these 50,000 tons of rails on their hands, and the enquiry had, no doubt, often been made in the Privy Council Chamber, "What ought to be done with the steel rails?" They sent 5,000 tons to the Pacific Coast, where no railway was to be built, where they were not warranted in believing a railway would be built. He could fancy what would have been said by the gentlemen on the opposite side of the House if their predecessors had taken upon themselves to do such a thing as this without the consent of Parliament. A portion of the rails were sent to Pembina, where they would not be wanted until the American railway, belonging to a company now in sore straits, was finished; until that was done no rails would be required on the Pembina Branch. A further large quantity of rails was sent to a place he heard of to-night for the first time, Winnipeg Junction. How could this be justified? Would they have sent rails for the Esquimalt & Nanaimo Railway if they had not felt it necessary to do something with their steel rails? They never would have thought of purchasing rails for that road until its construction was sanctioned by Parliament, but having them on hand and not knowing what to do with them they sent them out to the Pacific. They were out of reach there at all events, and he feared it would be very long before they were required. Then they heard of 11,000 tons being required for the Intercolonial Railway to replace old iron rails. He believed rails would be taken up which would have had to do service on the track for several years to come but for those unfortunate steel rails being on hand. Then what was being done with the old rails that were to be taken up? He heard it had been stated in the House that these rails were to be loaned to small local companies who were building branch lines in the Maritime Provinces.

Hon. Mr. LETELLIER DE ST. JUST said they would afford traffic for the main line.

Hon. Mr. MACPHERSON said he feared the rails never would be paid for, but using them in this way would enable the Government to place 11,000 tons of steel rails out of sight. For the Pembina Branch and Winnipeg Junction the transportation of rails must have been attended with very great expense. They were sent by water to Duluth, thence by railway as

far as the railway went; and the rest of the distance by water. He hoped when a return was made it would give the cost of transportation of these rails.

Hon. Mr. LETELLIER DE ST. JUST— I have not the figures, but I know it is at a very cheap rate.

Hon. Mr. MACPHERSON (continuing) said he was not going to impute anything to the Government worse than bad judgment, and he thought they had displayed a great deal of that. With regard to present prices, he had reason to know the reduction had not been over-stated by the gentleman who had spoken. A considerable purchase, he understood, had been made at £7 15s. f. o. b. in England, which was \$37.72 in Canadian money. The price the Government paid was \$49.41, being \$11.69 per ton less than the Government paid. He had not gone into the freight and insurance calculations, but he assumed that the charges would be the same in both cases; at any rate, the difference, if any, would be against the Government. He did not mean to say that we could go into the English market and buy 50,000 tons at £7 15s. but we could certainly do it for about £8. This showed that if the Government had waited until the rails were wanted, or, at all events, nearer that time, the country could have got them very much cheaper. The amount stated in the resolution, \$800,000, was perhaps no exaggeration. It was a question whether the Government should not yet consider what ought to be done with those rails. The Province of Quebec was wanting a large quantity; why should not the Government negotiate with them for sale of a portion of those on hand?

Hon. Mr. LETELLIER DE ST. JUST— If these branches could get them for £7 15s. they would buy elsewhere.

Hon. Mr. MACPHERSON— They might give preference to the Dominion Government to relieve them of this burden. There was another matter to which he would briefly allude; that was the unsatisfactory answers they got from the Ministers in relation to such matters. Instead of giving a clear explanation, the answer generally was "It is very much as was done by the former Government." The country had been led to expect great reforms when the hon. gentlemen came in, but these expectations had been entirely disappointed, and their custom was instead to justify every unfortunate act of their administration by saying that it was no worse than the acts of their prede-

cessors, which was a remarkable and unsatisfactory mode of getting out of difficulties.

Hon. Mr. SIMPSON was understood to say that he thought the Pembina Branch would be laid early in the season. He had no hesitation in saying that had the Government anticipated that market quotations would be lower, they would have waited before making the purchase. The Government acted for the best, and he did not think it was worth while cavilling about the matter now.

Hon. Mr. DICKEY hoped the Government would be satisfied with the qualified support of the gentleman who had just sat down. He was very much surprised, indeed, at the attempt of his hon. friend from Montreal to justify this transaction, by comparing it with the acts of individuals in purchasing bank stocks. The latter commodity was bought, either by persons who wanted an investment, or by speculators; and his hon. friend would hardly contend that the Government was justified in going into the market as a speculator. The question was whether this property was wanted; and the facts show it was not. It was said that 5,000 tons were sent to British Columbia for the purpose of building the Esquimalt and Nanaimo railway. He was surprised that his hon. friend from Vancouver Island (Hon. Mr. Macdonald) was satisfied with the gloss thrown over this affair; the hon. gentleman ought to be the first to denounce the conduct of the Government with reference to that railway. They stated some time ago, in a Minute of Council, that they were under no necessity to construct that railway, and that they were justified in not constructing it; and to turn round now and say those rails were required for a line which they had no authority to construct was not a little extraordinary. There had been some talk about a line which might or might not be constructed hereafter—from Fort Garry some 23 miles down Red River, to connect with some line which is not yet located all through, and which no sensible or prudent man would undertake until the main line was constructed.

Hon. Mr. LETELLIER Ds ST. JUST—A portion of it is built.

Hon. Mr. DICKEY—I presume it is upon the same principle that the hon. gentlemen are throwing up earthworks in the direction of Pembina, before they know whether they will ever be able to connect with anything. It was sufficient to say that the rails are not used and will

not be required for two years at least after they were purchased. He was very much struck with the quotation made from Mr. Brydges' report. The case referred to was identical with this, only the purchase was made by a subordinate officer, who was denounced by Mr. Brydges, and had to be sacrificed for the political exigencies of the moment. The question had been argued by the hon. gentleman as a case of mere error of judgment on the part of the Government, and appeals had been made to excuse them, but he entered his protest against the transaction on another ground. He contended that the Government had no legal authority to make that purchase.

Hon. Mr. SCOTT—There is a vote in the estimates for the construction of the railway.

Hon. Mr. DICKEY—His hon. friend would scarcely attempt to justify a transaction of this kind on a vote in the estimates, made seven months after the purchase of the rails. There had been no proof adduced that the contract was covered by any legislative authority or that the usual means were taken to give public notice; on the contrary the statement of his hon. friend for Toronto was not denied, that there was only a short notice, and that it was only on compulsion the period was extended and any opportunity was given for competition. His hon. friend from Colchester had shown that the market was on the decline before the purchase took place; that the next month was "dull," and that the latest report was that prices were still giving way. The whole quotations showed that the market had gone on declining since the purchase was made, and that steel rails were now nearly two pounds a ton lower than when the Government bought. (Hear, hear.) The transaction stood condemned by the statement of facts, by the event, and by the opinion of an officer in a high place under the Government. Having heard the argument on both sides, he had no hesitation in saying the conduct of the Government in this particular was indefensible.

Hon. Mr. SCOTT said he had sent a note to the First Minister in reference to the point of defective notice, and the hon. gentleman advised him that the first notice given was about ten days. The Premier was informed by a correspondent at Montreal that only a particular set of people would compete, and that they would learn by cable the price at which rails could be furnished.

When it was represented by the papers that the time was too short, a second notice of about a month was given, so that it might not be alleged that ample time had not been allowed for persons to tender. In reference to the other point on which the House desired information—as to the laying of steel rails on the Intercolonial—he had just seen Mr. Brydges in the lobby, and he had his authority for stating that as far back as four years it was proposed to lay the line from Halifax to St. John with steel rails, and that it was gradually being done. According to that gentleman's opinion it would not only take 10,000 tons, but something in addition to complete it.

Hon. Mr. ALEXANDER said no one could listen to this debate without feeling that in order to secure a wise expenditure of the public money, the utmost vigilance of Parliament was necessary. It was not an agreeable duty to criticise the acts of the Government, but it was impossible to refrain when we saw mistakes made that involved loss to the country. His hon. friend opposite, from Montreal, endeavoured to explain away and make light of a transaction which had been conclusively shown to cause the loss of \$800,000, which, like other mistakes, could be proved to have arisen from the Government acting without the advice of Parliament. He feared that several such mistakes had been made. The hon. Secretary of State, in his explanation, said a portion of those steel rails had been sent to Vancouver's Island, to be used on the Esquimalt and Nanaimo Railway. Could they forget that but for the action of this Chamber the country would have been led into an expenditure of \$3,000,000 for the construction of that railway, from the injudicious course which the present Government had pursued, in referring that matter to the Home Government without consulting Parliament? He did not desire to prolong this debate, but he could not but observe that if this steel rails transaction was accepted as one of the early pages in the history of the construction of this Pacific Railway, as proposed to be carried out by the present Government, we might well look forward to the future with alarm. This system or policy of constructing and operating railways as Government works may give the Administration of the day endless patronage, but every man of railway experience knows that the simple result will be that we shall have, year after year, large deficiencies to make up

from the public exchequer to keep all these Government railways in ordinary repair, while the very patronage will be used as a corrupting influence to retain power. The single experience of this steel rails transaction, causing such a wasteful loss of the public money, ought to satisfy Parliament that by the continuation of this railway policy the public resources will be frittered away, and in a very short time the public credit impaired. Will the House permit me to show that in a very short time the annual deficits arising from operating our Government railways will have amounted to a sum sufficient, along with the subsidies of land, to induce a chartered company of British capitalists to undertake a first-class railway from Lake Superior to the base of the Rocky Mountains. The Public Estimates show Parliament to have voted for maintenance and repairs of the Intercolonial Railway in 1875-76 \$1,608,000, and we are called upon to vote again in 1876-77 \$1,600,000, and for Prince Edward Island Railway in 1876-77 \$200,000, while the total revenue of the Intercolonial in 1875-76 only amounted to \$861,593. Now, we can form some idea what will be the aggregate deficits of the new railways projected in addition to those already in operation, and how they will in a short time assume alarming proportions. Why, the whole Pacific Railway scheme of the late Government, condemned so loudly by the present party in power as certain to bring the Dominion to bankruptcy, would, if carried through, only have curtailed the annual re-charge upon the public exchequer of \$1,800,000, that is the annual interest of the \$30,000,000, while we shall soon be found to be frittering away annually from maladministration almost an equal amount without securing the development which it is so important we should secure, of the fertile territory of the North-west.

On motion of Hon. Mr. MACPHERSON the debate was adjourned, and the House adjourned at six o'clock.

THURSDAY, March 16.

The PRESIDENT took the chair at three o'clock.

Prayers were read.

After routine,

**ERROR CORRECTED.**

Hon. Mr. PENNY called attention to an unintentional error which he had made in his remarks on the policy of the late Administration with respect to Government deposits in the banks. He had stated that the Union Bank had received large deposits from Sir Francis Hincks; the mistake occurred through having added up two wrong columns, as he had since ascertained that the Government deposits in the Union Bank were very small. He felt it was due to the House to make this explanation.

**BREACH OF PRIVILEGE.**

Hon. Mr. READ said before the orders of the day were called he wished to call attention to what he considered was a breach of the privileges of this House. He then read an editorial article from the *Montreal Herald*, a paper inspired editorially by an hon. member of this House, in which it had impeached the veracity of Hon. Mr. Bourinot and Hon. Mr. Miller, respecting their remarks on the St. Peter's Canal.

Hon. Mr. BOURINOT said there were reasons why he regretted that this attack had been made. The hon. gentleman who controlled the *Herald* and himself had always been on very happy terms, and their relations had always been friendly, although politically opposed to each other. If the comments on his remarks had been made in the usual way of criticising his or the acts of other public men he would not have complained, but this article went further, and it was not only a scurrilous personal attack but reflected on the Senate. He would not read the article, but he would only quote some passages from it. It said the question itself contained a false statement and added:—

"Mr. Bourinot, in putting it, and Mr. Miller in commenting upon it, declared that the late Government had determined upon the enlargement. There is no evidence whatever to prove this, and consequently the question was entirely based upon a false assumption, and one which, unless we do honour to the sincerity of these gentlemen at the expense of their intelligence, we must presume that they knew to be inaccurate."

That was, according to this article, he and his hon. friend had told to the House a deliberate falsehood. Again it says:—

"Their surprise at the discovery of this fact—if they have yet discovered it—must have been extreme. And it is not the least amusing part of the performance to note the action of the Conservative Senators, in holding that the mere presentation of a report to the House binds the Government to act in accordance with the suggestions which it contains, while they contend that the Act of Parliament, passed with their consent, does not pledge their faith to this Province in the matter of the Georgian Bay Branch."

Those who paid attention to the columns of the *Montreal Herald*, controlled by the hon. gentleman, are aware it was no authority on constitutional questions; it generally distorted them to suit the political current of the day, as this quotation shows. The plans were laid upon the table of the House, the money was voted according to the estimates made in those plans, and the notice for tenders was issued for the construction of the work on these plans. This notice was shortly afterwards withdrawn by the Minister of Public Works, and without the consent of Parliament—new notices were issued upon reduced plans—but these facts had already been brought by him (Mr. Bourinot) to the attention of this hon. House. It was, therefore, unnecessary to dwell more at length on them. He would read the concluding part of the article:—

"In discussing questions concerning departments not represented in the Senate, it also gives them an opportunity of making such reckless assertions as they please with less than the customary chance of contradiction. But it will give to the country at large, as well as to the members of the body to which they belong, a strong distrust both of the capacity and the candour possessed by the Opposition Senators. A lack of veracity and honesty cannot be supplemented by virulence, however bitter, and the wretched tactics which some of these gentlemen have seen fit to adopt are a disgrace to the highest legislative assembly in the land, and would be so to any assembly whatever."

Any hon. gentleman who was present when he addressed the House would bear testimony to the fact that there was nothing unparliamentary or even discourteous in his remarks. The report of the speech which was published—a very accurate one—appeared in THE TIMES of

that morning, and there was nothing in it reflecting upon the character of any of the Ministers or any person in this House that merited such an article as appeared in the *Herald*. He did not wish to comment upon the acts of the hon. gentleman who was supposed to be the writer of this article, but would only refer to one which had agitated the public mind; he could therefore bring to his remembrance an unworthy act committed by him in his being a party to the opening of a private letter, and publishing its contents for a political object. But he was reluctant to continue the topic, and did not wish to press this matter further than to say if comments of such a gross personal nature were countenanced by any Legislature it would degenerate into a bear garden.

Hon. Mr. LETELLIER DE ST. JUST said he regretted exceedingly the mode in which this matter had been brought before the House. The press of the Dominion had great latitude in the discussion of the actions of public men on public affairs, and if their comments at times seemed to go a little beyond what was considered proper, but which was agreeable to the public ear, it was better not to interfere with them. The press had large liberty, which had been exercised greatly to the benefit of Canada, but it should not descend to license. Some gentlemen felt more keenly than others the strictures of the press, but when they came to think with cool head and calm judgment on the matter they generally found it was better to let such things pass them. The hon. gentleman who was indicated as being responsible for the editorial article in the *Herald* was not the writer of that article. The gentleman's position in the House was such as to place him above suspicion. The paper was under his guidance for many years, and was considered one of the best conducted journals in the country, and in its editorials it had due regard for personal feelings in the discussion of public affairs. In this instance the hon. gentleman was not responsible for this article, and when the House knew that it was not penned by him he felt that the matter should go no further. The House would consider there could be no intention on the part of the hon. gentleman to go outside of the limits of legitimate newspaper criticism, when he had not written the article complained of, and there was no such intention and no crime chargeable against him.

Hon. Mr. HAVILAND fully endorsed

the sentiments laid down by the leader of this House as to the liberty of the press. But the liberty of the press was one thing and license was another, and he took it that the article in question was a licentious one. It not merely applied the lash to two hon. members who had spoken on the St. Peter's Canal question, but it also libelled the whole of Her Majesty's Opposition when it said: "Lack of veracity and honesty could not be supplemented by virulence however bitter, and the tactics which some of these gentlemen have seen fit to adopt are a disgrace to the highest assembly in the land, and would be to any legislature whatever." However this matter might terminate, the members of this House would not have maintained the dignity of their position if they had not brought this question before this chamber.

Hon. Mr. PENNY said he did not authorise the statement made by the Hon. Minister of Agriculture, although what that gentleman said was true; nor did he (Mr. Penny) intend to make either explanation or apology. He held that he was responsible to that House only for what he did in the House, or what he did as a public man. Anything done elsewhere he would not answer for from his place in the Senate. If any hon. gentleman who believed he had done him any wrong at any time would speak to him as a gentleman, he would find that he (Mr. Penny) would be prepared to meet him in a manner worthy of one having a seat in that House. If the House were to go into the criticisms of newspapers they might never be done, and with a view to what he owed to himself and to his respect for the House he would refuse to take any part in such proceedings.

Hon. Mr. DICKEY expressed great disappointment at the answer of the hon. gentleman from Montreal, for he assumed that, with the instincts of a gentleman and a member of this House, he would have set himself right not only with the gentlemen particularly alluded to, but with every member. This calumny was sent broadcast over the country, and was a one-sided statement which injuriously affected the character of the whole Chamber. There certainly was room for an explanation, and it was due from the hon. member to both sides of the House that he should disavow the sentiments of the article. (Hear, hear.) He was still more disappointed with the conduct of his hon. friend the leader of the Government in this House, regarding



whom he had greater expectations in this connection. He had hoped that when an article was read which reflected upon the character of the House through any of its members, the hon. gentleman would be the first to rise in its defence, or at least to declare that he had no sympathy with the sentiments contained in it. (Hear, hear.) Instead of that, when the Conservative members were spoken of as lacking in veracity, he heard the hon. gentleman cry out "hear, hear."

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST— I think the hon. gentleman must be mistaken; I did not applaud anything of that kind.

Hon. Mr. DICKEY accepted the disclaimer unreservedly, but he expected the hon. gentleman to support and defend the character of the House as its leader, and by some expression of opinion to protect them from the effect of that calumny. With regard to the course this matter might take, he had had no time to consider it. He had heard the article spoken of in terms of reprobation, but had not become acquainted with its language until after entering the Chamber. He confessed to having heard it read with surprise and deep regret, because he held that anything touching the honour of this House, or of any member, touched his own honour, and he therefore felt called upon to give expression to his views, as he had hoped to hear the leader of the House express his. (Hear, hear.) He had always understood that when an hon. member brought forward a personal matter claiming that unjust reflections had been made upon him, he was met by a frank and honourable explanation. This had not been the case on this occasion, and he trusted the hon. gentleman from Montreal would re-consider this matter, and do justice not only to the members who had been reflected upon, but to the whole House, and to himself. (Hear, hear.)

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST said if the statement he made had been regarded in its proper light this strong language would not have been used in reply. It had been stated that the article had been written by a member, which was incorrect; and he simply corrected that statement in reply.

Hon. Mr. AIKINS said he had read the article attentively, and tried to ascertain how it hurt himself, as he had addressed a few words to the House on the subject of the St. Peter's Canal. In the first place he did not sit to the left of the

Speaker, and it did not affect him; and in the second place, he did not quite think he belonged to the Conservative party, and was consequently unhurt there. But he must say the article was not even a reasonable criticism of what took place in the House; the matter was unfairly put, and the writer was not warranted in referring to the Cape Breton members in the strain he employed. If the article was written by a member he was certainly not doing credit to himself or to the House. An article of that kind was not only a reflection upon individuals, but upon the whole Chamber.

Hon. Mr. MILLER said he was not one of those who are sensitive in regard to the attacks of the press, and he fully agreed that the greatest liberty should be accorded newspapers in their discussions of public questions. He had himself received a great deal of rough treatment at the hands of newspapers, but he had never felt very much hurt or injured in any way by it. He did not attach a great deal of importance to the article in question, and would not now refer to it were it not that it appeared to have been either written or inspired by a member of this House. If it had been the effusion of an independent journalist, not a member of this House, the article would not have received any attention here; it was because it was believed to have been written or inspired by a member that importance attached to it among hon. gentlemen. The leader of the Government had declared that the article was not the production of the hon. gentleman said to be the manager of the Montreal *Herald*, but that gentleman had not himself denied that he dictated or inspired it.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST— My hon friend said what I had stated was true, but that I received no authority from him to make the statement. It is a fact that the article was not written by him.

Hon. Mr. MILLER—Well, that does not meet the case. The article may not have been written by him, but he should have gone further and stated that he did not inspire it. If he had said that, the matter would have been passed over. But the hon. gentleman rose in a manner which he (Mr. Miller) thought was marked by defiance, and declared he was not responsible here for his actions as editor of the paper. Now, he took the liberty to differ from the hon. gentleman, and to say that he may make himself responsible to this House, and that if he

improperly attacked members of the House in his newspaper, he would bring himself within the judgment of the House, and he might find that they could take action against him as a member as well as against him as a publisher. Misrepresentation or unfair criticism, he had found, seldom injured a public man—the intelligence of the country is against it; and the attacks of extreme and violent papers were received with a great deal of allowance. The *Herald* had stated that his argument was based on false assumptions, and that the late Government had no authority for proceeding in this matter of St. Peter's Canal. Now, he had good ground for taking the position he did. A declaration was made in the other House by a leading member of the late Government that the late Administration had a policy on that question, and sent Mr. Perley to Cape Breton for the purpose of carrying it out, and by their successors money was placed in the estimates for the improvements suggested by that gentleman's report.

Hon. Mr. SCOTT—Not a line could be found to bear that out.

Hon. Mr. MILLER said he was speaking of the "false assumption," and declared that he had sufficient to justify his statement.

Hon. Mr. SCOTT—Without an order in Council?

Hon. Mr. MILLER—Yes. With the instructions to Mr. Perley.

Hon. Mr. SCOTT—And without an official letter?

Hon. Mr. MILLER—Will the hon. gentleman undertake to say there was not an official letter?

Hon. Mr. SCOTT—We made every effort to find one, but in vain.

Hon. Mr. MILLER believed there was a letter addressed to Mr. Perley. What he thought unfair was that the article had been inspired by some one who had listened to the discussion, and its whole tenor was to misrepresent and distort the remarks made by hon. members. It was only right, in view of this fact, that the House should mark its disapproval of its unfair statements. He would have concluded his remarks here had the article not assailed the whole body of hon. gentlemen on one side of House, and had the hon. member opposite done what every other member would have been disposed to do under the circumstances, expressed his regret for it. He thought the Minister of Agriculture had also

assumed a wrong position on this question, and meant to insinuate that there was a great want of veracity in gentlemen opposed to him in this House. Now he (Mr. Miller) had been in the House nine years, and could say for himself that he had never had one of his statements successfully questioned yet, and had hardly ever had one disputed at all. He, therefore, did not think he was open to the charge of want of veracity. But he would like to ask the hon. gentleman to apply the picture to the other side of the House. On a question of very great importance, the Secretary of State had been detected in a misquotation of figures with the book in his hand, and they had seen that hon. gentlemen admitting his inaccuracy, and begging off on the simple ground that it was unintentional. The hon. gentleman also contradicted him (Mr. Miller) point blank with reference to his statement that the Georgian Bay Branch Railway ran through the county of Renfrew, and having misled the House, again excused himself on the plea of "unintentional inaccuracy."

Hon. Mr. SCOTT—I did nothing of the sort.

Hon. Mr. MILLER was surprised at this denial of facts that had so recently transpired in the House by the Hon. Secretary of State, and was satisfied to leave the matter to the judgment of the hon. gentlemen. But these were not the only instances he could cite. He would not, however, charge the hon. gentleman with want of veracity, or with intentional inaccuracy, but it ill became a gentleman who undertook to vindicate the Government at the expense of the Opposition to accuse gentlemen without foundation of want of veracity in face of these facts. Then, with regard to the charge of want of capacity so freely made against a majority of the House by this champion of the Government, it was really nothing more than the bitterest irony towards the Minister of Agriculture and his friends in the eyes of those accustomed to witness the proceedings of the Senate. He thought there was at least as much capacity on this side of the House as the other. He did not know whether the gentleman who had inspired the article had distinguished himself for any remarkable capacity. It was easy for a man to make a reputation by using the brains of others in his paper, but when he got upon the floor of Parliament, where it was impossible to receive such assistance, he generally found his true level in the

estimation of his colleagues. The hon. member from Montreal had really shown a capacity for nothing here, except calling hon. gentlemen to order on every occasion, and thereby always putting himself out of order, which did not betoken very great capacity, or even a rudimental acquaintance with the ordinary rules of Parliamentary practice. And look at his friends behind him (Mr. Penny.) Day after day during the past two sessions they had bungled through their business to the amusement of gentlemen on this side, and the ill-concealed chagrin and disappointment of the other. It was almost regarded as a matter of harshness and cruelty to witness without helping them day after day attempting to control matters of legislation of which they were so thoroughly ignorant as to make their friends ashamed; and if it had not been for the magnanimity, forbearance, and even the assistance of those on the Opposition benches, the business of the House could not be conducted at all, even in the bungling fashion that it was. He was sorry to make these remarks, and would not have done so, if the leader of the Government had repudiated so gross and unjustifiable an attack upon the majority of this House, a majority from whom they had always received the greatest kindness and assistance, and never any unfair play. He would not ask the House to take any ulterior steps in this matter; all that he desired was that the untruthfulness of the article should be condemned in unequivocal tones and the matter allowed to drop.

Hon. Mr. CARRALL was unwilling the article should drop until the hon. member for Montreal owned the godfathership, and put himself right before the House. For himself, he had always endeavoured to stick up for the honour of the order of which he was an insignificant member, and it ill became gentlemen occupying seats in this House to speak in terms of contempt and language of reprobation of what takes place here. One hon. gentleman had spoken in such a contemptuous way, as if he conferred an honour upon the Chamber by being a member, and then the hon. member who occupied a chief seat in the editorial sanctum of the *Montreal Herald*, or, to say the least, had stood in the concern out of which the man who wrote the article was paid, disclaimed any responsibility for the article being published. He regretted this had occurred, for life was too short for these enmities. He thought the Conservative

party did not deserve what had been said of it; at any rate, hon. gentlemen opposite were following in their wake in all matters of legislation. It would be wise, he thought, to have some line of demarcation between license and liberty of the Press. While he, for one, desired to afford newspapers every liberty as one of the great elements of government, for they certainly formed one of the wheels of the State coach, he would not allow them to practice licentiousness. It was due to the House that the hon. member opposite should have made a proper statement in regard to this affair.

Hon. Mr. PENNY said if he declined to make the statement that he had not written the article mentioned it was not from want of respect to the House, which from what had taken place he thought had shown how undesirable it was for that body to enter into such criticism. If every article in the *Montreal Herald* which every gentleman thought was improper was to be brought up here because he (Mr. Penny) happened to be a member, they might be discussing such matters all the time, and he took the first opportunity to protest against such proceedings, and he refused to be subjected to them. He held himself responsible for anything he did in the Chamber or in a public capacity, and if anything objectionable appeared in the paper with which he was connected, with or without his sanction, there was a proper way of obtaining redress. But if gentlemen chose to bring the matter up in the House, they must take the responsibility of being met as he had met them. Having said that, and also that he took that position by way of establishing a correct understanding, the hon. gentleman who had moved in the case having also said that the matter was to be dropped, he had great satisfaction in saying with regard to all the personal remarks in that article—those reflecting upon the honesty and veracity of gentlemen on the opposite side—that he entirely disapproved of them and regretted very much that they had appeared. If any gentleman who had thought himself aggrieved had mentioned the matter to him he would have said that at once, and would have also taken pains to express as much through the *Herald*. If any gentleman thought it was his intention to insult him and then throw the blame on another person, it was quite a mistake, and he simply pursued the course he did on this occasion because he held the discussion was wholly improper.

Hon. Mr. CAMPBELL was sure that his hon. friend behind him made every allowance for the fact that the Minister of Agriculture spoke in a language to which he was somewhat of a stranger, but which he spoke so well that there was no necessity for making an apology. The hon. member from Montreal expressed himself with so much reservation that the inference his hon. friend (Mr. Miller) drew as to his inspiring the article was not unnatural. The article seemed to be written by some one present during the debate; it seemed unlikely that a communication was sent to Montreal and the article based upon it. But now that the hon. gentleman (Mr. Penny) had relieved himself entirely from the implication which his hon. friend drew, he thought it was better for the matter to be dropped. It was satisfactory to know that the hon. member did not approve of the allegations made against the Conservative party in the article, for which there was no foundation whatever. With regard to the other charge, his hon. friend's argument was not a question of veracity; it was the natural inference from statements made in the other House—that Mr. Perley had submitted plans and specifications, and that a sum of money was voted to make the improvements in accordance therewith. His hon. friend might be right or wrong, but there were facts which led him to imply that the late Government had a policy in regard to St. Peter's Canal.

Hon. Mr. MILLER said he was very sorry indeed that the hon. member from Montreal did not go as far in his first speech as he did in his second; it would have prevented the unpleasant remarks which he felt called upon to make under the circumstances. He was very glad that the explanation of the hon. gentleman—a gentleman with whom he had always had agreeable associations until this matter took place—had removed any feeling on his part. He was sorry that the hon. Minister of Agriculture had not more clearly expressed his own sentiments when he first addressed the House. He thought everything connected with the matter should now be dropped.

Hon. Mr. DICKEY said it would have been easy for the hon. Minister of Agriculture to have said at once whether he believed or disbelieved the assertions of the article, and not by his silence to allow the impression to go forth that he did believe the charge. He thought his last explanation made the matter no better.

Hon. Mr. LETELLIER DE ST. JUST—The hon. gentleman may entertain that view if it suits him, but it is quite voluntarily on his part if he does. I had not to deal with a member when I knew he was not the author of that article. If it had been moved that the author should be sent for to render an account of his conduct, I would have taken another stand.

Hon. Mr. TRUDEL was about to continue the debate, when

Hon. Mr. LETELLIER DE ST. JUST reminded him that it was decided the subject should drop.

Hon. Mr. TRUDEL—I do not intend to continue the debate on the merits of the article incriminated. The hon. member for Alma, who has the moral responsibility of the newspaper in question, has given an explanation, and declared that he regretted the tone of the article and the brutal attacks against some members of this House. So far it is satisfactory. The characters of those gentlemen have been vindicated, and their honour is safe, but I regret that the hon. gentleman has not deemed it opportune to go a little further, and has not felt the necessity of protecting the Senate against the severe judgment of the gentleman who, in the Commons, has constituted himself the sovereign arbiter of our destiny. "Mr. Mills," says another part of the article, "who studies the character of the Senate with a calm and philosophic eye, must have been somewhat astonished at the unwonted energy recently displayed by certain members of that body." Surely the hon. member for Alma should not have recommended us to the indulgence of such an inexorable judge, but averted the condemnation, so that once more the existence of the Senate would have been safe.

Hon. Mr. BUREAU—My hon. friend will allow me to interrupt him. It is the opinion of this House that the matter should drop, and if the hon. gentleman speaks on this subject it will induce other members to answer him, and continue the debate. On the other hand, I think the hon. gentleman is not in order, this House having expressed the opinion that this matter should drop. Mr. Speaker should declare the debate closed.

Hon. Mr. TRUDEL—My hon. friend will allow me to dispose at once of his question of order. The fact of some members shouting "drop, drop," cannot deprive any member of his right to speak, as long as the question has not been put by the

Speaker and disposed of regularly. On the other hand, the fact of this House deciding to take no action on a certain part of the writing, does not deprive me of my right to call the attention of the House to another part of the same newspaper which nobody alluded to during the debate. This part may involve a question of privilege as well as the other. In fact, my intention is not at all to refer to the unjustifiable attacks and abuse directed against some members of this House. Those hon. gentlemen have been, as I have already stated, avenged from those abuses by the scorn with which the reading of this article has been received by this House unanimously, and the apology made by the hon. gentleman who has here the moral responsibility of the newspaper in question is satisfactory.

Hon. Mr. PENNY—I made no apology.

Hon. Mr. TRUDEL—Let us say explanation, then. What I regret is that the hon. gentleman has not deemed it opportune and urgent for himself to disavow the beginning of the article which I have just now alluded to; not that this part of the article might, in any way, attain this honourable body, but because it is so ridiculous and of such inaptitude; such pretensions by this paper to call upon a member of the other House to pronounce upon the purity of the Senate being such nonsense and absurdity that I cannot conceive how the hon. gentleman who represents here the newspaper in question—who is a man of great ability and high standing, and who pretends to edit one of the most important newspapers in the Dominion—can consent to endorse silently such simplicities. My only object was to point out all the foolery of such appreciation. My hon. friend for De Lorimier should have understood it.

The matter then dropped.

#### THE STEEL RAILS PURCHASE.

Hon. Mr. McFARLANE said the hon. gentleman who had introduced the resolution yesterday respecting the steel rails had done so to afford the Government an opportunity to lay before the Senate a full statement respecting the disposal of that property. But the explanations given by the Government were certainly of an unsatisfactory and dubious character. It was very well known that the question had been very largely discussed by the press of the country, and it was equally well known that persons who occupied high positions in the Government were suspect-

ed of being implicated in favouring their friends and relations in making this purchase. Such an opinion had been circulated in the public press, and as it was calculated to damage the interests of the country, the fullest explanation should be afforded. The whole transaction was attended with peculiar circumstances. On the 29th October, 1874, an advertisement had appeared in the corner of a Montreal paper calling for tenders for steel rails in quantities of not less than 5 000 tons, but mentioned no amount. These tenders were to be sent in within eight days. The only paper in which that advertisement was inserted was the Montreal *Herald*, and it would appear to have been the object of the Government in making the purchase, involving nearly three millions of dollars, to give it as little publicity as possible. Every means should have been afforded to the manufacturers to tender for this large quantity of rails, but instead of doing so the Government limited the time for tenders to ten days.

Hon. Mr. SCOTT said the notice was subsequently extended one month.

Hon. Mr. McFARLANE said the time was extended after the attention of the country was drawn to it by the public press, and in compliance with the demands of the friends of the Government in Montreal. The time for the receiving of tenders was extended to the 16th November, but no instruction was given of the quantity required, and no one would have supposed from that advertisement that the Government required tenders for 50,000 tons. It might have been 10,000, 15,000 or 20,000 tons. The notice that should have been given in the first place should have stated that 50,000 were required, and that tenders would be taken for them in lots of 5,000 tons each. Tenders were received, but it did not appear that the Government accepted the lowest that were offered; while some firms tendered for a certain quantity at a low rate, tenders for larger quantities were accepted at higher rates. What made it suspicious was that a firm to which was awarded the largest quantity at the highest price were reported to have been connected with a member of the Government. He did not pretend to say, nor did he believe, that any member of the Government, or any person connected with them, received anything on this transaction, but the impression prevailed that favoritism had been exhibited in making the purchase.

There was no reason for the Government calling for tenders for these rails at a time when they were not required, and even if they were required, his hon. friend from Bowmanville (Mr. Simpson), strong supporter of the Government as he was, and prepared on all occasions to defend them, could not swallow such a large dose as 50,000 tons of rails, although he said he might have gone to the extent of 20,000 tons. The returns just brought down by the Government show that when they got this enormous quantity of rails they did not know what to do with them, and they had been spreading them over half the continent ever since. Large quantities were in Montreal, other large quantities were sent to British Columbia, where they must lie unused for years. They were also scattered along the Red River, and at Fort William, with no prospect of being needed for a long time, and the only portion, as far as he could learn, that had yet been used, although they were purchased nearly eighteen months ago, was a lot of about 1,000 tons on the Intercolonial Railway. For what purpose did the Government go into this purchase? They had no authority from Parliament to do so, although the hon. Secretary of State contended that they were empowered by the General Act. At the time the purchase was made there was no such sum placed at the disposal of the Government, and it was only after the purchase had been made, and the contract entered on, that the money was voted in the estimates. The Government entered upon this transaction at their risk without consulting Parliament, and they must expect the country to complain that so large a sum of money had been sunk in a way that would lie profitless to the Dominion for a long time to come. The returns submitted that day accounted for only 32,528 tons of the rails.

Hon. Mr. SCOTT—That is all that was delivered.

Hon. Mr. McFARLANE said the entire purchase was 49,000 tons, the Government had accounted for 32,528 tons, and what was to be done with the 16,000 tons? He thought the notice introduced by his hon. friend (Mr. Smith) was a very proper one, and as the Government declared that they are now compelled to resort to every species of economy and retrenchment to meet the result of their extravagance and bad administration, it would seem an act of wisdom for them to take the advice of his hon. friend from Toronto

and endeavour to dispose of the rails to the best advantage. Their experience in this transaction would no doubt teach the Government that as long as they continue to administer the affairs of the country when they had to make a purchase involving three millions of dollars, they would first consider whether it was a judicious expenditure in the interests of the Dominion.

Hon. Mr. SMITH said the Government had attempted a defence in this matter and laboured very hard to justify their act, but they had failed to do so. As he was not desirous of embarrassing the Administration at the present moment he was prepared, with the consent of the House, to withdraw his motion.

Hon. Mr. McLELAN said he wished to make a few remarks on the observation addressed to him yesterday at the close of the debate by the hon. member for Kent, that it ill became him, Mr. McLelan, to sneer at the Government after the course pursued by him as one of the Commissioners in the location of the Intercolonial. He desired to say that location was made before he became a member of the commission, but it had his approval. Under the terms of Confederation a railway was to be constructed from Halifax to Riviere du Loup. Two lines were mainly in competition, the Frontier and the North Shore route. The report of the Engineer gave the distance by the Frontier route 595½ miles, and by the route adopted 560½, making a saving in distance of 34½ miles, but the distance of new road to build would have been 55½ miles less by the Frontier route. The route adopted then gave the shorter travel by 34½ miles between the points it was intended to connect—Halifax and Quebec—and placed the road in a district of country greatly needing railway connections, and which would be found to make a better return of traffic than the opponents of the route contended. In the Nova Scotia District he (Mr. McLelan) had taken an active part in having the road located centrally to the mining districts. This location had resulted in sustaining and causing an enlargement of the iron works that had been for years struggling there for existence, and now in a few months the managers promised to be able to turn out from six to seven hundred tons of iron and steel every week. The establishment of these work had a marvellous effect on the whole surrounding country. Agricultural produce of every description found a

ready market in the neighbourhood of the works, and at higher prices than if it had been carried to the city of Halifax. At the present time the question of benefiting agriculturists by promoting manufactures was being warmly discussed—many claiming that no substantial benefit can be given to farmers by fostering manufactures. If evidence were needed on this point, this case gives the strongest possible proof of the immense value of manufactures to all classes, and more especially the farmer. The railway itself has participated in this benefit, the earnings of that station having in the past year increased nearly 600 per cent. When he had spoken of the Government laying a double track without the authority of Parliament, he had merely intended to convey to the Senate that anything the Government may do should not be a matter of surprise. We had become familiar with surprises. The entire action of Government has been a series of surprises. When the construction of the Pacific Railway was brought before Parliament by the late Government, the present Premier, then the leader of the Opposition, forced upon the Government the declaration that the road should be built by a company, and in no other way. On the change of Government in 1873, the Premier, in addition to all the labour involved in that high position, took to himself the office of Public Works, which in itself is more than sufficient work for one man to discharge aright. Having given us this surprise, and having all the public works of the Dominion thus under his own hands, he speaks at Sarnia, and declares that the Pacific Railway shall not be built by a company, but by the Government—by the Public Works Department—that the country might get the profit of building it. This announcement, surprising in itself, no doubt put many on the move to share in that profit. Then we come to the surprise of the steel rails. After all the declarations of the Minister of Public Works that no contract should be given out except on tender, and after the widest and fullest public notice, a little advertisement appears in one corner of a Montreal paper, on the 29th of September, calling for tenders on the 8th of October for steel rails in quantities not less than five thousand tons. Surprised as every one who chanced to see that advertisement must have been that the Government wanted steel rails at all, it was more surprising that so short a notice should have been given, and only in this

country, where there was not a steel rail manufactured. Again, when the papers in connection with this contract were moved for in the other House, the Minister of Public Works declared that he had consulted the leading iron merchants in Montreal, and had been advised by them that it was then a very favourable time to purchase. But in the election campaign in Montreal, we had the statement of Mr. Workman, one of the principal and oldest iron merchants in Montreal, that he knew nothing of the matter until he heard of the advertisement—a very surprising difference between two gentlemen on a simple fact. Mr. Workman, naturally desiring to participate in the profits of this contract, says he immediately represented to the Minister that the time was too short to communicate with the manufacturers in Britain, and succeeded in getting an extension of time to the 16th of November. Whether Mr. Workman and the other Montreal iron merchants knew that the Government wanted fifty thousand tons or not, he could not say, but it will not be pretended that the advertisement was one calculated to attract the attention of the manufacturing world, or intimate to them in any way that a contract of three million dollars was to be contended for. Tenders were sent in by a number of Montreal firms, and to the surprise of all outsiders, contracts for fifty thousand tons were given, and what was more surprising, given through third parties and just at a time when their own officer, Mr. Brydges, was pressing on their notice that it was throwing away money to have the intervention of middlemen. Mr. Brydges, in his examination before the sub-committee of Public Accounts, stated that by the direction of the Minister of Public Works he had written to Sir John Rose to ascertain the net sum the manufacturers received for the rails shipped by John Haws & Co., for relaying the old road in New Brunswick and Nova Scotia, and we have it on record that the manufacturers who furnished those rails allowed to the persons bringing them the contract a commission, in one case of one per cent., payment half at six months, in another a rebate of 2½ per cent., and in another one per cent. and half a crown a ton. With this statement on record it is unnecessary to refer to the custom of the trade with middlemen. Take the case of the Mersey Company, the commission paid by them to the party who brought them the order was one per cent. and half a crown a ton.

And then we have the surprising fact that the Minister of Public Works, though warned and instructed by his ablest officer, gave Fairman, Cooper & Co., of Montreal, for the Mersey Company, twenty thousand tons, and at seventy three cents a ton higher rates than other offers. Take the commission allowed by the Mersey Company, and apply it to the whole quantity and you have it beyond question or doubt that the Montreal gentlemen netted the sum of sixty thousand dollars for their share in this surprising transaction. If the Government wanted rails, and no one pretends that they really did, they should have gone direct to the manufacturers and given the widest notice and the fullest information. His hon. friend from Kent had accused him of sneering at the Government when addressing the Senate yesterday; he did not think his tone gave any such indication. His tone must have been one of great embarrassment. In fact he had hardly ever addressed the House under greater feelings of embarrassment, because there are some people born in some latitudes who consider it a greater insult to be proved wanting in wisdom and common prudence—uncanny—than to be charged with dishonesty, and he felt in addressing the House the embarrassment of having to present to the country the evidence in a review of the condition of the iron trade, and the strong, the overwhelming testimony of Mr. Brydges, that the Minister of Public Works was at least in this instance lacking in prudence and wisdom. The more this matter was ventilated the more manifest this would become, that whatever may be the rumours outside we must all believe that future investigations will reveal nothing worse than a want of prudence and efficiency.

Hon. Mr. SCOTT said the hon. gentleman had already made his speech on this question, and got up by the courtesy of the House to make an explanation, and then used the opportunity to make an attack upon the Premier.

Hon. Mr. CAMPBELL said the hon. gentleman moved leave to withdraw for the purpose of putting himself in order.

Hon. Mr. SCOTT thought it was extremely bad taste for any gentleman to conduct himself in the manner that he (Mr. McLellan) did. If he had any charge against the First Minister he ought to have committed it to paper. Not one act in the Premier's life could be affected by honest and fair criticism; he had acted

in accordance with what was due to the country, and his whole anxiety was to conduct public affairs with prudence and economy. The hon. gentleman's words conveyed a little more temper than should be displayed in this House. Mr. Mackenzie was informed that just a certain number of firms would tender, but on representation being made that the notice was too short, the time was extended. The hon. gentleman also alleged that the advertisement was not specific—that no one had reason to assume that the quantity of rails which was purchased was required. Tenders were asked for "not less than 5,000 tons;" the quantity was unlimited, and firms might tender for 30,000, 40,000, or 50,000 tons. The advertisement, to his mind, gave the widest possible information to parties desiring to tender, and the fact was that the leading houses engaged in making steel rails did tender. If the hon. gentleman would compare that transaction with the course taken by the Railway Commissioners in 1873, a great difference would be found. The late Government bought without tender from Hawes & Co., at £17 sterling per ton.

Hon. Mr. McLELAN said the late Government had not bought a rail from Hawes & Co.

Hon. Mr. SCOTT—Did not Mr. Carvell?

Hon. Mr. McLELAN—The Railway Commissioners had nothing to do with that.

Hon. Mr. SCOTT—Yesterday my hon. friend took a different stand, but we are now told that the Government were not responsible for this little transaction.

Hon. Mr. McLELAN—The Commissioners had to construct the new part of that road, and we contracted with the Barrow Company and another firm for 45,000 tons, which were necessary to build the entire road.

Hon. Mr. SCOTT—The hon. gentleman is good at special pleading. The present Government believed the time had arrived when rails might be purchased low, and they took advantage of the market. All Governments are liable to make mistakes of that kind, and if I choose to retort, I could call attention to the failings of the late Administration in this respect.

Hon. Mr. CAMPBELL—Do not hesitate.



Hon. Mr. SCOTT said the late Government had paid \$1,000 rent for a piece of ground near the Miramichi River because they bought an iron bridge three or four years before it was required. The hon. gentlemen dared not charge the Premier with having acted with other than the highest and most honourable motives. The people knew he was superior to the conduct imputed, and the inuendoes of the hon. gentleman were entirely uncalled for.

Hon. Mr. DICKEY said in the remarks he made on the previous day, and in these he would now make, he looked upon the matter entirely upon public grounds, and would make no attack on individual Ministers. The whole truth of the matter had not yet been told, nor did he think he should fulfil the unpleasant duty of telling it. His hon. friend, yesterday, stated broadly there was authority for the purchase, and promised to show his authority.

Hon. Mr. SCOTT—That was the Pacific Railway Act.

Hon. Mr. DICKEY said there was a vote for the purchase of steel rails for the Pacific Railway, and he (Mr. Scott) knew perfectly well that it was necessary to have that vote. But he was talking of an Act passed in April, 1875, and the action complained of was taken on an advertisement published in September, 1874, six months before the Act. How could he defend an act that was done months before the vote was taken? In accounting for the rails that were required, his hon. friend (Mr. Scott) said 10,000 tons were necessary to replace the Intercolonial between St. John and Halifax. That was rather an unfortunate statement, in view of the fact that those rails were purchased under a vote of Parliament for the Pacific, and not the Intercolonial Railway. It was also unfortunate that those rails were a part which of was said to be required for this relaying, were to be delivered in Montreal, not in Halifax or St. John. The two things were inconsistent. This was an afterthought. The truth was they had the rails on hand, and did not know what to do with them. From the report of the Minister of Public Works, he found that only 3,583 tons were used in relaying the Intercolonial last year and 2,867 tons the year previous. The reason was obvious; the steel rails were substituted only as the iron wore out. The report further showed that the

whole distance to be renewed during the next two or three years was 94 miles, whereas the 10,000 tons would relay 110 or 112 miles.

Hon. Mr. SCOTT—I said that on the authority of Mr. Brydges.

Hon. Mr. DICKEY (continuing) said the contract was made for 50,000 tons, and they were all to be delivered in Montreal except 10,000 tons required for and he believed sent to Vancouver Island. It was curious, *apropos* of what his hon. friend for Colchester urged about the falling market, that the first contracts were made on December 23, 1873, at \$55 per ton, the second and third in January and February at an average of \$54, the last on the 6th April, for \$48.67 per ton. It is a notable fact that the last contract of rails for Vancouver Island was made several days after the Senate had rejected the Esquimaux and Nanaimo railway (hear, hear.)

Hon. Mr. READ said the Government had perverted Franklin's maxim, "Do not buy what you don't want because it is cheap," and acted on the principle of buying what they did not want because it was dear. The hon. gentleman (Mr. Scott) maintained that whatever might be called dishonest the Premier must be pure. He (Mr. Read) would be very glad if the world thought so; but there was quite a number of people who took a different view of the First Minister's disinterestedness in regard to this purchase. Letters had been written which did not to his mind clear up the Premier's disinterestedness. He knew of what he was speaking and he had reason for forming the opinion he had.

Hon. Mr. LETELLIER DE ST. JUST said he thought the gentlemen who had thus been assailed stood as high as the hon. member who had made those charges. He thought charges of this kind ought not to be passed over. Every one knew that the Premier was certainly above suspicion in matters of this kind. Those who made such charges should look elsewhere before making them. The Commissioners of the Intercolonial had certainly incurred expenditures which would not have been made by infallible men. For instance, at the time of construction, there was a strong feeling that the road should be built on the narrow gauge plan; but notwithstanding that, and the fact that roads in the United

States were reducing their gauge, they built a broad gauge and incurred a loss of \$1,000,000. Then there was the Miramichi Bridge failure. He knew that the difficulty was caused by the sinking of a pier, but they had engineers from whom they might have learned that the foundations were bad. But they provided for the bridge and also for a large portion of the rails to be used on that section, and it was three years afterwards before the material was required. It was a matter of judgment on their part, and if that unfortunate pier had not sunk, the bridge would have been opened sooner, but this circumstance ought to incline the other side to take a more favourable view of this purchase. If it had not been for the unfortunate crisis through which we had passed, the purchase of steel rails would have come out all right. It was the decline of prices caused by the panic which made that transaction look unfavourable now. No one had attributed any personal motives with regard to members of the late Government, although they knew that one gentleman had received \$1,000 per annum rent for a small lot of land during the three years.

Hon. Mr. CAMPBELL—Who is the person?

Hon. Mr. LETELLIER DE ST. JUST—I shall not name the person. I think \$1,000 was paid for the lot where the rails were deposited. But I would not like to make it so strong. I know the party was interested in a certain lot of land for which the rent I have named was paid. Of course it was not their intention to have it for three years, but the force of circumstances compelled them to keep it that length of time. The speaker went on to say that this would prove that even with good intentions transactions might sometimes turn out bad. It was the case in that instance, and was the case in regard to the purchase in question. In regard to the change of gauge, everyone knew what a loss it had been to the country, and that it was made in defiance of public opinion

Hon. Mr. CAMPBELL—This has nothing to do with the steel rails.

Hon. Mr. LETELLIER DE ST. JUST—It illustrates how quick some people are to find fault with others, and to forget what has happened to themselves.

Hon. Mr. DICKEY said that every gentleman spoke with a due sense of his

own responsibility, and from his own knowledge of the facts. With regard to himself, he did not make any charges, nor in any way intend to endorse statements which imputed improper conduct or interested motives to the Government.

Hon. Mr. LETELLIER DE ST. JUST—I did not refer to my hon. friend.

Hon. Mr. DICKEY said he perfectly understood that. He had in view the remarks of his hon. friend behind him, and he did not wish to be understood that he endorsed any statement which involved a charge like that against the first Minister of the Crown. The hon. member who made the statement might have authority for it, but of that he (Mr. Dickey) had no knowledge.

Hon. Mr. McLELAN—I was not aware of having made any charge, of anything improper in connection with the Minister.

Hon. Mr. DICKEY—It was not you; it was my hon. member behind.

Hon. Mr. McLELAN said in this matter it was the managing men who were to blame, and that he sought to separate the Ministers in this House from the responsibility of this transaction. He did not wish to make any personal charge against the Premier. If he had been understood to make such a charge he would withdraw it.

Hon. Mr. LETELLIER DE ST. JUST—We cannot accept this separation. We are as responsible as the Prime Minister.

Hon. Mr. SCOTT—We understand the hon. gentleman to allude to the allegations made at Montreal that the Premier's brother was in some way connected with the firm, and that his indirect influence was used in regard to this contract.

Hon. Mr. McLELAN said he had made mention of the fact, but he made no charge.

The motion was withdrawn.

The House adjourned at 6:05 o'clock, p. m.

FRIDAY, March 17.

The PRESIDENT took the chair at 3 o'clock.

After routine,

PETITIONS OF RIGHT.

Hon. Mr. SCOTT moved the second reading of "Suits against the Crown by Petition of Right" Bill. He said the bill introduced last session by the member for Hamilton had been found unworkable.

Hon. Mr. MILLER said he considered the Bill an improvement on the legislation of last session, and he would therefore support the motion for its second reading. In some respects, however, the Bill did not quite meet his approval, but as these were questions of detail they could be referred to in Committee. He did not understand what the Secretary of State could mean by saying that the bill of last session was unworkable. He thought the Government had found that it would work in a direction they had not intended, by including a large class of cases that the Minister of Public Works desired to have excluded from the operation of the Act. Notably among these were the railway contractor's claims. The Government believed when the Petition of Right Act passed last year that such claims had been excluded by the clause they forced the promoter of the bill to accept, but their legal acumen was at fault, and these cases were found not to be excluded. It was a great hardship and wrong that the law had not been allowed to go into operation according to its intent and provisions. He thought the Government found themselves in a difficulty when the Act was examined and it was seen that the reserving clause did not meet their expectations. He presumed the chief object of the present Bill was to get the expressed approval of Parliament to hand over such cases to the decision of the Supreme Court. It was a great injustice that so many large claims in connection with the Intercolonial Railway had been allowed to stand unsettled so long. He hoped no time would be lost in bringing all claims to a trial after the passage of the present Bill. Some persons feared that delay would arise before the rules of the Court could be fixed and approved by Parliament, but he considered that the clause providing that the English rule should prevail till our own were finally established would meet the

fears on that point. In dealing with claims against the Government he would like to take a fair view of the question, and would not wish to see the Government placed at any disadvantage, as they had the public interests to protect. He knew that in cases against a corporation or a government the individual generally had the public sympathy. He did not blame the Government for protecting the public purse against all imaginary claims, but they should not throw obstacles in the way of fair claims. He thought in view of the responsibility the Ministry had on their shoulders they had adopted the right course in introducing this amended Bill. He considered that it was not improper to leave the decision of civil cases between the Crown and the subject to the judges without a jury. An upright and learned judge would deal more safely and fairly with both parties than any other tribunal. He did not complain either that the claims against the Government should be tried in the Exchequer Court at Ottawa, as there were many reasons why it should be so, especially as the Bill contained provisions for taking evidence in any of the Provinces. In some respects he might desire a different Bill, but on the whole the measure was one that he thought should have the support of the House.

Hon. Mr. DICKEY said he did not intend to oppose the second reading, but at the same time this was a bill of very great importance to the country, and demanded the serious consideration of this House. The remedy which was proposed here, although in form a supplication to Her Majesty for right, was really after all a demand for that justice against the Queen and those who represent her, which the party would be entitled to as a subject against a subject. It was a petition of right, not of favour, as the name implied, and it was assumed that Her Majesty and those who represented her desired nothing more than right. The Queen herself was the fountain of justice, and in any proceeding of subject against subject it was in the name of the Queen it was sought. He would see how far this Bill conformed to this principle. They had here a curious spectacle of a Bill being brought in 1876, the very first clause of which repealed the Act of 1875, which fully justified the criticisms that were given to it on this side of the House last year. Hon. gentlemen took exception to the clause which excluded claims for public works, and the result had shown they had taken a

correct view. This Bill neither resembled the English Act upon which it was founded, nor the Act which it proposed to repeal; it differed from both in a great many essential particulars, and to some extent was a mongrel production of the worst features of both Acts. Coming to the first clause of the Bill, the tribunal which was to decide these matters, the English Act and the Act of last year, alike relegated these cases to the different Courts of the Provinces. Now, they were told that at that time the Supreme Court was not established, but it was perfectly well known that the Supreme Court would be established, and the Act for establishment, in fact, preceded this Act on the statute book. In their desire to follow the English Act they followed literally the precedent, and made it seem as English as possible, but then they altered the whole scope of its provisions by exceptions and provisos. While upon that subject he would remark that he did not altogether agree with his hon. friend who had just sat down, in his assent to the convenience of the change of tribunal to Ottawa. It was quite true that this Bill had a clause in it which so far did minimize the objection against the charge, for it allowed issues to be tried in other places, and allowed testimony to be taken in various parts of the Dominion. Without this the Bill would be most objectionable; at the same time it would, he contended, have been much better to leave matters in the hands of the Superior Courts of the different Provinces. They should not be called upon, when a claim arose in British Columbia, for instance, to bring their case for trial to Ottawa. On the other hand it would be very inconvenient for the Court to remove where such a suit should be tried, and it would be equally inconvenient for the parties to come to Ottawa. Under the law of last session there was a very important exception, claims against the Public Works Department. Gentlemen on this side protested against that exception, but without effect. They were now told that this was to cover all claims against the Government. The clause was in a very general form and left out those important words which were included in the Act of last year, the reference to all claims being such as were cognizable had the dispute been between subject and subject. As the Bill stood at present it was very bald. It was quite true it might be considered as embracing all claims against the

Public Works, but in what way? There was a clause in the Act which stated that whenever the head of any department thought it advisable in the public interest that a claim should be left to arbitration, the proceedings were suspended, and there was no longer any relief to the party except such relief as he could have obtained without this Act. This was an important exception, not to be found in the Imperial Act of last year's law, and he protested against it as a mockery of justice, for while it professedly expanded the remedy, it really restricted it within the narrowest possible limit. The 8th section of the Act of 1875 was a very important one, and was not re-enacted. It might have been an omission, but it was a very important omission. That clause was entirely left out.

Hon. Mr. SCOTT—The rules of the Supreme Court apply.

Hon. Mr. DICKEY said the rules of the Supreme Court might supply the deficiency; but how would it be, till these rules were made, if it were left out?

Hon. Mr. MILLER said it was his intention in Committee to call the attention of the Hon. Secretary of State to the 15th section, and ask from him a declaration that, until these rules were laid down by the Supreme Court Judges, the rules of the Court of England should prevail.

Hon. Mr. SCOTT said in all unprovided cases where the rules did not apply, they took the English rule.

Hon. Mr. DICKEY said he wished to call the attention of the House to the fact that after these rules were made they might not receive the sanction of Parliament, and supposing they should receive it, at a breath from the Government they might be suspended at once by Order in Council, a provision not embraced in last year's Act. Another important point was respecting the costs of the appellant. Ample provision was made in the Act of last year for the costs of the suppliant, but that 13th section was not proposed to be re-enacted. That section provided—"Upon any petition of right, the subject shall be entitled to costs against Her Majesty, and also against appearing or being appealed to in such petition of right." The 17th section

of this Act was exactly the same as the corresponding 14th section in the other Act; but there was no authority in this Bill that the Judge might order costs against the Queen. The general principle familiar to all was that the Queen pays no costs. There was no power given by this Bill as it now stood, as in the Act of last year, and as in the English Act, to give the suppliant costs either against the Queen or the person intervening. If such a clause were necessary last year it is equally necessary now.

Hon. Mr. SCOTT said the eighteenth clause of the new Bill provided for this case.

Hon. Mr. DICKEY said that clause refers to forms of procedure, not to the question of costs. With regard to the question of trial by jury, he remained of the same opinion he held last year, that that was a right which ought not to be taken away, as proposed by this Bill, between Her Majesty and a subject, any more than between subject and subject. It had been found to work well for a thousand years in England, and there had not been sufficient experience in this country to warrant them in saying that juries did not do justice in these cases. When the evil arose it be would time enough to apply a remedy; at present there was nothing to justify the taking away between Her Majesty and a subject the right which every man was entitled to between subject and subject. The Bill was an improvement in some respects, because it widened the objects of the remedy which was proposed to be given to the subject, but it was so hampered by these restrictions, that although a man might have a claim, it was stopped by the simple action of the Government in forcing him to have it referred to arbitrators appointed by the Crown. In other respects he thought the Act was open to severe criticism.

Hon. Mr. CAMPBELL said it was not often he had the pleasure of supporting a measure of the Government, but on this occasion he did not consider the Bill was open to the objections of his hon. friend (Mr. Dickey.) Supposing the course suggested was taken and the power was given to the courts of each Province to try these cases, there might be cases in Ontario, Quebec and the Maritime Provinces all going on at the same time against the Public Works

Department, and if the officers and books of the department had to be produced in each court, the dealings would be interminable and the inconvenience would be extreme. He thought the remedy was to let such cases be tried in the Court of Exchequer and allow the evidence to be taken before Judges in the Province where the witnesses resided, as provided in the Bill. This he thought would afford every possible convenience to the petitioner or plaintiff in the case and protect the public from the inconvenience which would attend the course which his hon. friend (Mr. Dickey) advocated. He thought justice would be meted out to suitors without the intervention of juries, and those who were familiar with the prejudices of juries against the Crown in such cases would agree that it was very difficult to procure just verdicts when the Crown is the defendant. He believed the Judges would be perfectly able in these cases to decide upon the facts, and complete justice would be rendered to all parties without bias to either the Crown or the suitor. With reference to the delay of the coming into force of the rules to be prepared by the Judges under the Act, which his hon. friend from Nova Scotia thought might take place before the sanction of Parliament was obtained, he thought there was no ground for the apprehension. The rules came into force the moment they were passed, although not laid before Parliament until its next session, and whether power was given to the Governor in Council or to the Supreme Court to suspend these rules, there was not the slightest danger. It might be possible a rule might be passed by the Judges in their first meeting that would receive the sanction of Parliament, but which a little practice might prove to be very inconvenient and dangerous to the public interests. The Crown could have no possible object in suspending a rule unless it was to protect the public; and therefore he thought the power to suspend a rule which might have proved inconvenient or injurious to the administration of justice in the Courts was not an unreasonable power to be given to the Crown, and he was content that they should enjoy it. With reference to the question of costs it seemed to him that the bill made ample provision for it in the 17th and 18th clauses, where the Judges had power to order costs, and the Receiver General was called upon to pay them. Nor did he join with him in believing that

the latter clauses of the bill were inconvenient or would work any hardship. These claims against the Crown were very often, he might say generally, exaggerated, and great precaution was necessary to protect the public from them. He thought it desirable that the Crown should have the right of referring them to the public arbitrators, and under the provisions of these clauses, if they were not so referred with in a given time, the jurisdiction of the Court came into force. The Bill, he thought, was fully entitled to the support of the House.

Hon. Mr. TRUDEL said, though he did not intend to oppose the Bill, he would point out several provisions to which there were objections. In the first place he saw an objection to the 3th clause enacting that the Court of Exchequer only shall in all matters have exclusive jurisdiction over petitions of right. Where there was any difference between the Crown and the subject there were strong reasons it should be referred to the Exchequer Court, because all private interest ought to defer to the dignity of the Crown, but there were some cases which would be tried in which the interests of private individuals would be involved, and even contestations between private parties exclusively, one of them pleading under the name of the Crown. In such cases he thought that the parties ought not to be deprived of the benefits of the local courts. The 6th clause was open to much objection. It provided that a petitioner should lodge a copy of his petition with the Clerk of the Exchequer Court, but he thought something more was required, and he did not see why the Bill should not recognize the principle of having all the parties to the suit summoned in the ordinary way. It is a general principle to be recognized in all counties and in all courts already existing in the Provinces, chiefly in the Province of Quebec, that nobody should be condemned without having been summoned in the name of the Sovereign. There is strong objection to depart from that principle. As to the regulations of the Supreme Court being submitted to Parliament he thought it was a wrong principle. It would be as well to contend that the Legislature every year would have the right to abolish the rules of the Senate or of the House of Commons. The principle was universal that the courts only should have absolute power over their rules, and he trusted it would not be

disturbed in this instance. Apart from this question there were objections on the ground of inconvenience, which had been referred to by the last speaker. The hon. member for Kingston complimented the Government on the conservative character of this Bill. The hon. member would admit that the enactment having the effect of submitting the rules of practice of the Courts, the rules of the highest tribunal of the country, to the approval of Parliament, is far from being a conservative measure. He (Mr. Trudel) was sorry not to be able to join the hon. member for Kingston in his congratulations to the Government.

Hon. Mr. LETELLIER DE ST. JUST said the rules were to be submitted simply for the information of Parliament and the public.

Hon. Mr. MILLER said there was another purpose in this provision—that if any rules were wrong and inconsistent they should be repealed.

Hon. Mr. LETELLIER DE ST. JUST said the fact of the rule being submitted to Parliament did not imply revision.

Hon. Mr. TRUDEL was glad the Bill did not go as far as supposed in this respect. The rules of the Local Courts are not subject to the veto of the Legislature, and he thought that principle should obtain in regard to the Supreme Court.

Hon. Mr. HAVILAND thought the Bill was a good one. It was much better to have these petitions referred to the Exchequer than to the local courts. He did not believe there was any objection to the 6th clause. Something more than a copy of the petition had to be served on the party; a notice must be attached to that document, which is equal to a writ. The form was as follows:—

To A. B.

You are hereby required to file a statement in defence to the within petition in Her Majesty's Exchequer Court of Canada within four weeks after the date of service hereof.

Take notice, that if you fail to file a statement in defence or demurrer in due time, the said petition may, as against you, be ordered to be taken as confessed.

No injury could arise to the third party when such a notice as that was served. He thought the clause requiring submission of the rules to Parliament was proper, and would act as a check on the Court and induce them to frame good rules.

Hon. Mr. SCOTT thanked his hon. friends for the fair and reasonable criticism of the Bill, which was a recognition

of the great care the Minister of Justice had given its construction. He tried to make it as perfect and complete as possible. It was necessarily framed on the English measure, and conformed more to it than his hon. friend opposite was prepared to admit. All writs under the English law were issued at Westminster, and entitled by one Court there. It was an old principle of English law that where complaint was made against the Sovereign she should have the right to choose a tribunal. With regard to the rules, it was not intended they should be imperative until Parliament pronounced on them, but they were simply submitted for information and to call attention to their effect. The suspensory clause was copied from the English Act. In England the Privy Council had the right to suspend any rule or order or regulation of the Court. He assumed that the power was not exercised unless a rule was discovered oppressive, tyrannical, or inoperative. He saw no objection to a provision of that kind.

Hon. Mr. KAULBACH said he deferred making any comments upon this Bill until he had heard the opinion of its advocates. It was well that the rights of the Crown should be protected, but in doing so we should not lose sight of the interests of the subject—the parties who sought redress. He looked upon this Bill as attempting *ex post facto* legislation—removing and denying rights already acquired by law, causing delay to suitors, which was equivalent to a denial of justice. Parties who have formulated their claims, and are ready for trial, should not, as will be the effect of this Bill, be deprived of rights at present possessed. He considered the Government had not justified its conduct herein, in view of the legislation of last year, which, by their action now, they admit to have been a waste of time and legislation. The Government last session created the Supreme and Exchequer Court, and might then have provided for what is now proposed. He failed to see or appreciate the force of the argument for changing the law as it exists in England in claims against the Crown in Chancery. There the petitioner has the right of trial of facts and law before a jury, and the law has not been interfered with. There scarcely any class of cases was prevented from having a judicial decision. The fiat was granted upon the applicant conforming to law and filing his petition. By this bill the Governor General—meaning the law officers of

the Crown—can refuse the fiat, and the applicant has no redress but to Parliament. Besides, it gives the Government the choice of two courts—one of them a Court of Arbitrators, created by the Government, the members of which can be removed at Government's will and pleasure. He considered the Government, by this Bill, were seeking too much power. It was not in the interest of suitors to be compelled come to this city to demand and get redress, and he trusted and believed, from the remarks made by other hon. gentlemen from Nova Scotia, that this Bill, when in Committee, would lose some of its objectionable features.

Hon. Mr. BOTSFORD asked whether the Imperial Act gave the Crown the right to force a suppliant into arbitration.

Hon. Mr. SCOTT—No; this right only existed in Canada until last year. Before then, parties having claims against the Public Works Department had the right, under certain circumstances, to refer to the Provincial Board of Arbitrators. It was proposed that the Board of Arbitrators should continue for the present, and the Minister of Public Works elects either to send there or to the Supreme Court.

The Bill was then read the second time.

#### INLAND REVENUE LAW AMENDMENT BILL.

Hon. Mr. SCOTT, in moving the second reading of the Bill, said: This is a very short Bill. There are only two clauses, and its object is to enable the officers of inland revenue to test more accurately the quantity of malt in the process of fermentation.

The Bill was read the second time.

#### NOVA SCOTIA COUNTY COURT JUDGES.

The House went into Committee of the Whole on the Nova Scotia County Court Judges Salaries Bill, Hon. Mr. Botsford in the chair.

Hon. Mr. MILLER desired to say a few words in explanation of the course he pursued last session in regard to this bill. He then stated that it had been passed during the last session of an expiring Parliament, that he believed it was not such a measure as met the approbation of the country, and that the new Legislature should be afforded the opportunity to assume the responsibility of either accepting or rejecting it. At the time the Bill was before the Senate he had a telegram from Halifax from a member of this House who expressed the opinion that it would be rejected by the Local Legislature. This anticipation, however, was

not realized, but he would not enter into the causes which prevented the bill from being repealed. He would merely state that when the House rejected the bill the press supporting the Government reflected severely on the conduct of members, but the writers were in evident and complete ignorance of the facts of the case. He stated last year, and would repeat now, that this Court was unnecessary, and he was sure the administration of justice would not suffer in the slightest degree if it did not exist, and he was sure the country would not regret if the \$16,000 salaries was saved. But as it was the desire of the Local Legislature that this Court should be established, and as the Commons had concluded that the number of Judges created was not excessive, he would not further resist the passage of the Act.

Hon. Mr. KAULBACH said—He quite agreed with the remarks of his hon. friend from Arichat; yet he had not changed, but was confirmed in the views he expressed last session, that it was a waste of public money—some \$20,000 annually, with additional taxes on the people for a law obnoxious to the people. The Local Legislature had undoubted right to decide whether the County Court was necessary, but we had the same undoubted right here to check abuses. He admitted that at present there were defects in the administration of justice in Nova Scotia, but the judges, for whose salaries this Bill provides, are not invested with the power to meet those defects. He could not repress his fears that a powerful influence will be used to have one or more judges appointed who are notoriously unfit and unqualified. The rights and liberties of the people ought not thus to be imperilled, even though necessary to sustain a Government in power. He had no objections to the salaries. He believed in order to secure really qualified gentlemen they were not too high. But what he did object to, and wished the Government to consider, was, that whilst the six county judges were to have an increase of \$400 after three years, the salary of the Halifax judge was not to be increased under this Bill. Surely the Government cannot give sufficient reason for this. It is well known to everybody that the cost of living in the city, and the duties that will devolve on the Judge there, will be far in excess of what will devolve on those appointed to the country districts. He understood a re-adjustment of all judicial salaries was under considera-

tion, and he trusted this inequality would not be lost sight of by the Minister of Justice.

The Committee rose and reported the Bill without amendment, and it was then read the third time and passed.

#### COMMON CARRIERS BILL.

On the second reading of this Bill being called,

Hon. Mr. MILLER asked whether it could not be deferred until next week.

Hon. Mr. SCOTT said it was proposed to have the Bill read the second time and referred to Committee, when a good many amendments would probably be suggested.

Hon. Mr. CAMPBELL said there was a very grave question as to whether Parliament had jurisdiction over this matter at all; whether it did not come within the purview of the Local Legislatures. The Bill would undoubtedly give rise to a great deal of discussion.

Hon. Mr. PENNY said he had had a letter from a Montreal gentleman largely interested in the subject, stating that the Bill met with disapprobation.

Hon. Mr. MILLER said as far as he was concerned he was in favour of the principle of the Bill, but it was to be considered in a case of this kind, which would revolutionise the law in regard to the carrying trade, whether it should not be allowed to stand over for another year so that the large interests to be affected would be prepared to come before Parliament and express their views thereon. We could get along very well for another year, and if we are to make a change it should not be a sudden one. They were not in a condition to get the information required to arrive at sound conclusions. It was easy for gentlemen from Ontario and Quebec to attend and give their views on the subject, but it would be scarcely possible for persons in the Maritime Provinces, who were deeply interested in this legislation, to come here and express themselves if the Bill was passed as now proposed. At all events, the second reading might be deferred until Monday of Tuesday.

Hon. Mr. BOTSFORD said it seemed to him that it was a Bill that ought to be referred to the Supreme Court to decide on its constitutionality. The Local Legislature of New Brunswick were now legislating on the liabilities and duties of common carriers.

Hon. Mr. DICKEY said there was also a Bill before the Nova Scotia Legislature



on the same subject, brought in by the Attorney-General.

Hon. Mr. BOTSFORD said it was quite clear that the local Parliaments, considered that it was a matter for their jurisdiction, and the advice of the Supreme Court should be obtained before the Bill was proceeded with, as the Maritime Provinces might consider it an interference with their civil rights.

Hon. Mr. McMASTER said there was much force in the suggestion of the hon. gentleman that the bill should be laid over until next year, as it contained many provisions that would seriously affect the carrying trade of the country. He did not see how railroads especially could conform to some of the provisions of the Act.

Hon. Mr. MACPHERSON considered that it was a Bill that ought to be proceeded with very cautiously, as it was a disturbing measure. There was great force in the suggestion of the hon. member from Nova Scotia that the second reading of the Bill should be deferred in order that the bill should be made as perfect as possible. Then it should be printed and distributed through the various Provinces for the consideration of those who were specially interested in it. In that way although they would lose a year in the final passing of the Act, they would probably succeed in getting it in the best shape possible.

Hon. Mr. CAMPBELL said they could not do that without assuming that they had jurisdiction. He thought the suggestion of his hon. friend (Mr. Botsford) was the best that could be adopted, as they should not legislate upon the subject with the doubt that existed.

Hon. Mr. RYAN was sure the course recommended by the hon. gentleman from Nova Scotia would be quite satisfactory to the interests from whom he had presented a petition on this matter yesterday. There was one point in this Bill which did not appear to have been considered. The legislation which regulated land carriage must be very different from that which regulated land and water, and this was a Bill combining legislation for the whole. He also found on looking at the Bill that the provisions for land carriage were enacted as far back as the reign of William IV., and the provisions of that enactment were inapplicable to this day of railroads. The petitioners he had mentioned would be satisfied to have the Bill read a second time and referred to committee, but he was afraid

that that course would not give an opportunity to gentlemen from the Maritime Provinces and British Columbia who were interested to express their opinions on the measure. He thought it would be better to postpone the Bill until next session.

Hon. Mr. BALLARGEON said he had just received petitions from companies in Quebec against the Bill, which he would now submit to the House.

Hon. Mr. DICKEY said he was one of those who entertained the opinion that this legislation was not within the competency of this Parliament, and the point was sufficiently grave to demand serious consideration. It was a serious matter to undertake to revolutionize the carrying trade of any country, especially a country like this. The Bill professed to deal with a class of legislation which had been already undertaken in the several Provinces. He hoped the Bill would be allowed to lie over.

Hon. Mr. TRUDEL said the greater part of this Bill might be found in one of the chapters of the Civil Code of Quebec, and they considered that their system of laws on this question was almost perfect. They intended to make a few more changes, and it was found they required the action of this Parliament, and the concurrence of the two Legislatures to render it as perfect as possible. He hoped further action on the Bill would be postponed.

Hon. Mr. McLELAN asked if the Government proposed to make the principle of this Bill applicable to the working of the Government railways.

Hon. Mr. PENNY said the gentlemen in Montreal who had confided their interests to him were willing to have the course suggested adopted, and the Bill read a second time and referred to Committee. He thought also it was desirable that they should make some progress towards enacting a measure of this kind. The constitutional point raised by the hon. gentleman opposite had not occurred to him before, but he thought it quite within the province of this Parliament to legislate on such a question. It would be a very good thing if they should have laws respecting common carriers for the whole Dominion. He saw by a report of the British House of Commons of last year, that although common carriers had some rights, other people had rights also, and these rights ought to be respected. He could see where the point of divergence came in very plainly. There

could be no harm in sending the Bill to Committee and there would be no more difficulty in dropping it than now if it were found to be undesirable that it should become law.

Hon. Mr. SCOTT said the House could hardly ask the Government at this stage of the Bill to withdraw it. He appreciated as highly as anybody its importance. It combined portions of a great many Bills, and as there were a number of interests to be considered, it was desirable to have as much advice on it as possible. His impression of the Bill was, that its clauses did not so seriously affect the Maritime Provinces as was supposed. There were very grave and radical changes, and some clauses would have, on reflection, under any circumstances, to be toned down. As this question of jurisdiction was raised, it would only be fair to postpone the second reading. It appeared to him that where our common carriers ran from one Province into another, it necessarily required a law. As far as ocean going traffic was concerned, that must necessarily be within the province of the Dominion Parliament also.

Hon. Mr. AIKINS objected to the Bill being sent to Committee, if it were afterwards to be adopted *pro forma*, without discussion.

Hon. Mr. MILLER said he presumed when the Bill came up for second reading on Monday, the Hon. Secretary of State would be prepared to say whether it would be pushed through this session.

Hon. Mr. SCOTT said it would be presumption to make any promise, and he could not until the bill was thoroughly discussed in all its details.

Hon. Mr. REESOR thought it desirable that the laws of the different Provinces on this subject should be made uniform at as early a period as possible. He could see no objection to have the Bill go to Committee, and have it thoroughly discussed, and then if it were found that a uniform measure could not be obtained for all the Provinces, it should be dropped.

Hon. Mr. SIMPSON recommended that printed copies of the Bill should be sent to the Boards of Trade of the different towns and cities throughout the Dominion, as they were conversant with these matters. He would like to see the Bill considered thoroughly before it became law.

Hon. Mr. KAULBACH said he hoped

the Government would not press the Bill to a second reading this session. It was a very important measure, affecting a large interest. He had but little doubt that it came under the head of Trade and Commerce, and as such, within the power of this Legislature. Although a Government Bill, yet we should proceed with caution and after full information. We are called to consider it—and not the House of Commons. We already find petitions from leading firms in Montreal opposed to its provisions, and no time afforded us to hear from others, in the more remote portions of the Dominion. The Bill does not appear of pressing necessity, and might well lie over until we have expressions of opinion from those in whose interests it is sought to legislate.

Hon. Mr. BUREAU said the question of jurisdiction was a very important one, and he thought the second reading ought to be postponed until it was decided.

Hon. Mr. LETELLIER DE ST. JUST said the Government had been in receipt of a large number of petitions on this subject, but they all came from the same quarter, and from the same interest. But they had to protect not only the interests of the carriers, but also those of the people. The various enactments of the different Provinces were of such a character that in many instances they neither knew what were the rights of the carriers nor what the rights of the persons whose goods were being carried. They knew that for many years companies had been springing up in the Dominion, and they were issuing tickets and way bills, on which all sorts of reservations were printed, which, if they were adhered to strictly, in nine cases out of ten the parties who were interested in having freight transported would lose both freight and damages by the fault of the carriers. He did not say that carriers as a class were not doing their duty, but there should be some law to determine what shall be the fair conditions on which they should carry passengers and freight on the highways, on the rivers and railways. The time had arrived that such a measure should be adopted, in order to know the duties of carriers and the rights of the public. The carrying business of the country was a question of trade and commerce. A railway which traversed two Provinces came under the laws of the Dominion, and such railways were common carriers, subject to the laws of the Federal Government. The only doubt which might arise in that

respect would be where a railway was confined to the limits of one Province. If we examined the spirit and intention of the British North America Act we would find that the carrying trade was a branch of the trade and commerce of the country; and as these were under the rule and jurisdiction of Parliament, they had a right to legislate in this direction. But if they were to assume all power in the matter they might go too far. For instance, he did not see how the Local Governments could be deprived of the power of regulating the transportation of hay and other inflammable materials. With regard to the suggestion to postpone legislation, he thought it a little premature, and that he was not bound to answer. He thought if the Secretary of State would postpone the Bill till Tuesday, hon. members would be ready to decide upon its principles and merits.

Hon. Mr. FERRIER remarked that the bringing of glycerine into Quebec under this Act would render it liable to immediate seizure under the local law. He mentioned that fact to show the importance of a careful consideration of the measure.

The second reading was then fixed for Tuesday.

#### REPORTS.

On motion, the fourth report of the Joint Committee on Printing, and the second report of the Select Committee on Contingent Accounts, were adopted.

The House adjourned at 5.30 p.m.

#### MONDAY, March 20.

The President took the chair at 5 o'clock.

After routine,

Hon. Mr. CAMPBELL enquired why it was that certain returns, which he had moved for some weeks ago, had not been brought down by the Government.

Hon. Mr. LETELLIER DE ST. JUST said he would make enquiries into the matter in the departments.

#### THE CANADIAN PACIFIC RAILWAY.

Hon. Mr. CARRALL moved, "That the construction of the Pacific Railway having formed the principal condition upon which British Columbia entered the Canadian Confederation, every reasonable effort should have been made by the Government of the Dominion to satisfy

the people of that Province that faith would be kept with them; but this House regrets to find that whilst incurring, or ready to incur, immediate expenditures of several millions of dollars not needed, or of doubtful utility, the Government has failed to proceed vigorously with the construction of our great national inter-oceanic railway, which is so essential to the material advancement of all the Provinces of the Dominion, as well as to the early consolidation of political and social union among the whole people."—He said he would claim the respectful attention of the House on this subject. He might be somewhat discursive, but he would claim the indulgence of hon. gentlemen, inasmuch as he had troubled the House very little during the present session. Moreover, the subject had grown to be of such momentous proportions, that it was watched with intense interest and anxiety by those who were instrumental in consummating the confederation between British Columbia and the older provinces. They had watched with a great deal of interest and anxiety the proceedings as the terms were being negotiated in England by Sir George Cartier and Hon. Wm. Macdougall for the acquisition of the North-West Territories, and at the same time they endeavoured to overcome the opposition of those who were adverse to the entrance of British Columbia into the scheme of Confederation. Those who composed the population of that Province at that time might be divided into three classes:—The Canadian section, who were very large, and devoted to their flag and their country, and who felt that it was of the first importance, if the Dominion was ever to be a success, that British Columbia should become a portion of the Confederation at as early a moment as possible. The Hudson Bay Company—a wealthy, powerful corporation, possessing all the influence acquired by many years of control in that country, and who from Conservative notions were opposed to Confederation, as they wished to hold the colony for as long a period as possible as a fur preserve. They were active opponents of the scheme of Confederation. Then there were the officials who received their appointments from Downing Street, who fought tooth and nail against the acquisition of that territory by the Dominion of Canada: and those who worked with the sole object of Confederation in view, and, in order to soften the opposition and malevolence of their opponents, found it necessary to discuss the

matter on a financial basis, and prove that British Columbia would be financially benefited by entering the Confederation. Among the strongest reasons urged in favour of their giving their assent to the incorporation of that Province with the Dominion, was, that a railroad would be built across the Continent; that it had been promised when Nova Scotia and New Brunswick entered the Confederation, and if the people of British Columbia wished to make the Dominion a harmonious whole, the railway should terminate on the Pacific. Amongst the strongest reasons which prompted other loyal Canadians, as well as himself—and no man surpassed him in loyalty to the national flag—was, that emissaries from the United States had come amongst them, and were pressing them to annex with the Republic. One of these gentlemen, while at Victoria, said the policy of the United States in purchasing Alaska was to consummate the absorption of British Columbia by the Republic. This hastened the actions of those who were working in favour of Confederation. A delegation came to Ottawa, and the conditions upon which that Province would become a part of the Dominion were laid before the Government. These conditions were then submitted to a Committee of the Privy Council, consisting of Sir George Cartier, Sir Francis Hincks, and Hon. Mr. Tilley, on the part of the Canadian Government, and the three delegates—the present Governor of British Columbia, Dr. Helmcken, and himself (Mr. Carral). At that time Sir John Macdonald was at the point of death, and he was not responsible personally for the terms, although his Cabinet were responsible to the world for them. They discussed all these questions carefully and frankly as any gentleman would under such important circumstances. The construction of a graving dock was one of the conditions submitted, and the Canadian Government were asked to give a guarantee of five per cent. on £100,000 sterling in ten years for the purpose. It was thought by some of the British Columbians that the Canadian tariff being higher than the Columbian tariff, they might get permission to allow the Columbian tariff to remain in force for a period of ten years, unless the Legislature of that Province thought differently. To make the conditions more harmonious, they agreed upon ten years as the limit for the construction of the Canadian Pacific Railway. He had stated on a previous

occasion in this Chamber, and he desired to repeat it now, as one of the delegates who were present on that occasion, that that *ten years was not put into the terms of Union as an absolute limit for the construction of the railway*, but it was put there as a *bona fides* that the Government would commence the road, and carry it on to completion as quickly as could be without injury to the interests of the country. He appealed to the reporter to take down his words correctly as he stood up in justification of the course pursued by the late Government on this question. Then as to the commencement of the construction of the road, he had thought the time was rather short, but they thought they knew more about the country than subsequent events proved they did know. The late Government had been reviled and charged with jeopardizing the future of the Dominion by giving such ruinous terms, and they were accused of breach of faith. He appealed to hon. gentlemen in vindication of the late Government if they had not done all they could to keep faith with British Columbia, when they had their surveyors at work in that Province before it was a part and parcel of the Confederation. The news brought back by the telegraph to British Columbia produced a reaction in favour of Confederation. Geographically speaking, the Dominion, in the accession of that Province, obtained a seaboard in the West, without which we could in no sense compete with a nation like the United States; and in the Confederation of British Columbia with the Dominion the late Government achieved a victory in the interests of the Dominion as important as that which Wolfe achieved at Quebec. The railway itself was looked upon as a great national undertaking—a national necessity; and the British Columbians understood that it was actually, prospectively, and impliedly to be constructed to the base of the Rocky Mountains, whether British Columbia came into the Confederation or not. What would have been the position of the great West to-day had there been a railway continued in there long ago? If Lord Selkirk, who started a settlement there many years since, had gone with the same energy to any of the countries on the seaboard, like California, Cape Town, or Australia, where they would have the facilities of railway or water transportation, he ventured to say the settlement to-day would have been a populous and thriving colony. Then came a distressing period in the history

of the Dominion—the failure of the Allan scheme to build the railway. He would not challenge the sympathy of hon. gentlemen in this room in response to that, but he would express his own individual opinion, when he said he looked upon the failure of the Allan scheme as a national calamity. It was a prelude to the fall of Sir John Macdonald's Government. That Government, whatever their policy, were, with respect to their tariff or their foreign policy, straightforward to British Columbia. The new Government came into power, and the first steps they took—he desired to speak more kindly of them than his duty to his Province would permit—was to concoct the Edgar mission. He had no doubt that all hon. gentlemen were conversant with the details of that mission; but as their minds had been occupied with so many subjects since then, he desired to make an allusion to it. It was well understood by the people of British Columbia that they were not to insist that the railway was to be completed in ten years; but the Government wished to make a point out of it, and hence the Edgar mission was undertaken to enable the Ministry to go to the people of Ontario and say:—"We have gone to British Columbia, and we have relieved the country of the terms imposed on them by the late Government; we have made better terms with British Columbia, and saved the Dominion." They sent Mr. Edgar over, uncredentialed, to negotiate with the Provincial Government; but when he was asked to show his authority he refused to do so. When the question was asked the Premier if he knew Mr. Edgar did not present his credentials, the Premier's reply, as given in the House of Commons, was—"I became aware of it a week ago." He coquetted with Columbians to endeavour to make them believe in the honesty and earnestness of purpose of the present Government, and beguile them into making some proposition which could be used in the interests of the Reform party. These negotiations were not carried on with much grace or propriety on either side, and the Premier of the Dominion exhibited a great deal of petulance and irritation, and broke off all negotiations by abruptly recalling his ambassador. That ended the Edgar mission. Then, of course, the people who had discovered that he had come there simply to spy out the country, and without power to enter into any negotiations, felt considerable resentment at the Government and the people of

Canada. They saw fit, in their local legislative wisdom, to come to Ottawa for orders, and the Provincial Premier came as a delegate to negotiate with the Premier here, but without resulting in a settlement satisfactory to either party outside of the original contract. The British North American Act provides, that on the admission of a Province into the Dominion it should be on the joint address of the two contracting parties—the Imperial Government, and, as it were, stands god-mother for the good faith of the Acts of the Dominion towards the smaller Province. So British Columbia naturally referred the matter in dispute to the Imperial Government, which resulted in what is known as the "Carnarvon compromise." The original terms of the union in respect to the railway clause, the one more particularly under discussion, says:—

"The Government of the Dominion undertake to procure the commencement within two years from the date of the union of the construction of a railway from the Pacific towards the Rocky Mountains, and from such point as may be selected east of the Rocky Mountains towards the Pacific, to connect the sea-board of British Columbia, and further to secure the completion of such railway within ten years from the date of union."

The matter was referred to Lord Carnarvon by the consent of both parties, and he thought his Lordship volunteered and was accepted as arbitrator. In the second clause of his despatch Lord Carnarvon took the ground that the work had *not been proceeded with* in accordance with the terms agreed to at the time of union. The despatch read:

"That the Dominion Government should GREATLY INCREASE the strength of the surveying parties on the mainland, and that they should undertake to expend on the surveys, if necessary for the speedy completion of the work, if not an equal share to that which they would expend on the railway itself if it were in actual course of construction, at all events some considerable definite minimum amount."

The effect of Lord Carnarvon's compromise was, that the Esquimalt and Nanaimo Railway should be built, whether or not it should become part and parcel of the trans-continental road. Among other things, the instrument provided that not less than \$2,000,000 annually should be expended in British Columbia towards the construction of the Pacific Railway. It was understood that this arrangement was generally satisfactory to the people of Canada as it was to the people of the Province. He was reminded of the burning eloquence of the Minister of Justice on this question, who, in a

moment of anger, voted against the Bill. The British Columbians paid the penalty of his anger, and had suffered from it on many other occasions; but the dissatisfaction which permeated the chambers of that hon. gentleman's mind also spread to this House, and the Bill was defeated by a majority of two followers of the hon. gentlemen opposite. Every one in the Province was confident the Carnarvon compromise would be carried out, but the next thing they got was the Minute of Council of the 20th of September. That minute, after its passage, was detained seven weeks before being sent to British Columbia. The contents of that document were rather remarkable, and an idea of their nature could best be gathered from the following extract:—

"It would seem reasonable that the people of British Columbia should construct this work themselves, or (if they think other local public works more advantageous) should, in lieu of this, themselves undertake such other local public works, and that the compensation to be given them by Canada for any delays which may take place in the construction of the Pacific Railway should be in the form of cash bonus, to be applied towards the local railway, or such other local works as the Legislature of British Columbia may undertake, Canada also surrendering any claim to lands which may have been reserved in Vancouver Island for railway purposes."

When that minute arrived in the Province it received the attention of the best minds among them, but no one could tell what it meant. The only conclusion that could be arrived at was, that the sum of \$750,000 was offered for the relinquishment of the Esquimalt and Nanaimo Railway. Had the document been less ambiguous and more frank, their ordinary intellects might have grasped its contents, and probably have seen something else in it. Complaint had been made as to the language of the rejoinder, but there was no desire to wound anybody, and it was at least as respectful in tenor as the minute which the Dominion Government sent in reply. The *Globe* at first took the view that the \$750,000 was for compensation for the abandonment of the scheme; but a few days subsequently it gave a different interpretation, which showed the great difficulty even the friends of the Government had in gauging its exact purport. The stand taken by Ministers was, that there was no money to devote to the work. What had become of the Cartwright loan, on the guarantee that Sir John Macdonald got from the British Government with respect to the Washington Treaty? The money had to be expended for railways.

Hon. Mr. SCOTT—And canals.

Hon. Mr. CARRALL—The Canadian Pacific Railway. He would venture to show it. The minute from this great Dominion of Canada to a small province had the following passage, which was sufficient to irritate any people, and would justify any disrespectful remarks (if there were any) in the rejoinder:—

"The Committee cannot but observe that the spirit which, ignoring the general welfare and the importance to the whole of Canada of avoiding disaster from a premature commencement and a reckless prosecution of the Pacific Railway, presses so urgently for an enormous expenditure with a view to reap vast profits for the small population amongst which it is to be made, is hardly calculated to induce the people of Canada to second the Administration to redeem as far as they can the appalling obligations to which, by the terms of union, the country was committed. The Committee remark with regret that the Assembly of British Columbia should have expressed their entire agreement with the views and statements set forth in the minute of the Executive Council of that Province, dated January 4th, 1876, which, besides some allegations and arguments substantially repeated in the address, contains, with reference to the transmission of the minute of Council of September 20th last, imputations upon the honour and good faith of the Canadian Government so gross that they must decline to discuss it."

He could not regard the wording of the minute otherwise than *unintentional*, and that the present British Columbia Government had made a *grave* and perhaps *unpardonable* error in this matter. They should have acted candidly and fairly, and if unable to arrive at a more satisfactory conclusion, should have fallen back upon the reserve supply of mediation in Downing Street. This policy had had a damaging effect upon British Columbia in more ways than one: it had prevented a great deal of settlement as well as the development of the coal mines. The public utterances of statesmen had also been of a character calculated to irritate the people of the province and discourage loyalty. Men of gigantic, herculean intellect, like the Minister of Justice, who should teach the people to practise forbearance or Christian charity, had used language on a public platform at Aurora unbecoming to any statesman or public man. He said:—

"If under all these circumstances the Columbians were to say 'You must go on and finish this railway according to the terms or take the alternative of releasing us from the Confederation,' I would take the alternative."

Such an expression with reference to a small province, having but a nine voiced speaking power in Parliament was unmanly.

Hon. Mr. SCOTT—He was not a member of the Cabinet then; he was responsible to no one but himself for his language.

Hon. Mr. CARRALL said he quoted this as an illustration of the utterances of public men on this question. The speech continued:—

“I believe that is the view of the people of this country, and it may as well be plainly stated, because such a plain statement is the very thing which will prevent British Columbians from making such extravagant demands. If these 2,000 men understand that the people of Canada are prepared, in preference to compliance with their various demands, to let them go, and to have them build the Columbian section with their 10,000 people, their tone shall be more moderate, and we shall hear no more talk about secession. The principal person who has spoken hitherto is Sir John Macdonald, who almost invited it in his election speech during the late contest. They won't secede; they know better. Should they leave the Confederation, the Confederation would survive and they would lose their money. (Laughter.) With regard to the sections of the railway which involve the communication between our eastern seaboard and our great Northwest, the utmost diligence is being used to put them under contract.”

In the same speech the hon. gentleman went on to speak contemptuously of the resources of British Columbia. Now, he professed a much more comprehensive knowledge of the country than the Minister of Justice, and he could state that it was wealthy and rich in everything which formed the elements of a great nation. It was prosperous too. Its exports of gold amounted to \$3,000,000, and its coal exportations were vastly on the increase. Its revenue this year would amount to \$600,000. The Province came into the union with a debt of \$1,100,000, and at that time, under its own tariff, had a revenue of \$500,000 a year, which would pay off the debt in about two years. The Minister of Justice spoke of the paucity of their numbers and the largeness of their representation. He wished they had a larger representation; but they had as good a right here as the members for Ontario and Quebec; and he defied the hon. gentleman to point to six constituencies, excepting the larger cities, which had more than \$600,000 revenue.

Hon. Mr. LETELLIER DE ST. JUST thought the hon. gentleman was mistaken as to the revenue. The revenue for 1874 was \$450,000.

Hon. Mr. CARRALL said he spoke of the revenue of the present year. The collector told a friend of his that it was \$500,000 up to November, and that he confidently expected it would touch \$600,000. There was a great deal of irritation in the Province owing to the atti-

tude of the Government and of public men. The railway was promised them, and rails were purchased in England and sent out with a great flourish of trumpets, and it was no wonder they should feel sore at the present condition of affairs. Americans laughed derisively when they saw the piles of steel rails along the coast and the significant fact they suggested, and every one having the interests of British Columbia at heart, was greatly dissatisfied. It was unfortunate that all this should come of the settlement of the feud between two Cabinet Ministers. The confidence of the British Columbians was not only shaken in the Government by their unfriendly, or no policy, but in the whole Canadian people. He desired to say that he, for one, had every confidence in the Canadian people. It had been his lot in the last two or three years to traverse vast portions of the Dominion; he had been in all the Provinces but two, and had mixed in various grades of society, and he found among the ranks of the gentlemen who supported the Ministry, as well as among the Conservative party, the prevailing idea to be that the railroad should be constructed. He did not propose to talk secession, for there was not in the world could drive his Province from the Union as long as he could prevent it, for it was the dream of his life to see the Confederation of the Provinces consummated, and he appealed to the House to force the Ministry to do what was right in the premises. In Lord Carnarvon's compromise document, he said in clause 17:—

“I have now only to repeat the strong desire which I feel to be of service in a matter, the settlement of which may be either simple or difficult according to the spirit in which it is approached; a question directly bearing upon the terms of Union may, if both parties to it will waive some portion of their own views and opinions, be well entrusted to the Imperial authority which presided over that union, and not improperly, perhaps, to the individual minister whose fortune it was to consider and in some degree to shape the details of the original settlement under which the Provinces of British North America were confederated, and British Columbia ultimately brought into connection with them. If indeed the expression of a personal feeling may, in such a case as this, be indulged in, I may perhaps be allowed to say how sincerely I prize the recollection of the share which I was then permitted to have in that great work, how deeply I should grieve to see any disagreement or difference impair the harmony which has been so conscientiously maintained by the wisdom and good feeling of all parties, and how entirely your Lordship and your Ministers may count upon my best efforts in furtherance of every measure that can contribute to the strength and honour of the Dominion of Canada.”

In the same connection he desired to say that although he bore so humble a

part in the construction and completion and he hoped to bear a conspicuous part in the consolidation of the Dominion of Canada—it was to him one of the sweetest and dearest memories of his life, and there was nothing he possessed he valued so much as a copy of the silver medal struck in honour of Confederation; therefore it would ill become him because of these difficulties to talk of secession, or to attempt to destroy one particle of what he considered as partly his own handiwork. In looking over the papers this morning he desired to show what a change had come over the dream of the great Liberal party, and how these changes were premonitory of coming dissolution. Look at the great Reform party of Great Britain, with Gladstone at their head. They came in with a powerful following, but in a very short time it was shattered to the winds by one or two false steps. He would quote from the organ of the Government, the *Toronto Globe*, of February 13th, 1874, to show that a change had occurred:—

“No Government that could be found will carry on the work of construction more efficiently and speedily than will that of Mr. Mackenzie. It was the Reform Party that first advocated the annexation of the North-west Territory, including *British Columbia*. It is among Reformers are found the most enthusiastic supporters of the Pacific Railway. And it is by a Reform Government that the work must be carried to final completion. It is not the people of British Columbia therefore that have cause to regret the advent of Reformers to power.”

He felt that this debate which he had the honour to open would give rise to many discussions, but he hoped it would not be to any more complications. He thought, by a little more forbearance in Parliament by Dominion statesmen, a better understanding would be arrived at, and there would be a more satisfactory solution of the difficulty; but while language like that used by the Premier, who told them that they only wanted money expended in their Province—while language of that kind is used in official documents and Minutes of Council, it was not reasonable to expect that British Columbia would bear meekly and with resignation treatment of that kind, together with broken faith and taunts. They had been told they had no right to representation in that House, that they represented nobody but Indians. They were leeches, Pariahs, blood-suckers, the calf that was sucking the Ontario cow, etc. He did not charge the Government with using such language, but it was used by their press and by their supporters.

All these things were not pleasing for them to hear; it was not the way to bring order out of the chaos into which the vicious policy of the Government had plunged them. He admitted that the position of the Government was an onerous one. They were new to office and new to ministerial responsibilities. He could quite understand that this strain on their mental powers was enormous, but he believed that a more large hearted, a more comprehensive, whole-souled policy towards British Columbia would be more politic. The late Government did certainly desire to show them a good feeling, but the present Government was constantly taunting them with costing \$1,200,000 since their admission to the Dominion more than they returned. Was that worthy of Ministers holding office and representing the people? He thought not, and if a better understanding was not arrived at, he, for one, proposed to raise his voice, cast his vote, and try to keep his people content, and if the Government did not do what was right they would do their best to put them out and get men in who would do them justice. Then, in the language of scripture, the Province which Mackenzie rejected would become the first Province of the Dominion. (Laughter.)

Hon. Mr. LETELLIER DE ST. JUST said he would oppose this motion. Certain portions of this resolution as it stood could not meet with the disapproval of the House; but as a whole it was objectionable. He did not think that his hon. friend had a right to say the Dominion had not done all they could to comply with all the conditions of the treaty entered into with British Columbia. His hon. friend knew very well that the intention was not to limit the construction of the Pacific Railway to ten years; he knew very well, and the country knew it, that a large expenditure of money was made by the late Government to determine the location of the Pacific Railway; that the survey had been proceeded with without any interruption ever since the present Government came into power; and if this did not demonstrate their intention to carry out the terms of Union, he did not know what more they could do. Before going into the construction of this railway, they had to find a fixed location, and he would say the country was trying to keep faith with the Province of British Columbia. He could not complain much of what had been said by his hon. friend: he was generally very sweet



in his attacks upon the Ministry, with one or two exceptions, and they could only compliment him on the speech he had made. The general tenor of his speech was of a character to please those who heard him place before the House the interests of this Province. The hon. gentleman had told them that the ten years' limit was not absolutely the limit for the construction of the railway. He was very glad to hear that stated by one of the gentlemen who was a delegate at the time the terms of Union were negotiated, but it was only of late that they had heard the hon. gentleman state that the limit was not ten years.

Hon. Mr. CARRALL said he had stated it twice before in this House.

Hon. Mr. LETELLIER DE ST. JUST said the hon. gentleman had stated it, but it had not been so stated by the press. Outside of the hon. gentleman's statements, the Columbia press had tried to show that the time for the construction of the road could not be extended without contravening the terms of the Union.

Hon. Mr. CAMPBELL said, in introducing the resolution in this House he stated that the ten years' limit was not a binding obligation, but that it was only put in to show good faith that the work would be gone on with.

Hon. Mr. LETELLIER DE ST. JUST said he did not recollect in any way that this statement was made; but he did recollect what was stated by his hon. friend from Nova Scotia (Mr. Miller). In alluding to the Intercolonial Railway, he said they were pledged to build in a certain time, but the time had to be extended, and it was not a breach of faith. There had been no breach of faith with British Columbia. They were obliged to build the road, because it was a treaty. He did not say they were doing it for the benefit of the country; but inasmuch as they were bound to carry it out, they should carry it out *bona fide*; and the gentlemen from that Province ought to remember that they accepted a resolution which stated that this road should be built without any increase of taxation to the Dominion. The fact that ten years was not to be the limit was placed outside; it was not an integral part of the Act; but there could be no breach of faith implied as long as the Government could show it was not within the bounds of possibility to build the road without any increase in taxation. They had done the most they could to locate the road, and any attempt to go

further at present would necessarily increase taxation. They were told in this House by the leader of the Opposition that this resolution was passed, and that the Government would see that the taxation of the country should not become a burthen on the people for the construction of the road in ten years; yet they did not consider this would be an integral part of the Act to bind the Dominion towards the construction of that road.

Hon. Mr. MILLER said that the resolution was introduced in the House of Commons in the presence of the leading delegate, Mr. Trutch, and it was understood by him that the limit should not absolutely be ten years.

Hon. Mr. DICKEY said that gentleman was here when he (Mr. Dickey) said he would not vote for the bill unless that were one of the conditions.

Hon. Mr. LETELLIER DE ST. JUST said it would have been better if the hon. gentleman had not alluded to the Allan scheme. He failed to raise the money in England, and the reason was the contract did not offer that security which was desirable in the British money market. He would not further allude to this matter of the Allan scheme, as he could not do so without paying a poor compliment to his predecessors. As to Mr. Edgar's visit to British Columbia, he thought the Government took the only way they could to reconcile the difficulties which had arisen; and if Mr. Edgar had not written instructions at the time that would meet all the points that might be raised, at all events he had the power to communicate, and did communicate, with this Government by telegraphic despatches which were to meet the different conditions under which he might find himself in discussing the matter with the Government of British Columbia.

Hon. Mr. CAMPBELL said he would read the passage from his speech with reference to the ten years' limit in the debates of 1871. In his remarks he said:—"The proposition to construct the road within a certain period has attracted a great deal of attention; but I may explain that we have mentioned that time as most likely to be occupied in the construction of that work. It was not intended that we should proceed again in the face of insuperable obstacles, or jeopardize or injure the resources of the country."

Hon. Mr. LETELLIER DE ST. JUST said a portion of that speech would apply very well to-day. His hon. friend had

stated that the Government should not be obliged to proceed against insuperable difficulties. Then the present Government could also plead the same cause; and if the ten years' limit was not obligatory in the eyes of his hon. friends, how could they make it more obligatory on the present Government?

Hon. Mr. CAMPBELL said the hon. gentleman and his friends had always been declaiming in public against the late Government having made the ten years' limit obligatory.

Hon. Mr. LETELLIER DE ST. JUST—Because your party so held it up to this House. The hon. mover of the resolution had spoken of the revenue of British Columbia. They must not exaggerate the revenue as compared with the expenditure, but take the real amounts. They will find that the revenue of British Columbia since 1871-72 up to this year had amounted to \$1,879,000, when the expenditure was \$3,083,000; leaving a balance of expenditure over revenue of \$1,204,000; and if they added to that \$876,000 for the British Columbian portion of the railway survey, it would work a total excess of \$2,080,000.

Hon. Mr. CARRALL said they had no right to charge the expense of the survey to the Province of British Columbia, any more than the Welland Canal expenditure to Ontario.

Hon. Mr. LETELLIER DE ST. JUST said he mentioned this simply in answer to the statement of the hon. gentleman, that no money had been expended in the Province. He did not say it was not a Dominion expenditure, but it was an expenditure incurred by the entrance of that Province into the Confederation; and in answer to the statement that the Government had done nothing for that Province, it showed there had been over three millions of dollars expended to meet the obligations of this treaty. The Province had not suffered in their interests, but they had perhaps suffered a little in their too high anticipations and expectations, without anticipating that the difficulties they had to overcome were really as great as they are in crossing the Rocky Mountains. They could not construct a railway there without a study of the country; and if the survey were not carefully made, they might expose themselves—they might increase the cost of its construction, and involve an expense of millions. The Government did not intend to throw away the money without being sure of the location of the road

being permanent. Surveyors had been engaged for two years in trying to find what was the best pass to the Pacific; and so long as no good location had been found, was it just for these hon. gentlemen to say this Government did not keep faith with British Columbia? He believed the Government would be sustained in not rushing headlong into this matter to please those who considered too much their local and individual interest, instead of the general welfare of the Dominion. The difficulty was that hon. gentlemen in these matters did not look to the general interests of the Dominion, but to sectional interests. The Government had kept faith with the Province as well as they could under the circumstances; they had sent engineers to determine the best location for the road, and their intention was to render the accomplishment of this great work adequate to the importance of the country, and at the same time to keep within the limits of the law. A resolution was accepted by the delegates in accordance with the views of the Government on the subject.

Hon. Mr. CARRALL said the resolution, was never accepted by the delegates; it was accepted by Mr. Trutch on his own responsibility.

Hon. Mr. LETELLIER DE ST. JUST—The hon. gentleman will not deny that the resolution was passed in the other House.

Hon. Mr. CARRALL—Oh no.

Hon. Mr. LETELLIER DE ST. JUST supposed his hon. friend would not take the position of forcing on the construction of the Pacific when the country was in a bad financial condition.

Hon. Mr. CARRALL—Certainly not.

Hon. Mr. LETELLIER DE ST. JUST thought the hon. gentleman had better withdraw his resolution, then, as he entertained exactly the same views as those entertained by the Government. His hon. friend had charged that two supporters of the Government had caused the defeat of the Bill. That was not the fact. The journals of the House showed that three gentlemen who had been Ministers under Conservative administration voted against the Bill.

Hon. Mr. CORNWALL—In approaching this matter the hon. House must excuse me if I do so from a British Columbia point of view, and try to express my sense of the bad treatment which British Columbia has sustained with reference to the carrying out of the terms of union. I complain that she has been badly treat-

ed, not so much by Canada itself, or its people as a whole, but rather by the extraordinary behaviour of the present Government since it assumed power some two or three years since. I do not wish to conceal from myself the fact that in 1871, when the terms of union on which British Columbia was allowed to enter the Dominion were under discussion in the Houses of Parliament here, that several of the principal members of the Government now in power expressed themselves as strongly opposed to such parts of the terms as related to the Canadian Pacific Railway, and I can well understand how, on their accession to office, shortly after, they should have still looked with disfavour on those particular parts, and on the arrangement which had been come to. But, hon. gentlemen, it appears to me that had they risen to the exigency of the moment; had they been in any way capable of appreciating the importance of the matter, and of taking hold of it in a straightforward, honest, and statesmanlike way, that then none of the disgraceful and much to be deplored complications which have arisen between British Columbia and the rest of the Dominion would now have stood in the way of the cordial relations which we should wish to see in existence between the whole of the different Provinces of the Dominion. I may as well now revert for a few moments to the consideration of the circumstances by which British Columbia was brought into Confederation with the other Provinces. I can safely say that it was through no spontaneous or innate wish of her own. The matter was at first initiated, talked of, and promulgated by a few native born and loyal Canadians who had made British Columbia their home, but with very little effect, for the space of two or three years, till at last the matter of the Confederation of the North American Colonies having become one of Imperial policy, a Governor was sent out from England to British Columbia, instructed to do all in his power to bring about what appeared a desirable end. His Excellency exercised his power and made use of the means that lay within his reach, and Confederation was speedily effected on the terms which we all know. In British Columbia, however, while the necessary negotiations and preliminaries were being carried on there were not a few persons who, professing to be well acquainted with Canada and Canadian characteristics, did not scruple to assert, and to warn

British Columbians that Canada could not be trusted to carry out her engagements; but, hon. gentlemen, at that time British Columbia was a Crown colony, inhabited principally by Englishmen, men who, honest and straightforward themselves, and accustomed to honesty in grave matters of state in their native land, could not bring themselves to believe that Canadians, of originally the same birth and instincts as themselves, the present inhabitants of a country which was beginning to hold up her head among the nations of the world, to boast of her 4,000,000 of inhabitants, of her natural wealth and resources, and of greatly increasing prosperity, could, under any circumstances, fall so low in their own estimation, and be so utterly regardless of what was right and just, as to dream for one moment of cancelling or breaking the arrangements which might be made with British Columbia. The prophetic warnings thus given have, however, to my regret, and I believe to the regret of the majority of this House, turned out only too true, and British Columbia has not only been for the present deprived of the only advantages she could naturally expect to reap from Confederation, but she has, through no fault of her own, fallen somewhat into disrepute, and is more or less looked upon as a nuisance and an incumbrance. The reason for all this is the more deplorable, and I will add the more contemptible, when one plainly sees that it is brought about altogether by the working of party motives. The late Government, a Government which I am proud to say was a Government fit to be at the head of affairs of a country prospering as Canada was under its rule, brought before Parliament a bill admirably suited to bring about the end which they sought, *i. e.* the building of the Pacific Railway. It is now a matter of history how that scheme, eminently practical as it was, and eminently suited to the character of the work sought to be carried out, was frustrated through the weight of disgraceful party opposition which was brought to bear against it, and how the Government itself was brought low on matters connected with it. Suffice it to say that to me the course pursued by the party now in power at that time was the most glaring example of the prostitution of national expediency for the sake of place that it was ever my lot to know. It was a disgrace, hon. gentlemen, not only to themselves, but a disgrace to the whole country, and a disgrace which it will take

many years to live down. The matter would not, however, have been so disastrous in its consequences had the present Government been equal to the task of replacing the old one and carrying on the works to which the country was pledged. Had they shown the slightest inclination to, or aptitude for, or even a due conception of the importance of the work that lay before them we should not perhaps now have so much reason to complain; but their conduct from the first has been so weak, so vacillating and inconsistent that every one has lost all belief in their sincerity and all confidence in their operations. How can people for instance, reconcile their expressions of good intentions with the fact that some of the most prominent members of the Government are, and always have been, sworn opponents of the carrying out of the terms of Union with British Columbia? How can they believe in the sincerity of a Government which would not hold out a hand to save one of their own Bills, that of the Esquimalt and Nanaimo Railway, which was lost last year in this House by so narrow a majority? And while I am on this subject I wish to refer to some remarks on this matter which fell from the hon. the Secretary of State, a few days since in this House when a discussion was going on about the steel rails. The hon. gentleman explained that the Esquimalt and Nanaimo Railway was brought down last year by the Government to enable them to carry out certain arrangements into which they had entered with the Government of British Columbia, under the auspices of, and through the intervention of Lord Carnarvon; and the hon. gentleman proceeded to express his surprise that under these circumstances the Senate should have thought it right to defeat the passage of the Bill. So far, hon. gentlemen, I agree with the hon. Secretary of State, and I may be allowed to express my surprise that the Senate thought fit to adopt the course they did; but I will go further and express my most unqualified surprise that any member of the Government should rise in his place and assert that the Government did all in their power to secure the passage of that Bill. Why, hon. gentlemen, what were the facts of the case, were they not patent to all? The hon. member himself introduced the Bill in a very short, and I will add, a very lame speech, and having so done, the unfortunate Bill was left to take care of itself, to live or die on its own merits, while no member

of the Government or any supporter of the Government had another word to say in its favour! And what did we see, hon. gentlemen, when the vote was taken upon the Bill? Why, we saw two prominent supporters of the Government, hon. gentlemen who are unswerving and unwavering supporters of the Government on all occasions—hon. members who never before or after, either during this or the past session of Parliament, have voted in an adverse way on any Bill or motion in which the Government expressed an interest, we saw those two hon. members rise in their places and vote against the Bill! Now, hon. gentlemen, how can we reconcile that fact with the idea that the Government did what they could in favour of the Bill? If the Government had held out its little finger in support of the Bill, if they had merely whispered to them the necessity there was of supporting the Bill, can we for a moment suppose that it would have met with the fate which it did? And again, if the Government were earnest in their wish to pass that Bill through Parliament, why was it so readily dropped after its being defeated in this House by so narrow a majority? Why should not the Government have brought it up this year, and come forward and said—This Bill must pass; it is to enable us to carry out a certain engagement into which we have entered, and we bring it before you again, and you shall pass it, or if you will not, we fall with it. I do not say that that is a likely course to be adopted by the Government of the day, but I say that such is the course which they should have pursued had they wished to persuade us of their integrity and good faith. Then, again, to proceed a little further, what shall we say of a Government which could give to the light such a document as that precious Minute of Council of September 20th, 1875. I can only describe that document as one more worthy of emanation from the office of some low attorney than from the office of the grave Council of State, for it was a document so purposely obscure and untranslatable, and so capable of different constructions being put upon it, that even one of the principal supporters of the Government among the press of the country, the great *Globe* newspaper of Toronto, gave it one explanation one morning, and the next was obliged to eat its own words, and say that it meant exactly the opposite! Then, to come nearer the present time, let me mention the very last Minute of Council which has

seen the light, that of the 13th of this month. I do not know whether all hon. members have seen that Minute, or whether, at all events, they have read it with attention, but I can only characterize it as a document remarkable for the wordy special pleading contained in it—not the grave, conciliatory and kindly Minute which one would expect to find addressed by the supreme power of the State to one of its component parts, to a Province under its own care, but rather the work of a lawyer trying to make the most of a bad case, of an advocate fighting a matter to the bitter end with his opponent, and this document at its end, throwing to the winds all argument and all obligations, says in effect: "All that remains for the Dominion to do is to carry out the terms of Union with British Columbia in the way that will best suit her, and at the time which will best suit her." That, hon. gentlemen, is the last straw in the weight which will break the camel's back. Such expressions must raise the ire of British Columbians from one end of the Province to the other, and may lead to consequences which are difficult to foresee, and which no one would regret more than myself. I now wish to say a few words in behalf of British Columbia. I think every one must see that British Columbia has been badly treated. I know that she thinks so herself, but what has annoyed her more than anything else is that Canada and her rulers during the past three years have been unremittingly engaged in the occupation of throwing difficulties and delays in the way of carrying out the terms of Union. Whenever and by whomsoever the matter is discussed, it has always been with the view of finding reasons why the work should not go on. Always, instead of avowing an intention of doing the best under the circumstances, the Canadian Government, press and people, with but few exceptions, have been searching for reasons how not to do that to which they are solemnly bound; and it is that and that alone which has exasperated the people of the Western Province. If Canada had always shown the inclination to do the best she could, to go heart and soul into the work before her, and to persevere to the end, there would never have been any discontent on the part of British Columbia; but, on the contrary, she would have been ready to meet the Dominion half way, and resign for the present her own good for the general advantage of the country. Is it a

wonder, hon. gentlemen, that, under such circumstances as I have described, British Columbia should feel sore and disgusted? Is it a wonder that those feelings should find expression, and that there are even not a few who dare whisper the word "secession?" But, I for one, never think that the matter will come to such a pass as that last word suggests. I believe that ere long Canada will awake to the exigency of the moment, that the people will rise in their strength, and, at no distant time, will, with one supreme effort, throw from them the incubus which now weighs down and oppresses them in the shape of the present Ministry, and that they will then take the matter into their hands, and see that the terms of Union with British Columbia are carried out. Can one fail to think but that every Canadian is proud of the grand country which he calls his own, of a country stretching from the Atlantic on one side to the Pacific on the other, across the wide expanse of this magnificent continent? And can one believe any Canadian so mean and contemptible as not to strain every endeavour to preserve the inviolability of that fair domain, and of the inheritance which he hopes to bequeath to his children?

Hon. Mr. READ said he took a somewhat different view of this question. He thought the Government were keeping faith to the best of their ability with British Columbia, and were endeavouring to fulfil every promise made at the time of Confederation. Mr. Fleming's last report was to the effect that every effort was being made to "discover a practical route for the railway in order that the terms of the Union with British Columbia might be carried out." He contended that the very first thing to be done was to have an exhaustive survey of the country, because if they made a false step in the location of the road it must cost millions of dollars; so if there was a little delay from this cause there was no reason for British Columbia to believe that faith was not to be kept with her. We did not agree with the resolution of the hon. gentleman.

Hon. Mr. MACPHERSON said it would scarcely be expected, considering his connection with this railway a few years ago, that he should not have a few words to say on the resolution now before the House. If the hon. gentleman behind him was correct in his argument, the Government might have told the British Columbians that the survey was not completed; that until it was completed the

railway could not be proceeded with. That might have been a good answer; it would have been a good plea for reasonable delay: but instead of that the Government said nothing about the survey, but proposed to expend a large amount of money in building a railway which would be of little use, and which would not have formed a part of the Canada Pacific Railway. He thought that it was quite evident that the Government was not wanting for surveys, but that they desired to wait for a very long time before proceeding with the main work. When the arrangement proposed by the late Government of constructing the railway through the agency of a company fell through, he became favourable to the work being undertaken by the Government through the Public Works Department, or under Commissioners. The chief reason why he considered it in the best interests of the Dominion to construct it as a public work, was the apprehension he entertained that if a large area of a country fell into the hands of a company there would be danger of the control falling into the hands of unfriendly rivals, and the settlement of the country might be either postponed in favour of the neighbouring Republic, or might be carried on injuriously to this Dominion. Entertaining that view, he submitted a number of resolutions to this House about two years ago, in April, 1873, and he thought that in these resolutions was suggested a scheme which might have been adopted with advantage by the Government. He thought that it would be admitted to day that if the Government had acted upon it when they succeeded to office; if they had adopted the plan suggested here, it would have been satisfactory to the whole Dominion, and entirely satisfactory to British Columbia. It might have been accomplished without a large expenditure; without anything like the expenditure that they afterwards proposed to make on works of little or no utility. On that occasion he had moved to resolve that with a view to the early commencement of the Canadian Pacific Railway, and in order to keep faith with British Columbia, and to carry out the conditions agreed upon at the union of that Province with Canada, and to ensure the certain and early uniting together by railway of all the Provinces of the Dominion, the Government should forthwith determine the terminal points of the line on the Pacific coast, and east of the Rocky Mountains, and should at once commence and proceed with the con-

struction of the railway through the Department of Public Works, or by a board of competent commissioners appointed for that purpose. That simultaneously with commencing the construction of the railway, steps should be taken by the Government to obtain a thorough, accurate exploration and complete survey of the whole line between the terminal points on the Pacific coast and the south side of Lake Nipissing, to ascertain the features and physical formation of the country, to determine the alignment and grades of the railway, and to procure a close estimate of the cost for the information of Parliament and of the country. A large amount had been expended, and a larger amount was offered to be expended in what would have been productive of little or no good result. He was one of those who voted against the measure of last session for the construction of the Esquimalt and Nanaimo Railway. His reason for doing so was, he believed, in the first place, that the expenditure would have been utterly unproductive; that the proposed railway would not be a work of any utility; that the offer was really to bribe British Columbia into consenting to an indefinite postponement of the Pacific Railway. He believed also that the arrangement would not have effected a settlement of the question, because while British Columbians were willing to accept it for a time, they would not have been satisfied for long, and would have demanded the construction of the Pacific Railway in fulfilment of the conditions of Union. His hon. friend (Mr. Carrall) was candid enough to tell them so on the floor of this House. It was simply the expenditure of money that was offered to conciliate the British Columbians, without being of any national service. And that policy was continued; for after the bill authorizing the Esquimalt and Nanaimo Railway was lost in this House, and some other means had to be devised to satisfy for a time the people of British Columbia—a small sum comparatively, but a large sum considering it was really a sop—three quarters of a million was offered to them for an indefinite postponement of the Pacific Railway. Now, he would have opposed the grant of \$750,000 this year, if it had been brought up, as an improvident grant. He believed the people of this Dominion, from one end to the other, desired the construction of our great national railway—not in an extravagant manner; not before the means of the country would permit of its being constructed without inconvenience to the

exchequer; not faster than the settlement of the country required; but as fast as the interests of the Dominion demanded. He believed a great majority of the people desired to see the Pacific Railway carried out. He would only say a few words with respect to the negotiations carried on with British Columbia. He did not think they had been conducted in a spirit worthy of this Dominion. The bargaining with British Columbia had not been carried on in a spirit worthy of Canada. He confessed he read the last Order in Council with a great deal of regret and with some pain; for it was not conceived in that tone of national dignity and loftiness which should characterize the State papers of this country. If the Government, instead of occupying a great deal of time in paltry negotiations, had commenced the Railway and made a moderate expenditure as evidence of their good faith and their desire to carry out what had been agreed to, they would have satisfied British Columbia. Her representatives in Parliament here all expressed that as the opinion of their Province. He saw nothing from any of her authorities that would lead him to a different conclusion. He hoped that even now the Government would change their policy; would act in a different spirit, and do what was reasonable with British Columbia, and for the advantage of the Dominion, instead of continuing to keep British Columbia dissatisfied with her connection with the rest of Canada, and probably engendering feelings of unfriendliness and estrangement which would be difficult to remove.

Hon. Mr. LETELLIER DE ST. JUST suggested that the debate should be adjourned.

Hon. Mr. MACDONALD moved the adjournment of the debate until tomorrow, which was carried.

#### ST. LAWRENCE AND OTTAWA RAILWAY.

Hon. Mr. CAMPBELL moved the second reading of the St. Lawrence and Ottawa Railway Bill. He said this company had incurred debts like other railways, and the object of the bill was to enable them to aggregate their debts, in the expectation that a new loan could be secured at a less rate of interest. There was a clause providing that the law should not come into operation unless three-fourths of the stockholders concur in it. The bill was read the second time, and referred to the Committee on Banking, Commerce, and Railways.

#### INTERCOLONIAL RAILWAY BILL.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of this bill, which he said was to provide for the extension of the road from Richmond to Halifax.

Hon. Mr. DICKEY called attention to the fact that the railway extension crossed the track of the Halifax City Passenger Railway and broke up that line, which was originally intended to extend its accommodation for passengers from Richmond to Halifax. That accommodation would be rendered unnecessary by this extension. Under the Act passed before Confederation the Company acquired certain rights. Among other things, it was provided that in case their property should be taken for public purposes, they should be entitled to name one of the arbitrators to assess the compensation to be given them. Under the Public Works Act the parties would have to submit to the assessment of three arbitrators appointed by the Government. This bill seriously affected their rights, and he hoped it would be recast in some way to protect rights acquired before Confederation. He could not understand the necessity of the second clause at all. It made the Intercolonial a public work, whereas it was in that category without this measure.

Hon. Mr. LETELLIER DE ST. JUST said if any rights were interfered with steps would be taken to rectify the matter.

The bill was read the second time.

#### VIOLENCE AND MOLESTATION.

Hon. Mr. SCOTT moved the second reading of the Bill to amend the law relating to threats, violence, and molestations. The hon. gentleman said the trade associations objected to the present law as being too general, and this bill defined more particularly what should be acts of intimidation.

The bill was read the second time.

#### JOINT COMMITTEE ON PRINTING.

Hon. Mr. SIMPSON moved the adoption of the third report of the Joint Committee on Printing. He said there was one peculiar feature of the report, and that was that they had to ask for money. The expenses were increasing, and the last appropriation had not met the expenditure. They therefore recommended an additional appropriation of \$30,000.

The motion was carried.

## REPORT OF MINISTER OF AGRICULTURE.

Hon. Mr. LETELLIER DE ST. JUST laid his annual report on the table.

## INLAND REVENUE LAW.

The House went into Committee on the Inland Revenue Law Amendment Bill, Mr. Montgomery in the chair. The Committee rose and reported, and the Bill was read a second time and passed.

The House adjourned at six o'clock.

TUESDAY, March 21.

The PRESIDENT took the chair at 3 o'clock, p.m.

After routine,

## THE DAWSON ROAD.

Hon. Mr. GIRARD enquired whether the Government intend—

1st. To build soon the bridge forming part of the Dawson Road, over the River La Seine, in the Parish of St. Boniface, three quarters of a mile from the Red River, and to complete the bridge in question to the Red River.

2nd. To cause some water courses to be opened in the vicinity of the road, across the swamps it traverses, which, besides facilitating the keeping of the road in order, would redeem several thousand acres of land for tillage, and would supply water to the settlers who are now established along the River La Seine, from Oak Point to St. Boniface.

3rd. To treat as work to be done at the expense of the Dominion all the work required for the maintenance of that portion of the road which lies within the limits of the Province of Manitoba.

He said he was sorry to have to state that the Dawson Road had not received the attention which it deserved, as one of the great public works of the country to keep it in repair. He would mention especially the bridge which crosses the River La Seine, about three-quarters of a mile from Red River. The old bridge, which now crossed there, was built several years ago, but it was understood that when the Dawson Road was constructed to that point a new bridge would be built. On the representation of Mr. Dawson, Mr. McKay and others that the bridge was necessary, \$5,000 was placed in the estimates for that purpose, but it had been expended in some other way, as the bridge was

never constructed. The necessary land, two chains wide for three quarters of a mile from River La Seine to Red River, was granted by the owners, for which they asked no remuneration, although since then land in the same locality had been sold at as high a price as \$1,000 per acre, so that if compensation were asked for the land which had been granted it would be worth \$12,000. It was understood when the land was given that the bridge would be built immediately, and the road would be repaired to St. Boniface, but nothing had been done, although the people had been asking for these improvements for five years, to which they had received very evasive answers. He hoped the Government would redeem their words or the words of their predecessors, given in 1871. The second question referred to the same part of the country. From Oak Point to Red River the land was swampy and the people had asked him to bring to the notice of the Government the fact that by expending a small sum of money there in drainage they would render some 36,000 acres of Dominion lands fit for cultivation and at the same time make it easier to keep that section of the Dominion road which runs through it in repair. All that was necessary was to establish the course of the River La Seine which would in addition to draining these lands supply water to the settlers in the vicinity who had on some of the farms been sinking wells sixty feet without reaching water. If this were done, the country from Oak Point to Red River, which already had about 100 settlers, would in a short time be thickly settled. The last question was to ascertain whether the Dawson Road was to be considered as a Dominion or local work in future. For his part, he considered that it was a Dominion work, but as the Government were taking no steps to keep it in repair, he would like to know what were their views on the subject, as the road was now in such a bad condition in many places that accidents might happen.

Hon. Mr. LETELLIER said it was not the intention of the Government to build the bridge across the River La Seine, as they considered that portion of the Dawson Road which was within the limit of the Province of Manitoba as a local work. The hon. gentleman said there was a promise on the part of the late Government that that part of the road should be maintained as a Government work, and that the bridge across the River La



Seine should be built by the Government, but there was nothing in the records of the Government to show it. As for the \$5,000 which had appeared in the estimates, the Dawson Road had cost much more than was expected, and this sum had been applied with many thousands of dollars more towards its construction. The Government did not feel themselves justified in continuing to saddle the Dominion with more expenditure on the roads in that Province, inasmuch as the road which leads from St. Boniface had been opened by the Government and the people could reach that place without expending \$5,000 more. As to the swampy land, no doubt a large quantity of it could be reclaimed by drainage; but he knew at the same time the owners had energy enough to reclaim their own land without placing it as a charge on the Dominion Government. They obtained the land at a very cheap rate and surely they could afford to drain it. The Archbishop of St. Boniface had many thousand acres of land in that vicinity, and he was sure that this venerable prelate did not expect that the Government would dry up the swamps for him. He thought the Government had already done sufficient to prove that they were always willing to meet any obligations that had been contracted in relation to that Province.

Hon. Mr. DICKEY asked whether the road from this time forward was to be considered as a local work to be maintained by the Province, or would it only be after the completion of the railways now in course of construction.

Hon. Mr. LETELLIER DE ST. JUST said it was from this time forth. The Government had decided that the part of the road within the limit of the Province should be considered a local work to be maintained by the Province and not by the Dominion.

Hon. Mr. SUTHERLAND said he could hardly see how the Government could saddle the Province with the improvement of Dominion lands.

Hon. Mr. LETELLIER DE ST. JUST said it was understood that any persons who went into that Province to settle on lands were bound to improve them themselves, and not at the expense of the Government.

Hon. Mr. MILLER said at one time \$5,000 had been placed in the estimates for the construction of the bridge over River La Seine, and some reason should be given by the Government for having

dropped that sum. It was wrong on the part of the Government to have sums of money placed in the estimates for works in the smaller Provinces, but not to expend them. For instance, there was the St. Peter's Canal, for which two years ago the sum of \$75,000 was placed in the estimates, and revoted the following year, but it was not expended. In the same way a sum was placed in the estimates for the Bate Verte Canal, which was never expended, and then when anything was asked for by a Province, these sums were pointed to as instances of what the Government was doing for them. He alluded to this point on account of the erroneous impression likely to go abroad as to the sums expended in the smaller Provinces.

Hon. Mr. GIRARD thanked the hon. Minister for his kind reception and treatment of the motion, but could not accept his remarks as decisive. The road must be a Dominion undertaking, as it was the only means by which immigrants could reach Red River. The improvements would result in profit to the whole country, and he did not see why the Province of Manitoba should incur large expenses, in order that other sections might be reap the benefit. In his opinion we ought to recognize that something should be done.

Hon. Mr. LETELLIER DE ST. JUST reminded the hon. gentleman that it was not the intention of the Government to do anything, and he could not see how their undertaking the improvements could be justified.

#### BANK RETURNS.

Hon. Mr. McMASTER submitted the following resolutions:—

*To Resolve,* That in the opinion of this House, it is desirable that uniformity should be observed by the various Chartered Banks of the Dominion in sending certified lists of their shareholders to Parliament. To this end it shall be the duty of the Clerk of this House, by circular addressed to the chief officer of such banks, to request that each list of shareholders shall be made up in alphabetical order to the first day of January in every year, and in conformity with the terms of the Statute 34 Victoria, Cap. 5, it shall be duly certified and laid before Parliament within fifteen days after the opening of the Session.

*Resolved,* Further, with respect to such lists of shareholders of any bank or banks, as may have been presented to Parliament during the present session, and are made

up and dated to any time earlier than the 1st of January last, the Clerk of the House be directed to return such shareholder or shareholders to the chief officer of the respective banks, accompanied with a request that it be made to conform exactly with the foregoing resolution.

The hon. gentleman said the object of the motion was to obtain something like uniformity in these returns. At present some of the lists were sent in without dates or signatures. The statute was a little indefinite. It provided that the returns should be sent in within fifteen days after the meeting of Parliament, and did not state the date up to which they should be made.

Hon. Mr. CAMPBELL did not quite agree that this was the correct way of taking the step desired by the hon. gentleman. By adopting the resolution, which sought to effect something not covered by the Act, they might see the circular of the Clerk of the House disregarded, and so place the House in an undesirable position. The better plan would be to alter the Act and specify the exact character of and date up to which the returns are required.

Hon. Mr. McMASTER said the first resolution was within the law, and the second only attempted to fix the date. He would be satisfied if any hon. gentleman could suggest a better mode of securing his object.

Hon. Mr. LETELLIER DE ST. JUST suggested that the first portion of the resolution would be sufficient instruction to the banks to attend to this matter. The mere expression of the House would do good service without any formal action.

Hon. Mr. MILLER thought the whole motion should be withdrawn. Either they had power under the law to force those returns or they had not. If they had the power no resolution was necessary. The law ought to be put in operation. If not the resolution would probably be treated with contempt. He did not see what practical purpose this motion would serve and suggested, if anything was done, the Act should be amended.

Hon. Mr. WILMOT quite agreed that it was desirable those returns should be made, but thought the executive should see the law complied with rather than this House move in the way proposed.

Hon. Mr. MILLER said the law required the returns to be made to Parliament.

Hon. Mr. SCOTT said the returns should be brought down to the latest possible

date. There was no reason why the House should not express its opinion on this matter. It was a common thing for circulars to be sent out for such information, and he did not think the banks would shield themselves under technicalities; indeed, we would be judging unfairly to think otherwise. At the same time he knew it would be better if the Act defined the particular information required, and the date of the return. If, however, the banks declined acting under this expression of the House, it would be an easy matter to compel them by legislation. However, he would not like to see this motion put on record, and thought the discussion would be sufficient to bring about the needed reform.

Hon. Mr. HAVILAND said there was no difficulty in the way of getting proper returns from the banks, but the question was whether this Chamber, as a fractional portion of Parliament, had the power through its clerk to send written requisitions or orders to the various institutions for information in a particular form. He thought the Executive should see that the laws were complied with, and it was not for them to move in a matter over which he contended they had no jurisdiction.

Hon. Mr. LETELLIER DE ST. JUST said if they were ill-treated they had the right to express their dissatisfaction. It would be rather a strange proceeding if returns were not brought in according to law, to go to the Administration for redress.

Hon. Mr. MACPHERSON said the returns had been made, but not in a form satisfactory to the House, or useful to the public; at the same time the Act was indefinite and it was perhaps not unnatural for bank officers to assume that if the lists of shareholders were made up to the end of their year for their annual meeting that was all that was necessary. He thought it was desirable to have the returns made up to the close of the year, the 31st December, but that result could scarcely be obtained by an order of this House, which might be disregarded or left unanswered. The furthest they could go in that direction was to let the clerk call the attention of the banks which had made imperfect reports to the fact and have the omissions supplied. With regard to legislation in this direction, he thought if there was no time this session to take the necessary steps, next year the law might be amended to meet the case, but it was not judicious

for the House to try and obtain information in a way not provided by the statute.

Hon. Mr. McFARLANE said it might be an inconvenience for banks to prepare those returns except at the time of their annual meetings,

Hon. Mr. RYAN said that a great number of the banks had neglected to comply with the requirements of the law was certain, and it was in view of that fact that he had put the following notice on the paper, which might be rendered unnecessary by the action of the House on the motion now before it:—

“That an humble Address be presented to His Excellency the Governor-General, praying that His Excellency will cause to be laid before this House the name of any chartered bank of this Dominion which has neglected up to the present date to lay before Parliament a certified list of its shareholders as required by the Act 34th Victoria, Cap. 5, respecting banks and banking.”

It was only after this notice was given that a number of the banks had sent in their returns, and it was a fair inference that this action was induced by the foregoing notice. That accurate lists of the shareholders should be made was essential and important. The great object of such returns was that the public should have the opportunity of judging of the stability of the stockholders of the banks on whose character they rely, banks whose notes are circulated throughout the country, in a great degree in consequence of the respectability of the stock-holders. A great number of the returns which had been sent in this year were uncertified, and this was contrary to the provisions of the Act; the only addition to the present statute that was contemplated by the motion was that the date to which the lists of shareholders are made up shall be specified. One good result from the expression of the House would be to encourage the Government to frame some such amendment to the law. It was, perhaps, not becoming for the House to ask questions from parties who might refuse to answer; that would be an undesirable position for the House to be placed in. At the same time it was within their province to pass resolutions condemnatory of imperfections in such returns. All banks that take a reasonable view of their duties to the country are accurate in making their statement to Government. On referring to the lists

he found some signed by one of the officers, some not signed at all, and some of them were sent in before the prescribed date, while some were received only very recently. The necessity for the returns was exemplified very strongly by the fact that the English Joint Stock Banks are required by law to publish a list of their stockholders each year in the official *Gazette*, so that every one dealing with the banks should know how far reliance could be placed on the partner in England the liability of joint stock shareholders was unlimited. Here we have a double liability, which made it important for the public at large to know who are the persons on whom this liability rests. A very short amendment to the Banking Act would supply all that is wanted, and he trusted that the discussion of this question would have the double effect of inducing the Government to amend the law and of influencing the banks to pay more more attention to making returns of the shareholders in strict conformity to the requirements of the law.

Hon. Mr. NORTHROP pointed out that the annual meetings of the banks played a considerable part in this matter, and that some of them, especially in Halifax, could not make the return until after the specified time. He suggested that an amendment of the law would be preferable to the adoption of the resolutions.

Hon. Mr. SCOTT said the clause of the Act bearing on this matter was as follows:—

“Certified lists of the shareholders or members or partners in the bank, with their offices and residences, and the number of shares they respectively hold, shall be laid before Parliament every year within fifteen days of the opening of the session.”

That language was plain and simple and easily understood. Would it be in compliance with that if a list of shareholders compiled in 1869 was sent in? Certainly not. But the great majority of the banks had interpreted this clause according to their convenience, and the lists in many cases were made up to the end of January, in others to the end of February, and frequently up to the latest date. Some of them were dated in the early part of 1875, but the large majority were up to the beginning of the present year which was strictly in conformity with the statute, the interpretation of which was that the statements should be made up at

the time of their presentation to Parliament.

Hon. Mr. BENSON said there were scarcely two returns alike; one he presented was made up to the first day of the session. The difficulty could best be overcome by an amendment of the law; and if any amendment was contemplated, he would suggest that the Government consider the propriety of limiting the power of a shareholder to give annoyance to banks, unless he has held at least twenty shares for a period of twelve months prior to complaining. In this connection he instanced the recent course of the Imperial Bank, in which an individual, feeling aggrieved by a transaction of the bank, purchased one share in order to become a stockholder, and then took out an injunction to prevent the completion of an arrangement involving many thousands of dollars.

Hon. Mr. SIMPSON said his impression was that they could not compel the banks to make a report up to any specific date. Bankers were in a quandary as to what they should do under the Act as it at present stands; and he concurred in the opinion that a short amendment should be introduced. He suggested that the hon. member for Toronto had better withdraw his motion.

Hon. Mr. LETELLIER DE ST. JUST said if the hon. gentleman was willing to withdraw his motion he could do so, but if he persisted in pressing it, the effect would be if the banks did not choose to comply with the request, it would be a matter for the Government to consider and introduce legislation on it next session.

Hon. Mr. DICKEY said the inconvenience would be that a whole year would be lost. He suggested it would be better if the Government would introduce a short Act on the subject this session, providing a penalty for such banks as refused to comply with it.

Hon. Mr. McMASTER, with the consent of the House, withdrew his motion.

#### EMIGRATION TO MANITOBA.

Hon. Mr. GIRARD enquired to what extent can the arrangement made for facilitating the transport of those who propose to emigrate to Manitoba during next summer be made public, and what are the arrangements made with respect to the Dawson road as a route for immigrants during the same time? He said the question was one of very great importance, as a great many persons in differ-

ent parts of the United States and the eastern Provinces of the Dominion were preparing to immigrate to Manitoba next summer. When he prepared the questions which he had placed on the paper he did not know what the immigration policy of the Government was, but he had since then been reading the speeches delivered by the Premier in the eastern Provinces, from one of which he would read an extract and leave it to the House to judge whether the acts of the Premier and his colleagues agreed with that hon. gentleman's professions. He said "Another part of the platform which the present Government has adopted, and which is of equal interest to all parties, is to fill up that vast, unknown, fertile land, our Domain of the Northwest, a land of boundless resources, where great prairies stretch toward the setting sun, the home of nations yet to be. To that great land we welcome the men of all nations and have an especial welcome for those from the United States. The land is rich, its wealth is abundant and there is room enough there for the millions whom we hope soon to see tilling its fertile plains, and the tide of immigration flows towards it steadily."

After such a glowing description of the west by (Mr. Girard) would say nothing on the resources of his Province, as what he could say would be common place in comparison with the remarks of the Premier. He was sure the answer to be given by the Government to the questions he had submitted would be looked for with the greatest interest. He did not ask for extraordinary advantages for Manitoba, but he asked that the advantages which had been from time to time granted to other immigrants would be accorded to British subjects. He did not plead the cause of immigration in favour of any particular nationality, but he pleaded the cause of British subjects who wanted to come and settle in the Northwest. If privileges were to be given they should be given in the first place to British subjects. They were not jealous of the advantages which had been given to Icelanders and Mennonites; he thought they were a valuable addition to the population of the country, but they would not, when danger threatened the country, turn out and fight in defence of the Dominion, and share the glories of victory or the humiliation of defeat. They were informed the other day that the Government had thought proper to cancel the Dawson

route contract; he did not blame the Government for it, as when the contract was a bad one it was better to cancel than continue it; but he supposed some other measure would be adopted to provide means of transportation and accommodation for emigrants who wished to pass that way. He had received many letters asking for information as to what the Government proposed to do in this matter. One gentleman in Manitoba was ready to bring in 100 or 150 families to that Province if his travelling expenses were paid, \$200, and \$10 for each family towards their transportation. He offered guarantees that the bargain would be carried out. Propositions of a similar character were coming from all quarters, and if a good policy were adopted, the population of Manitoba would be increased next summer by ten or twelve thousand new settlers.

Hon. Mr. LETELLIER DE ST. JUST said the Government would do all they could to induce immigration of British subjects from England, Ireland and Scotland; but they would offer no inducements to the people of any other countries to emigrate to Manitoba. As to Canadians who had gone to the United States, and were desirous to return the Dominion and settle in Manitoba, they would be treated as foreigners, and inducements were offered to them to come back. Since he came into office he had appointed two agents, and their returns were of such a character as to induce the Government to believe that a great number of those who had gone to the United States would be induced to settle in Manitoba. As to the remarks of the Premier, they were in accordance with the facts, as Manitoba was a fine Province. The arrangements for immigrants last year were such that owing to competition between the American lines of railway they brought the fare down to \$21 a head. This brought the companies on the lakes to make offers, and prices were brought down to \$15 and \$16 per head from Toronto to Manitoba, which was the cheapest rate that could be expected. At the time there were two competing lines on Red River, and they reduced their prices. Unfortunately something occurred to prevent one line from continuing operations, and it was feared that prices would be increased. The Government could not know to what extent it would be, but in order to prevent any combination against the immigrants that would have to be

sent from the Dominion to Manitoba the Dawson Road would be kept open. There would be a mail service which would be kept running regularly all summer, and if it became necessary in any way to protect our immigrants against American combinations they could be taken by that route. That was all the information he could give up to that time. The Government had been in communication with steamboat companies running to Prince Arthur's Landing and Duluth in order to get the lowest prices, but up to the present time he could not say what the price would be. As for any advantages which had been given to the Menonites, the Government had simply carried out the obligations of their predecessors. The Menonites were not fighting men, but he thought if his hon. friend undertook to invade their property they would be able and willing to defend themselves. When the Menonites were familiarized with the ways of the country and associated with other races and other creeds, they would become valuable citizens and soldiers also.

#### BANK RETURNS.

Hon. Mr. RYAN—Moved, that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House:—

"1st. The name of any chartered bank of this Dominion which has neglected, up to the present date, to lay before Parliament a certified list of its shareholders, as required by the Act 34th Victoria, cap. 5, respecting Banks and Banking."

Hon. Mr. SCOTT said the Government had no control over this matter, but he had no objection to the motion.

It was carried.

#### GOVERNMENT RAILWAYS.

Hon. Mr. ALEXANDER—Moved, that in the opinion of this House, the policy of the present Administration, in proceeding to construct and operate railways as public works of the Dominion instead of aiding private chartered companies with bonuses of land and money, is one which is fraught with disastrous consequences to the welfare of Canada, and which must inevitably subject the public treasury to large annual advances, to make good deficiencies in the amounts required to maintain such railways in working order, and thereby tend seriously to impair the public credit. He said he was sure the subject which he had brought up for the consideration of

this House was one which must have occupied the earnest thought of many of its members. They were about to enter upon the development of a territory which from its vastness and rich resources was capable of sustaining an immense population four fold our present numbers or very much greater. But the growth, expansion and development of that country must depend upon our giving to it the advantage of railway communication with the markets of the world. Now, it was very fortunate that we had before us the experience of the United States on this subject, a people who were allowed to be in all commercial and railway matters the most astute nation on the face of the globe, and we knew that during a very short period we had seen that country expand from a population of twenty millions in 1845 to forty millions at the present day. We knew the manner in which a great many of the western states had been covered with a net work of railways carrying wealth and prosperity to that part of the Union, and they found in no case had the Federal Government or the Governments of any of the States ever constructed or operated railways as Government works, so that all the expansive development and growth had been accomplished without in any way adding to the debt of the Federal Government or of those particular States. Before the Civil War the United States with all their growth and expansion had a very small debt for so large a country. Further, it was well known the Province of Ontario had a complete system of railways, and up to the present had not constructed one of them as a work of that Province. The reply which would probably be made by hon. gentlemen opposite was, that the late Administration endeavoured to induce British capitalists to take up the Pacific Railway scheme, and were unsuccessful, and hence their successors had been compelled to adopt a different principle of construction.

Hon. Mr. LETELLIER, DE ST. JUST.

—You will not have that argument to meet.

Hon. Mr. ALEXANDER—Then we shall be glad to have the reasons assigned which can be regarded as justifying the Government in adopting the present railway policy. In regard to the railway scheme of the late Administration, it was not to be expected with such a proviso as that, requiring so gigantic an enterprise to be completed in ten years, that

it could possibly be entertained. The time had not arrived for presenting so gigantic a scheme, and we further know that whatever the scheme might have been there would have been no hopes of success from the way in which the Opposition of that day, and the Opposition press, laboured with all their power to destroy confidence amongst capitalists in Europe, denouncing it as a scheme that would ruin any company undertaking it. Well, it was in consequence of this that the present Government in 1874 came to Parliament with the present Pacific Railway Bill, containing the objectionable principle that all sections of this work shall be made a Government work, within the Department of Public Works. It will be remembered that that Bill was only brought up for the consideration of the Senate within thirty-six hours of the end of the session. There was no time to consider a Bill of such importance, and the House could not take the responsibility of rejecting it, or insisting upon certain amendments, after the greater number of the members of the Commons had gone home, because such action of this House would have been regarded as the work of faction, as the work of a party which had just been driven from power and who refused to give this new Government a fair trial. Now, he would, with permission of the House, endeavour to show why the principle of constructing railways as Government works was a dangerous and one fraught with evil. It opened the door to an improper and corrupt use of power. We know that in all young countries the class of politicians were, as a general rule, in necessitous circumstances, and we know how such patronage of official positions on such a railway would be used, not in the interest of the country—not in the interest of the railway—but as a corrupting influence to strengthen the Government of the day. Past experience had shown the result of such official appointments to railways, from political pressure, and such an evil appeared inseparable from our whole system of Government. Men would be appointed continuously who were inefficient, and we should find history repeating itself in the maladministration of the road. Then again, how could we from our past experience look for anything but serious blundering and jobbery in connection with the purchase of all the material required for railway construction, exposing every Government to unnecessary accusations, and recriminations, and keeping the

people in constant turmoil and discontent. Then again, when we consider the extent of the work devolving upon the Public Works Department, with the additional work of the supervision, and management of a large number of railways. In regard to that, could it be denied that the management of a Trunk line of railway at the present day required as much administrative ability, experience and care as the affairs of one of our Provinces, and had we not found in the past, with the ablest railway managers, chosen by those most deeply interested, namely, the shareholders, that our large railway corporations had been obliged to raise many millions to keep their roads in efficient repair? And with those facts before us, how could we look to the future of the Dominion with any other feelings than those of alarm, so long as our Government is pursuing such a disastrous policy. By referring to the Public Accounts, we find that the excess of expenditure over revenue in 1874, '5, in the working of our present Government railways was \$623,421. And we find again in the estimates of the present year the item of \$1,600,000 for the Intercolonial Railway, and \$200,000 for the Prince Edward Island Railway—that is for maintenance and rails. And when the Government have completed portions of the Pacific Railway, as they appear to be doing as Government works, have we not to apprehend that the aggregate deficit of all those Government railways annually will assume such proportions, as to destroy the confidence of our people—will necessitate burdensome increased taxation—and impair the public credit. I cannot but express my surprise, that there is not one pervading feeling, from end to end of this Dominion, of entire condemnation of this railway policy. The Government of a young country has quite enough to do to manage with care its other public works, and discharge all its other onerous responsibilities without operating Government railways, and surely this Dominion can furnish men of that administrative capacity to carry out the development of the Northwest in a more advantageous manner, and I am firmly of opinion, this can be done, without increasing the burdens of the people. We must throw on one side contracted and unstatesmanlike views. In offering to a private chartered company of British capitalists the scheme of constructing a through rail line from Lake Superior into the heart of the fertile belt, it must be presented in a shape to

afford reasonable hope of success. In addition to the subsidy of \$10,000 a mile and four per cent. interest annually for 25 years upon a given amount per mile, this subsidy of fertile lands should be given without those restrictions as to the prospective rise in the value of such lands, as any one can see that with such restrictions no capitalist in the world would entertain for a moment such a large enterprise. As railway facilities are extended the lands along the line and situated in proximity to such railways acquire greater and greater value, and become marketable at such increased value, and it is this certain increase in the value of such land subsidies alone that would induce British capitalists to enter upon such an enterprise. It must be evident that by the course we are now pursuing we are making no progress; we are retarding the development of our great fertile belt. Whereas, if we had an administration who dealt with this large question upon statesmanlike principles we should soon find a corresponding result in increased growth and expansion.

Hon. Mr. SCOTT was very glad to listen to the eloquence of his hon. friend on the great public questions of the day, but his resolutions would have had more point if they had referred to roads in existence, so that they might have seen their application. It had been announced over and over again that the Government did not intend to control the Pacific Railway. If his hon. friend had taken the trouble to read the Act of Parliament he would have seen that one of its conditions was that contractors should run this railway. In support of this position he quoted clauses Nos. 7 and 8 of the Pacific Railway Act.

Hon. Mr. MILLER—Does the hon. gentleman mean to say that these clauses refer to the whole contemplated Pacific Railway?

Hon. Mr. SCOTT—Certainly. It has been announced over and over again that any work being done by Government on the Lac des Mille Lacs and Lake Superior is being undertaken in advance, because there was not sufficient length of line to place under contract. It was hoped by the Government that the time was not far distant when the lines could be fairly completed to these portions, and included in one contract. The objection had been frequently made that the money paid out for the grading of those roads would be charged against any parties contracting for their completion.

Hon. Mr. MACPHERSON enquired if those roads really formed part of the main line.

Hon. Mr. SCOTT replied in the affirmative. The idea was that the Government would not be justified in not proceeding with work wherever the interest of the public did not demand the expenditure, where it would be idle to suppose that contractors could take a hold of them. The Government had endeavoured to discover the best location for the line. There were certain sections through which it was recognized the road would run, and on these they had anticipated large contracts, and proceeded with the work themselves.

Hon. Mr. MACPHERSON asked whether the lines under construction west of Lake Superior formed part of the main line from Lake Nipissing to the Pacific.

Hon. Mr. SCOTT said they did; but it was quite impossible to say where the line would intersect. The Government did feel themselves justified in constructing the line north of Lake Superior for years to come; and the understanding now was that it should be made before 1890, according to the Minute passed in consequence of Lord Carnarvon's interference.

Hon. Mr. DICKEY said the question was pertinent whether the road at Thunder Bay was really a part of the Pacific Railway. If it was, there could be no other line from the western end of Lake Superior, whereas it was understood there was to be another line from Nipigon Bay.

Hon. Mr. SCOTT—Certainly not.

Hon. Mr. MILLER—Then the lines building now must form a portion of the main line when the Pacific is completed.

Hon. Mr. SCOTT said the intention was to connect with the main line north of Lake Superior. It was thought best at one time to strike at Nipigon, but Prince Arthur's Landing was now considered to have the best advantages.

Hon. Mr. WILMOT referred to the European North American Railway to show that all roads undertaken by companies were not carried through with economy and success. The man who first got the contract received \$37,000 per mile; it was then sublet to Mr. Burpee for \$22,000, who in turn sublet the most expensive portion of the road at \$16,000 per mile. The road passed away, and he gave that as an illustration of political robbery.

Hon. Mr. MILLER asked if such a result was not the fault of the New Brunswick men.

Hon. Mr. WILMOT said he gave facts, and was prepared to prove them if necessary. The Northern Colonization Railway was also a case in point, and he thought if the Pacific was carried out according to the original project the road would never be built. The roads built by Governments in Europe proved the great utility of such undertakings, and he was certainly not prepared to give his vote for any such purpose as contemplated in the resolution. The Senate would be travelling out of its way to pass it; the representatives of the taxpayers in another branch of Parliament were the proper persons to decide such a question.

Hon. Mr. MILLER agreed with the hon. gentleman in the very material respect that this House should not adopt the resolution. He was not prepared to say that in a new country like Canada occasions did not arise when it was the imperative duty of the Government to construct and own important public works such as railways. It was perfectly competent for them to pass the resolutions, but there was another general objection to that course which was, that it was an abstract question, and he did not think it desirable that the House should commit itself on an abstract question of this kind.

Hon. Mr. LETELLIER D<sup>r</sup> ST. JUST said a question had been put as to the section of the railway from the western portion of Lake Superior, going west towards the Red River. If hon. gentlemen looked at the Act passed in 1873, they would see by the second clause that this was regarded as the second main section of the Pacific Railway. The part of the road actually built from Prince Arthur's Landing was in the direction of that section; and the report of the engineers on the location of that line was very favourable, and such as to lead them to believe that with the exception of some 30 to 35 miles of the country near Rat Portage on the north of the Lake of the Woods, all seemed in a good condition for the extension of the road; then it was easy to understand that the work done there would form a part of the future Pacific Railway. The hon. gentleman who moved the resolution assumed a policy which did not exist. The Act openly stated the Government's intention to carry on the work by contractors as much as possible. They held that Government could not work the railways as well as companies, but in some instances they had been obliged to take



hold and run certain roads which would not remunerate private individuals. Very few companies would undertake to work the Intercolonial or Prince Edward Island Railway; but were they to close these roads because they were losing money by them. They were compelled to work them; the lines were part of the great scheme of Confederation, and had to be carried out because of the promise before the Union. But they should not consider the loss in this particular; a large benefit to the country resulted from the railways, which could not be accounted for in the return of revenue and expenditure. Because they were running lines, the hon. gentleman should not assume that they were going to burden the country in future with similar undertakings as those already alluded to, and for which our predecessors are responsible.

Hon. Mr. WARK explained the charge implied against Mr. Burpee with regard to the European and North American Railway. The truth was that \$37,000 per mile was not paid in the first place, but \$32,000, and \$30,000 was taken in stock which turned out valueless, and a large portion in bonds which sold at a reduced price. It was true that the work was sublet to Mr. Burpee at \$22,000, and he had to take payment largely in bonds. The subsections were let for \$16,000, but the contractors had only to do the earthwork, and Mr. Burpee had to pay the land damages, to construct the station, and had to find the rails and iron branches.

Hon. Mr. DEVER said the hon. gentleman was certainly in error. He never got paid for the land taken from him for this road, and from what he could learn others were similarly situated.

Hon. Mr. DICKEY said he could not understand how another section could be built to join the line from the western section to the Red River. There could not be two sections, because the only branches recognized were the Pembina and Georgian Bay Branches. It was unnecessary for him to express his views on this resolution, as he had repeatedly stated his objections to the construction of railways by Government. The hon. Minister of Agriculture had given them assurances that the Government did not intend to carry out that principle in future; the hon. gentleman said distinctly they did not intend to construct or operate the Pacific Railway as a Government work. After receiving that assurance the hon. mover of the motion should be

satisfied. He quite agreed that these abstract resolutions should not be put on record except in exceptional cases, and recommended his hon. friend to withdraw the resolutions.

Hon. Mr. SCOTT said he did not know that there could be any possible doubt of Prince Arthur's Landing being the eastern terminus.

Hon. Mr. DICKEY said the next section was to go east from Prince Arthur's Landing

Hon. Mr. SCOTT said it was quite impossible for any man to anticipate where it would intersect that line. It might be four, five or seven miles back.

Hon. Mr. VIDAL was astonished at the statement that these links of railway between Thunder Bay and Red River would ultimately be part of the Pacific Railway, and asked the Secretary of State if, when the railway from Prince Arthur's Landing westward reached Shebandowan, it was not proposed to use the water communication to the Lake of the Woods, and then to make a railway from the Lake of the Woods, near the northwest angle to Red River.

Hon. Mr. SCOTT said it was, and that part of the road was under contract.

Hon. Mr. VIDAL said in that case he contended it was an impossibility that these sections could ever form a part of the main Pacific line, which, passing direct from Lake Nipigon to Red River, as shown by the lines of survey marked on the maps, would be fifty miles north of Prince Arthur's Landing. If it could be shown that the proposed sections of railway between the water stretches could be made to form portions of the main line, the country would be glad to hear it, but to his mind the whole scheme of using the "magnificent water stretches" was directly antagonistic to that of a continuous railway line across the continent, and it would be a most unwise policy to bend the direct line to fifty miles out of its proper course in order to connect it with Prince Arthur's Landing, and by so doing necessitate the construction of sixty-two (62) miles additional over a more difficult route and without any compensating advantages being secured. Like the Georgian Bay Branch, the proposed railway, while suitable enough for a route partly rail and partly water, would only retard, instead of aiding, the construction of the trans-continental railway, so essential to the prosperity, yes, even to the existence of the Dominion of Canada.

Hon. Mr. MACPHERSON said he thought the debate of that afternoon had satisfied the House of the necessity for more information with respect to what was being done towards constructing the portions of what were either branches or parts of the main line of the Pacific Railway. He did not think any hon. gentleman — including the members of the Government — knew really what had been done or what was doing; at all events if they knew it, they had not communicated it intelligibly to the House. He would therefore suggest that by next session the Government should have a large map prepared, defining the route of the railway as far as it was determined and located, showing by different colours the portions constructed, the portions under contract, portions located and portions undetermined, shewing also which were branches and which were to be part of the main line. In that way Ministers could make it much easier for members of the House to acquaint themselves with what was being done, and save themselves a great deal of trouble. This map should be prepared on a tolerably large scale and hung up in a committee room. He doubted if any member of the House could tell whether the section being constructed between Lake Superior and Fort Garry were for connecting the water stretches, and might fall into disuse altogether when the main line was completed, or form part of the main line itself. He could not see how it was possible these sections could form parts of the main line, and if the expenditure which was being made there was only for a temporary purpose to connect these water stretches, it would be almost a waste of money. With respect to the motion before the House he could not support it, and he agreed with the gentlemen who had objected to it as an abstract proposition. He would not be one to commit this House to a resolution declaring that the country should not construct railways as public works. He believed it was the only way in which a great portion of the Pacific Railway could be constructed. The subject of the resolution naturally divided itself into two branches, constructing and operating. The Government might under certain circumstances be obliged to construct railways and do it very economically. He considered that operating them by Government was very much more objectionable, and in cases where they were obliged to construct such works, they should as

soon as possible dispossess the country of the roads and so avoid the responsibility of working them. He had always understood that the Intercolonial Railway, which had been built by the Government, had been economically built, and that full value had been received for the money expended on the works constructed.

Hon. Mr. SUTHERLAND said he had seen a great many maps of the Pacific Railway, and from the information he had received from them and from the traders and engineers the line to the north of Lake Superior could not possibly run nearer to the Lake than 20 or 30 miles at Kamaniistikui, and he failed to see how it would be possible to connect the line running there from Lake Superior with the road under contract from Prince Arthur's Landing without a tour of some 50 miles, lengthening the main line very materially. The people of Manitoba were very much surprised at the main line being located nearly to the north-east part of the Province, leaving all of it outside, except a small Indian village, for the only reason given that it would shorten the road some 30 miles in a distance of 500 miles, and he consequently believed that this portion from or near Prince Arthur's Landing would eventually be found to be a mere branch of the Canadian Pacific.

Hon. Mr. ALEXANDER said he believed that the remarks he had ventured to make to the House gave the very general impression that prevailed in the country. That the Government were proceeding on such a weak vacillating policy in building small sections of the road that they would be compelled to operate them themselves. They had made no effort to get a private company to build the railway by the offer of a bonus of land and money as the people of the United States had done with their railways. That would have been the wise and statesmanlike course to have pursued.

After some further remarks, with the consent of the House, he withdrew his motion.

#### THE LIBRARY.

Hon. Mr. ALLAN submitted the report of the Library Committee, and moved its adoption.

Hon. Mr. DICKEY said he hoped in the future measures would be adopted to exclude a great deal of the inferior class of literature that found a place in the library, and hereafter standard works and

books of a better class would be substituted.

The report was adopted.

The House adjourned at 6 p. m.

WEDNESDAY, March 22.

The PRESIDENT took the chair at 3 p.m.

Prayers were read.

After routine,

#### CANAL AT FORT FRANCOIS.

Hon. Mr. AIKINS enquired whether the lock and canal now in course of construction by the Government at Fort Francis, will be completed without delay?

Hon. Mr. SCOTT said it was the intention of the Government to go on with the work; the timber was being got out for it.

#### THE STEEL RAILS.

Hon. Mr. McMASTER moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of any official reports made by the chief Engineer of the Pacific Railway, with reference to the quantity of steel rails actually required during the present year; and also copies of all official correspondence that passed between the Minister of Public Works and Mr. Carvell with reference to his removal from office. He said his object in putting this notice upon the paper was to elicit some information necessary for the House, and in order to make a few remarks which it was his intention to have made on the occasion when the steel rails were under consideration. Previous to putting the notice on the paper, he had no communication whatever with any member of the Government on this subject, nor was it his intention now to defend them by any means. A gentleman on the other side said that the Government was not friendly to him, and perhaps he was right; but he never wished to place himself in a position with any Government that he could not vote according to his convictions on any subject before the House. It struck him that this steel rails question had been treated rather unfairly on the occasion it was under discussion. In the first instance it was stated that the notice with reference to steel rails tenders was only published for four or five days in one paper, and that

tenders were to be in in 8 or 10 days. It was his duty to verify this statement if possible, but on enquiring into the matter he found that the notice was issued on the 29th of September, and tenders were to be in on the 8th of October. The reason why this notice was so short was that the Minister and the engineer were assured that further notice was not necessary as the British manufacturers had their agents in Montreal.

Hon. Mr. CAMPBELL—But the hon. gentleman has had no communication with the Government?

Hon. Mr. McMASTER said he had communication with them since he put his notice on the paper. On representations of some gentlemen who thought it necessary that longer notice should be given, a second notice was issued extending the time for receiving of tenders to the 16th of November—a period of six weeks. When the question was under discussion a few days ago the hon. gentleman who put the notice on the paper said that the advertisement was only inserted in one newspaper, but he was prepared to show that it was advertised in fifteen different papers in Montreal, Quebec, Toronto and New York.

Hon. Mr. CAMPBELL—Is this the second notice?

Hon. Mr. McMASTER said it was the second notice. The next charge was that the order was too large, and it could not be justified under the circumstances. That was a matter of opinion. Possibly it would have been better if it had not been so large, but had the arrangement with Lord Carnarvon respecting British Columbia been carried out, the case would have been different. He had reason to believe that it was the intention of the Government to order only 30,000 tons at first, but the engineer believed that the price of rails was so low that it would be better to increase the quantity.

Hon. Mr. CAMPBELL said there was no intimation of that kind before the House.

Hon. Mr. McMASTER said the request of the engineer was acceded to, and he had yet to learn that any serious loss was the result. The hon. gentleman from Toronto who was put forward to move the resolution had made some exceedingly vague assertions, that he was perfectly amazed at as coming from a business man. That gentleman had given an instance of a purchase of steel rails at £8.16s. per ton, and he assumed certain rates for freight and insurance, all of which

were vague assumptions, which he (Mr. McMaster) was prepared to demonstrate were incorrect. With regard to the price at which they were purchased that might possibly be correct, but he felt quite confident they were not first quality. Any one knows, who is acquainted with the purchase of rails that the quality and the fact of their having to be submitted to a rigid inspection entered very largely into the value of the rails. In order to demonstrate how this was the case, he would mention to the House that a gentleman highly connected with the iron trade, who tendered for these rails, immediately on the tenders being called for put himself in correspondence with an agent in England asking him to furnish the lowest quotations for rails, and these quotations were so low that he had reason to believe he would have been awarded the contract had they been furnished at these rates. But when specifications arrived, and it was found that the rails were to be 26 feet long—which was an unusual length—which would cause an addition of ten shillings to the price per ton, and that they were to be subjected to a rigid inspection by a competent officer appointed by the Government, they declined to furnish the rails at the low rates. This showed very clearly the importance that was attached to inspection and the quality of the rails. With regard to the prices, he had availed himself of the opportunity presented by the president of one of the largest railway companies in Canada, whose head office was at London, being here to get some information as to the price paid by that Company for steel rails. That gentleman told him that his Company had arranged for a large quantity of rails at £11 per ton, delivered at Montreal, just within a fraction of what was paid for the rails in question. He would, therefore, ask how, under these circumstances, it could be made out that the rails cost \$470,250 more than they might have been bought for, as represented by the hon. gentleman (Mr. Smith.) It was still more singular, if not ridiculous, to say that the amount lost in interest was \$332,382, or a total loss of \$800,000, which the Government had sustained by this transaction. He had taken some interest in this question, not in order to defend the Government, but to satisfy himself, for if the allegations made against the Government were correct he could not have supported their measures. Interest should not be calculated on more than the amount paid, \$1,898,

000, which was advanced at different dates between the 13th of April and the 14th of September. The interest on that amount, calculated up to this month, at 5 per cent., which was more than the Government paid, and which would be the outside calculation, was \$65,985 26 instead of \$330,382. Then interest should not be included on 17,500 tons of the rails, which were not yet delivered or paid for. Eleven thousand tons of these rails—nearly one-fourth of the whole quantity—were for the Intercolonial Railway.

Hon. Mr. CAMPBELL asked if it was proper that these rails for the Intercolonial should be purchased with the money which was voted for the Pacific Railway.

Hon. Mr. McMASTER said that would absorb a very considerable quantity of the rails. It would be found by the report for which he had moved, that the Engineer urged the Government to have at least, if possible, 31,000 tons in the Manitoba and Lake Superior Territories at as early a date as possible. That would leave 7,500 only to be accounted for. Why should there be interest charged upon that, especially in view of the fact that everybody connected with the ordering of rails knew that to get in any considerable quantity, they would have to be ordered a year before hand; even in the present condition of trade it would take six or nine months. With reference to the 3,750 tons which had been purchased for the Intercolonial Railway at \$85 per ton, which it was asserted were bought by the present Government, what would hon. gentlemen think when he asserted in the most positive manner that such was not the case. Had they made that purchase he would never have given them a vote in his life.

Hon. Mr. CAMPBELL—The late Government, we know, were charged with that.

Hon. Mr. PENNY—But they denied it.

Hon. Mr. McMASTER said not a member of the present Government knew anything about it until after it was made. The purchaser, Mr. Carvell, who was superintendent of the railways in the Maritime Provinces, was a brother in law of a member of the late Government, and a relative of John Hawes, who was agent of the late Government in Liverpool. It would be in the recollection of hon. gentlemen that the elections took place after the fall of the late Government, very late in the season, and the Government could not be

expected to assume the duties of their offices to any great extent until after they were over. These two gentlemen utilized that time; they ordered these rails, and paid for them out of the moneys in Mr Carvell's hands.

Hon. Mr. CAMPBELL said that was all explained the other day.

Hon. Mr. McMASTER said it was confidently asserted that these rails were purchased by the present Government.

Hon. Mr. McLELAN said they were bought after the change of Government.

Hon. Mr. McMASTER said the two gentlemen had conspired together in England, bought the rails under authority which they said they had from the previous Government, and paid for them at \$85 33 per ton, about \$31 per ton more than the rails in question cost. This was not all, the fish plates for the rails were bought at £15 per ton, while the Grand Trunk Railway Company were at the same time buying them at \$13 38 per ton less. Nuts and bolts were bought at £30 per ton, while the Grand Trunk was buying them at the same time at \$27.16 less. He was given numerous instances of these extravagant charges, but he did not like to travel out of the record. The hon. gentleman opposite (Mr. Macpherson) said the other day that whatever might be said of other railways, the Intercolonial Railway was a cheaply built road. A highly respectable contractor had offered to build that road for about \$15,000,000, although it had cost the Government over \$21,000,000. He might refer to the new light ships which had been sold to the Government by Hawes & Carrell, the price of which was never disclosed. In order to get at the bottom of the monstrous fraud, the Government instituted legal proceedings in Europe against John Hawes, but on finding this to be the case, Hawes bundled up his books and left, and his whereabouts could never be ascertained since. Under these circumstances he thought hon. gentlemen opposite had expressed themselves rather strongly on this steel rails question and very unfairly, or he would not have made any comments on them on this occasion.

Hon. Mr. MACPHERSON said he had to congratulate the Administration upon the acquisition of new and decided strength near the Treasury benches. When he first saw this notice on the order paper he thought the members of

the Government would not thank their new friend for reopening the steel rails question, and he did not think they had cause to do so except for the opportunity which it gave the hon. gentleman of declaring himself to be a promised supporter of the Administration. It was not very long since the honourable gentleman was not a very hard and fast supporter of the Government. They all remembered when the Esquimaux & Nanaimo Railway Bill came up last session, it was due to the loss of his vote in support of that measure that the Bill to which they were specially committed, not only here but in England, was lost. It was quite true that the hon. gentleman's name did not appear in the division list as published, and he did not know how that occurred; it was one of those things that ought not to be, and it ought to be enquired into. They all knew that the hon. gentleman voted against the Bill, and his name should have appeared in the division list. He did not think the hon. gentleman had thrown much light on, or improved the position of the Government with respect to the steel rails. The chief charge against the Government was the buying the rails before they were wanted. He did not think any member of this House charged the Government with paying more than the market price of the rails at the time the purchase was made, but they charged them with purchasing a very large quantity of rails, 50,000 tons, two or three years before they were required for use. That was what he complained of. At the time the Government made the purchase the market price was at least ten dollars a ton higher than at the present time, and he maintained it was not necessary to make any considerable purchase before this year, if necessary to make any. If they had only bought 5,000 or 10,000 tons he would simply look upon it as a precaution that they were justified in taking, but making so large a purchase years before the quantity would be required was a grave error on their part, and a matter for which they deserved the condemnation of Parliament. With respect to the price paid by the company to which the hon. gentleman referred, no doubt it was correct, but he did not tell the House when that purchase was made—it probably was many months ago, perhaps a year ago—as the hon. gentleman remarked it was necessary for railway companies to make purchases of rails a year in advance, but they made

theirs years in advance. It would be a good many years before they would use 50,000 tons of steel rails upon the Pacific Railway at the past rate of progress. As for using 10,000 or 11,000 tons on the Intercolonial Railway which was altogether an afterthought. They were to be used on the Intercolonial Road merely to place them out of sight; and in consequence of having these rails on hand, and wishing to place them out of sight, the Government would use them on the Intercolonial Railway perhaps before it was necessary. The portions of the Intercolonial where these rails were to be used were what formerly belonged to Nova Scotia and New Brunswick, and he would venture to say that had they continued to belong to those Provinces the iron rails now on the track would be made to do service for several years to come, but the Government was going to replace them with a portion of the steel rails purchased for the Pacific Railway. The hon. gentleman had accused some members of this House of indulging in vague assertions, but they were less guilty of such conduct than the hon. member himself. The difference in cost between the ordinary rail and the rail the hon. gentleman spoke of would be exceedingly trifling, probably not five shillings per ton, and with respect to inspection, no one purchased rails without having them inspected. He had never known it dispensed with, although he had had considerable experience in such matters. The hon. gentleman accused the hon. member for Toronto, not now in his place, with having over-stated the amount of interest lost on the steel rail purchase. He (Mr. Macpherson) did not think he had over-stated it. The interest must be computed from the time of payment until the rails were used. When this was done, it would not be found to be over-stated. He did not believe the loss by the transaction, taking the difference between the price paid for the rails and the price today, with interest, until the rails are used, and charges, had been exaggerated when put at \$800,000. He would be glad to discover that he was mistaken in this. He could disclaim partizanship with more truth than the hon. gentleman. He was prepared to give this Government cordial support, just as he had supported their predecessors, on all questions in which he thought their policy was for the interest of the country, but he would support no Government in any other way. When his hon. friend near him (Mr. Campbell)

crossed the House, as he hoped to see him do some day, and again became the leader of the Government in that House, he (Mr. Macpherson) would retain his seat upon that side, and probably, occasionally, do the part of the "candid friend," as he had sometimes done to him in the past, and was now doing to the hon. gentlemen opposite.

Hon. Mr. WARK said if the House had waited until certain returns asked for were laid before them they might have avoided much discussion on this subject. They would then have before them not mere assertion but facts. The hon. gentleman who had just sat down said it would be time enough to have bought these rails this year. The question had been put to the Hon. Secretary of State the other day, did he ever know of rails being purchased before a road was located? The question would have been very opportune in ordinary cases, but the rails for Vancouver had to go a voyage five times as long as rails required at Quebec or Montreal.

Hon. Mr. McPHERSON—They were not wanted there at all.

Hon. Mr. WARK said the Government had got into a bad position with regard to British Columbia. The terms arranged by Lord Carnarvon were that the Esquimalt and Nanaimo Railroad should be built. If the late Government when in power had entered into such an arrangement, knowing they had a majority in the House of Commons, they would never have dreamed that the bill would have been thrown out of the Senate. If the Minister of Public Works felt satisfied that such a Bill would pass the House of Commons, and did not dream that this House would throw it out, he had certainly taken the proper course in purchasing the rails and sending them round there. If the Minister had not done so, he would have been chargeable with negligence and insincerity by the people of British Columbia. He (Mr. Mackenzie) was giving the best proof that he could give of his intention to carry out the terms agreed upon with Lord Carnarvon.

Hon. Mr. McLELAN stated that the hon. member from Toronto had represented that they had treated the question unfairly. He was sure that they were not open to that charge. The hon. member had made a statement, and if this was correct he did not see that the hon. member had sustained his allegations.

Hon. Mr. PENNY said that his hon. friend from Toronto had spoken of six or seven thousand tons as being all the Government required up to this time. If he understood the question, the House would find when the papers came down that the Chief Engineer had reported that he required for the roads now under contract, 18,383 tons. The hon. gentleman went on to show that the time for the submission of tenders was reasonable, and stated that every important firm engaged in the business was represented in the competition. It had been further alleged that the rails were not bought direct from the makers, but that a commission was paid. That was not the fact; the purchase was made through the agents of the houses in this country. Allusion had been made in the course of the discussion to the price paid by the late Government for rails for the Intercolonial. It had been claimed that the Commission and not the Government were responsible for that; but it should be remembered that no large quantity of material could be procured without an Order in Council, and the fact was that the rails in question were bought with the assent of the Government.

Hon. Mr. MILLER raised the point of order that the hon. gentleman was referring to speeches made on previous occasions, but the objection was not pressed, when Mr. Penny stated that he had nearly completed his remarks and asked the indulgence of the House for one or two moments longer.

Hon. Mr. PENNY then referred to the statement that the rails were being substituted for iron rails on the Intercolonial prematurely, and stated in defence that the late Government had initiated this practice.

Hon. Mr. LETELLIER DE ST. JUST said that he was in a position to state that the greater portion of the rails would be used during the present year and the remainder next.

Hon. Mr. CAMPBELL said the inference from that was that 500 miles of road would be laid, which was scarcely in accord with previous statements from the Ministerial Benches.

Hon. Mr. LETELLIER DE ST. JUST explained that he did not mean to include the rails now on the Pacific coast, nor those to be used on the Intercolonial. The balance would be shipped for the Pacific Railway through Duluth during next year.

Hon. Mr. CAMPBELL remarked that

even this explanation was not satisfactory and hardly correct. Even deducting the 15,000 tons mentioned by the Hon. Minister of Agriculture, there were 35,000 tons left, which would lay from 350 to 400 miles, and no one could pretend to say or hope that such a length of road would be constructed this year.

Hon. Mr. LETELLIER DE ST. JUST said his statement was not incorrect. The following figures would show its foundation: There were nearly 100 miles between Pembina and Fort Gary.

Hon. Mr. McPHERSON would remind his hon. friend of the announcement that that road was not to be laid until the completion of the American road.

Hon. Mr. LETELLIER DE ST. JUST said they had every expectation that the American Company would very likely finish their section up to the boundary this year. It would then be the duty of this Government to lay 100 miles from that point up to Fort Selkirk, and then from this point going east towards Rat Portage the road was located for a distance of 77 miles or 80 miles. Admitting the section from Prince Arthur's Landing westward would be some 45, it would give an aggregate of 222 miles. These figures would show the hon. gentlemen opposite that he was not far from the mark when he stated that nearly the whole of the rails would be used, and that the purchase was by no means the foolish transaction some people would have us imagine.

Hon. Mr. CAMPBELL did not understand this disposition of the rails. The Secretary of State had announced the other day that the Pembina Road would not be laid within twelve months; but even the length of that road was 85 miles, instead of 100 miles. Why should they build a road down the Red River? It would be in the wilderness, and there would be no communication when they got to Rat Portage. Probably that section between Fort William and Lac des Mille Lacs would be completed. The computation of the hon. gentleman, however, was erroneous. Instead of 222 miles, the roads named would aggregate 175 or 180 miles. But allowing 200 miles, there were still rails to lay nearly 400 miles.

Hon. Mr. LETELLIER DE ST. JUST requested his hon. friend from Manitoba (Mr. Sutherland) to state the distance from Fort Garry to Selkirk.

Hon. Mr. SUTHERLAND said the distance altogether from the boundary line to the main line was 91 miles.

Hon. Mr. LETELLIER—Well, then, if you add the sidings to the figures given, you will find that the statement was correct. With this correction he held to the figures he had given.

Hon. Mr. READ did not wonder that some little temper had been shown by members of the Government on the question and they did not wish it probed any further. He had taken a little pains to investigate this matter further, and found that the advertisement was first inserted in the paper of the 2nd Oct., and called for tenders to be delivered on the 8th. The notice was dated the 29th September, but it was not published until the day named. To give so short a notice when tenders of such magnitude were concerned was unbusinesslike to say the least. There was no difficulty in substantiating the figures given with regard to the price. With reference to the Great Western contract he did not know whether the steel rails were to be paid for in bonds or gold; the former plan was not an unusual method of paying for the material. All he knew was that rails could be bought for much less than they were paying. The hon. gentleman from New Brunswick had stated that the contract made by the Government was to carry out an arrangement made by Lord Carnarvon's compromise. But that was impossible; his Lordship's decision was not given until the 18th December, whereas the rails were advertised for in October.

Hon. Mr. AIKINS said the information given by the Hon. Minister of Agriculture was certainly new to him. With regard to the 37 miles road alluded to, he could not understand how the rails could be laid when the engineers had not located the line.

Hon. Mr. LETELLIER DE ST. JUST said he had reference to the road going from Red River to Rat Portage.

Hon. Mr. AIKINS said the road from Red Cross Lake to Rat Portage was not under contract, and the reason was that it was found difficult to locate the line.

Hon. Mr. LETELLIER DE ST. JUST remarked that the hon gentleman must have misunderstood him. He had stated he meant the line from Selkirk to Rat Portage, which was located 77 miles east of Red River. On consideration, he thought the aggregate number of miles to be constructed should have been given as 212.

Hon. Mr. AIKINS thought even that number could not be accounted for. From Pembina to Fort Garry was 65 miles, from

Fort Garry to the Crossing was 23 miles, and it was 91 miles from the boundary to the main line. Altogether he could not make more than 200 miles, but allowing the figures given by his hon. friend, that would still leave 170 miles of rails unemployed. He would like to know what use would be made of these. If the hon. Secretary of State had referred to his speech of last year he might have made a better disposition of the rails. In that speech the hon. gentleman stated that a large portion would be used on the Georgian Bay Branch, but we heard nothing about that now, and the fact was the line was not under contract.

Hon. Mr. SCOTT said the contract was cancelled.

Hon. Mr. AIKINS could readily understand that. The gentlemen on the Treasury benches were anxious to pile up figures in relation to this matter. A great mistake had been made; it was not an intentional one, but it was nevertheless a mistake.

Hon. Mr. McMASTER said it was easy for a person to get puzzled over the distances. He could confidently state that the engineer had reported it necessary to send at least 26,000 tons up this season, and, moreover, that he expected to proceed with the work this season.

Hon. Mr. CAMPBELL—Where did you get the information?

Hon. Mr. McMASTER said he stated it as a fact, and it might go for what it was worth. Add that quantity to those required for the Intercolonial and the 5,000 in British Columbia, and there would be but a small portion left.

Hon. Mr. REESOR had listened with a great deal of attention to the discussion, and must confess that hon. gentlemen on both sides of the House had made some mistakes. He thought the Minister of Agriculture was a little hasty in declaring that the Opposition was misrepresenting him, and not wishing to misrepresent the Government he would say that up to an hour few persons knew what portion of the line or how many miles were to be built. The discussion had brought out facts he did not know before, and he was glad they had come out. If there were 200 miles under contract, and likely to be ready for the rails this year, he did not think it beyond the bounds of probability that seventy or eighty miles more could be laid before another year, and that 300 miles was not too much for the Government to count upon. In regard to the want of judgment and foresight on



the part of the Administration in this matter, we could only judge such things comparatively. No government is perfect or possesses prophetic power, and no one could anticipate precisely the price of rails in the future. All that could be done was to judge from the past, and so far as this particular act was concerned it might be open to censure, but it did not appear so bad in view of the facts communicated to-day. But, suppose we compared this with the acts of their predecessors. It had been shown that the late Administration had purchased rails as high as \$85 to \$90 per ton, while at the same period the Great Trunk Railway was getting rails at \$50 a ton. Another fact elicited in the course of the debate was that, although the present Government paid some \$54 a ton, delivered in Canada, the Great Western Railway had been paying about the same price for rails last year. If that was the fact, and it was an easy matter to prove it, the Government were in harmony with the acts of strong railway companies, whereas the late Government paid a great deal higher price than was being paid by these companies when they made their purchases. If there was ground for censure, in his opinion the late Administration could not get off free. The facts brought out to-day were very important, and should be circulated in the country.

Hon. Mr. HAYTHORNE said as an independent member of the House he would speak on behalf of the Government in extenuation of the charge made against them of error of judgment. In his opinion there was sufficient ground to go upon in this purchase of steel rails. During the years the Prince Edward Island Railroad was under construction the price of iron doubled itself. There were great strikes in the iron and coal trades, and contractors would not enter into an agreement unless with a provision to "bar strikes." The Government would have been unwise if they had lost sight of those difficulties, when they had such large undertakings in view, in different parts of the Dominion. But if the gentlemen were sincere in the charges they made they should turn Ministers out of office on the ground of incapacity. Errors of judgment were treated with the greatest lenity, and it would be an error on the part of the House to cast any serious blame on the Government with regard to this matter. Hon. gentlemen opposite were inconsistent in charging the Minis-

try with forwardness in purchasing the rails, and also accusing them of dilatoriness in respect of the Pacific Railway.

After some further discussion, the motion was carried.

#### INSOLVENT ACT.

Hon. Mr. BUREAU moved the second reading of the bill entitled "An Act to amend the Insolvent Act of 1875." He said it could not but be admitted that great anomalies existed in the existing measure. The bill which he now introduced proposed to repeal Section 14, which contradicted the 16th clause, and substitute the following:

"A debtor on whom a demand is made by a creditor or creditors who has or have filed the affidavit required by this Act, may make an assignment of his estate to the Official Assignee appointed for the county or district wherein he has his domicile, or wherein he has his chief place of business, if he does not reside in any county or district wherein he carries on his business; and in case there is no Official Assignee for the county or district wherein he has his domicile, nor for the county or district wherein he has his chief place of business, then to the Official Assignee for any other county or district wherein he carries on his business; and in case there is no Official Assignee for any county or district in which he carries on his business, then to the Official Assignee for the nearest adjoining county or district to any of such counties or districts; but such assignment may be set aside or annulled by the Court or Judge for want of, or for a substantial insufficiency in the affidavit required; by section four, on summary petition of any creditor to the amount of not less than one hundred dollars beyond the amount of any security which he holds,—of which petition notice shall have been given to the debtor, and to the creditor who made the demand of assignment, within eight days from the publication thereof in the *Official Gazette*."

In support of the position he took in this regard, he quoted the opinion of Mr. Wortherspoon, a very distinguished lawyer in Montreal, who took a great deal of interest in these matters. He next proposed to amend section 36, which clashed somewhat with section 38. This difficulty he proposed to meet by prefixing to section 36 the words: "Subject to the first proviso in section 38 of this Act." The 44th clause provided that a meeting

of the creditors might be called by five creditors, and a creditor, according to the Act, signified, for the purpose of taking part in these proceedings, a person having unsecured claims to the amount of one hundred dollars or upwards. Now, in many cases, there is only one creditor who fulfilled this qualification, the larger number having claims for less than the amount named. The result in such cases was that great injustice was done. He accordingly proposed to amend the clause by inserting the words "if there are five, or more, or by all the creditors, if there are less than five" after the word "creditors" in the third line. The last, which was the most important clause of the Bill now before the House, proposed to amend subsection 4 of section 147. Creditors in foreign countries are deprived of giving their advice or taking any part in the proceedings leading to the winding up of insolvent estates, because it was necessary for the purpose of having any voice in this matter to be present at the meetings. He therefore proposed to amend this section by inserting the words "in person or by proxy," after the word "present," in the sixth line of the said subsection. The bill ought to be carefully considered in Committee, as it dealt with an important subject which affected the interests of all classes of the community.

Hon. Mr. LETELLIER DE ST. JUST thought the hon. gentleman deserved a great deal of credit for the attention he had given to the law and the excellent provisions which he had brought forward in his Bill. He hoped, however, the hon. gentleman would withdraw the Bill, in view of the Government measure dealing with this question, with which the hon. gentleman might have his amendments incorporated.

Hon. Mr. CAMPBELL also hoped the bill would be withdrawn. The amendments could be incorporated in the Government Bill which would shortly be in this House.

Hon. Mr. BUREAU said if the hon. Minister acknowledged the good points of his measure he could consent to the second reading, and have the inconsistencies of the present law fully considered in committee. He did not feel disposed to withdraw the bill, and would rather it passed the second reading and was referred to a committee.

Hon. Mr. DICKEY thought it was nothing more than right when the Government had another Bill for the House

to hear what it was, and then add such amendments as they desired to it. He was glad that the author of the Bill was not disposed to act in the matter as a supplementary minister, as another hon. gentleman had felt it his duty to do that evening. He thought it desirable for the Committee to have all the bills on this subject before them so that they might frame a comprehensive and satisfactory measure on this important question.

Hon. Mr. KAULBACK said after the decided expression from hon. members and the Government, he trusted his hon. friend would not now press his Bill to a second reading, it being clearly a Bill that ought to emanate from the Government. Should the proper attention not be given to the amendments now proposed, then this Bill, with some further amendments, which he (Hon. Mr. Kaulback) would suggest, doubtless will receive careful consideration. His hon. friend kindly acknowledged some suggestions and amendments made or proposed by himself (Hon. Mr. Kaulback.) In return he was pleased to be able to say that his friend, the hon. mover of this Bill, is entitled to high praise for the consideration and care he has given to this subject, no better evidence of which is required than the Bill now before us. Having carefully looked into the effect of the amendments, with his professional and practical experience of the Act proposed to be amended, he could, with some degree of assurance, say that the amendments were important and necessary, and this session should not pass by without having them made law. His hon. friend had made plain the amendments and the necessity for them, particularly the contradictions and ambiguity between the 36th and 38th sections of the Insolvent Act, which this Bill proposes to remove, and at the same time give further protection and security to the creditors of the insolvent.

It being 6 o'clock, and Mr. BUREAU not feeling disposed to withdraw the measure, the item was allowed to stand over for a week.

The House then took recess.

#### SUITS AGAINST THE CROWN.

Hon. Mr. SCOTT moved the House into Committee of the Whole on the Bill respecting Suits against the Crown by petition of right, with Hon. Mr. Montgomery in the Chair.

On 8th clause, providing that certain issues shall be tried by a judge without a jury,

Hon. Mr. DEVER objected on behalf of the contractors of the Dominion, that they should be excluded from having their cases tried by jury. He did not see why they should go beyond the English Act.

Hon. Mr. DICKEY said the English Act gave the subject the same right of trial by jury against the Sovereign as subject against subject, and he objected to this clause. The clause was carried.

On clause 14th, respecting rules of the Supreme Court Judges, Hon. Mr. Miller and Hon. Mr. Dickey withdrew their objections to it on the assurance of the Secretary of State that such rules as would be adopted by the Supreme Court Judges, would have the power of law as soon as published, and before they were submitted to Parliament, so that it would cause no delay to suitors.

Hon. Mr. DICKEY enquired why it was that the Government had taken the power in the latter end of the clause to suspend or cancel any of these rules and not leave it to Parliament.

Hon. Mr. SCOTT said it was quite competent for either branch of Parliament to call attention to any defect in the rules, if they saw fit to do so.

Hon. Mr. CAMPBELL said in England they reserved these rights to either branch of Parliament.

Hon. Mr. DICKEY said if the English House of Parliament reserved the right to alter the rules by a resolution when they saw fit to do so, he thought it was not right that this Parliament should give the Government supreme power on this point in this Bill.

Hon. Mr. SCOTT said if there were no suspensory clause, he did not think it could be objected to. It was only as a protection to the Crown that the clause was introduced at all, and he did not anticipate that the power would have to be employed.

Hon. Mr. CAMPBELL said there was no reason why there should be any distinction between the language of this Act on that point and that of the English Act, which reserved to Parliament the right to suspend the Supreme Court rules.

Hon. Mr. MILLER said he would be satisfied with the Bill as it was, and leave the responsibility of suspending the rules to the Government, on the advice of the Department of Justice.

Hon. Mr. SCOTT said it was not desirable that Parliament should suspend any of these rules.

Hon. Mr. DICKEY said all he wished was that the power which this Bill gave to the Governor in Council to suspend the rules of the Supreme Court should be shared by both branches of Parliament.

Hon. Mr. MILLER said if his hon. friends pressed their objection, their best ground was that the Government, owing their tenure of office to the will of the Commons, that body virtually had the power to suspend the rules, although the Bill did not specifically give them the right to do so. It was not the same in the Senate, to whom the Government were not responsible in the same way. Therefore a resolution from this branch of Parliament to suspend the rules might be treated with indifference, while the Commons would virtually have the power to suspend.

The clause was carried.

On clause 17,

Hon. Mr. DICKEY called attention to the fact that there was no power provided under this Act to give costs, when a suit was given against the Crown. He asked why this clause, which was in the Act of last year, was left out of this Bill.

Hon. Mr. MILLER said it was left to the discretion of the Judges to order the costs to follow judgment, and was not defined by the Act, as a matter of right. The Bill ought to go further, and give costs to a successful suitor as a matter of course.

Hon. Mr. HAVILAND contended that the rights of the subject should be better protected than they were in this Bill. It should provide that when the subject obtained judgment costs should as a matter of course follow.

Hon. Mr. SCOTT said the whole thing was provided for in the 11th clause. He thought it was a fair and reasonable thing to leave the costs to the discretion of the Court, and when the case was reasonable costs would follow judgment.

Hon. Mr. CAMPBELL said the English Act stated most distinctly that costs should follow the suit; it was the ordinary English rule, and there was no reason why it should not be adhered to here and distinctly laid down in the Act.

Hon. Mr. PENNY hoped the Hon. Secretary of State would see his way clear to modify this clause, but the Crown should be protected in such a way that costs should not exceed the amount of the suit, otherwise parties might for trivial causes enter suits against the Crown and put on heavy costs.

Hon. Mr. MILLER said the Governor General's fiat would protect the Crown.

Hon. Mr. DICKEY said the judges themselves would feel themselves placed in a very ridiculous position to give costs against the Crown when Parliament had not so defined it, so that the leaning of the judges would be against the subject. The principle on the face of the English Act was to give as a matter of right to a subject, suing by petition of right, the same remedy against the Crown that subject had against subject.

Hon. Mr. HAVILAND contended that if it were not defined in the Bill the subject would have a very poor chance of obtaining costs against the Crown. The judges would compare the Act with the Act of last session and the British Act, and would see that it took away the right which the subject had under both of these Acts to costs, and naturally assume that it was really the intention of Parliament it should be so.

Hon. Mr. SCOTT contended that the whole spirit and intention of the Act was that wherever the suppliant had been put to any costs in a suit against the Crown, and the judges considered they were entitled to them, the costs should follow the suit.

Hon. Mr. MILLER said he would not be surprised if the judges had a hand in the framing of this clause, as they, like other people, were no doubt fond of power.

Hon. Mr. SCOTT said he did not know that they had anything to do with it.

Hon. Mr. MILLER said the real point was, was it the opinion of the House that in suits against the Crown the subject should have the same consideration that the Crown had against the subject. If the subject failed to recover against the Crown the costs went, as a matter of course, against the subject. When the subject recovered against the Crown, should not costs go against the Crown, as a consequence of the judgment? As the old rule was not to allow costs against the Crown, the judges might only be disposed to give costs in exceptional cases, and it would be argued from the language of the Act, and its difference from the English law, that this was the intention of the Legislature. The ordinary rule in suits between subject and subject should apply.

Hon. Mr. DICKEY moved in amendment that the 15th clause of the Act of last session as follows be inserted as the first part of the 17th clause as follows.

"Upon any such petition of right, the suppliant shall be entitled to costs

against Her Majesty, and also against any other person appearing or pleading or answering to any such petition of right, in like manner and subject to the same rules, regulations and provisions, restrictions and discretion, so far as they are applicable, as are or may be usually adopted, or in force, touching the right to recover costs in proceedings between subject and subject; and for the recovery of any such costs from any such person, other than Her Majesty, appearing or pleading, or answering in pursuance thereof to any such petition of right, such and the same remedies and writs of execution as are authorized for enforcing payment of costs upon rules, orders, decrees of judgment in personal actions between subject and subject shall and may be prosecuted, sued out, and executed on behalf of such."

The Committee divided and the amendment was declared carried without counting.

On clause 19 Hon. Mr. DICKEY called attention to the arbitrary power which the Act reserved for the head of a department after a subject had gone to all the trouble and expense of entering a suit, to stay all the proceeding and place him in the position he was in before the petition of right was granted, by referring the matter to arbitration.

Hon. Mr. SCOTT said the Act was really wider than that of last session, as it gave the subject the right to proceed under petition of right or have his case before the Board of Arbitrators. If the head of a department did not have the power to refer these cases to arbitration the Minister of Public Works would find claims entered against the Crown for millions of dollars.

Hon. Mr. MILLER said he did not intend to oppose this clause, as the Government he feared would rather withdraw the whole Bill than not reserve this power to refer certain claims to arbitration.

Hon. Mr. DICKEY said subjects had the right to have their cases referred to arbitration already and this Act gave the subject no more remedy than he had under the existing law, as the Crown could in any case stay proceedings on a petition of right.

The clause was carried.

The remaining clauses were adopted, and the committee rose and reported the Bill as amended.

The amendment was concurred in on division.

The third reading was ordered for Friday.

COMMON CARRIERS.

Hon. Mr. SCOTT moved the second reading of the "Common Carriers Liability Bill." He said his intention was to have the Bill read the second time and referred to the Committee on Banking and Commerce, where it could be thoroughly considered. An opportunity would also be offered to railway, steamboat, and other companies to give their views on it. The question of jurisdiction would also require to be decided. The Dominion Parliament assumed that they had the power to legislate on matters affecting common carriers. It would be extremely unfortunate if legislation respecting carriers, such as steamboat companies or railways that ran through more than one Province, did not come within the scope of this Parliament. The real necessity for this legislation had been caused by the fact that of late years the various lines of railways had sought to protect themselves by a multitude of conditions on the backs of bills of lading that met every case of loss even by negligence in forwarding goods. This law was to declare that where such conditions were unreasonable they should have no effect. The second clause was the one that would be open to the greatest objection, as it provided that the carrier shall forward and deliver goods in the same order in which they were received by him, and the charges shall be the same by each carrier at the same time and under the same circumstances as nearly as it might be possible to do so. The sixth clause referred to stipulations or agreements, and was simply affirming what was the law.

Hon. Mr. MILLER remarked that the object of the bill in this respect was to prevent the imposition of unreasonable restrictions, which was not the law at present.

Hon. Mr. SCOTT agreed with this view. The bill practically left the Court to determine whether the agreements were proper. Clauses 8, 9, 10, 11 and 12 related to specific articles. There was no doubt, in regard to a certain class of goods, it would be unfair to charge common carriers unless an increase of charges was provided for, subject to special arrangements between the carrier and shipper. Clauses 14 and 15 related to the liability of agents. There were a multiplicity of points arising under this head, on which the practical persons to

be examined in regard to the bill would express their views. The 16 and 17th clauses simply related to shipping, and clauses 29 to 34 were the dangerous goods clauses.

Hon. Mr. CAMPBELL thought the Government were using very sound discretion in deciding not to seek to pass the Bill through Parliament this session. It involved very great interests in its provisions, and required grave consideration. He did not think the bill was at present even in such a state that a Committee of the House could advantageously undertake to recast or amend it. Some of its provisions, he thought, were incapable of execution, for instance, the clause which provides that goods shall be forwarded and delivered in the order in which they are received. It was utterly impossible to do that, as no company could guarantee to forward a box or a number of boxes or packages precisely according to the priority in which they were received. There was a want of elasticity in the Bill which he thought showed that it was hardly prepared by a person who was acquainted with the trade and transportation of the country. The 5th clause, respecting loss or damage to personal baggage of a passenger, provided that the railway company or other carrier shall be *prima facie* liable for such loss or damage upon the oath or affirmation of such passenger. There was no provision that the passenger should be compelled to present a check showing that he had a piece of baggage which it represented.

Hon. Mr. SCOTT said the carriers would not accept baggage without a check.

Hon. Mr. CAMPBELL said the Bill did not say so. It was no doubt necessary that there should be some stipulations for exemption of carriers from liability, but it should be limited, as it would not do to tie up the hands of companies and prevent them from entering into negotiations with the companies in the United States, which were absolutely necessary for the purpose of carrying on through business. Without going here into details of the Bill, he considered it would be better to postpone it until next session. He had no objection to it going to Committee, but that would not be sufficient, he thought, to get it into satisfactory shape, as it required to be prepared and elaborated by men who understood the subject. As to the question of jurisdiction, he thought it would be better to adopt the view that Parliament had the right to

pass the Bill as one within their jurisdiction.

Hon. Mr. DICKEY said there was one prominent disadvantage which had not been adverted to. If the Bill went before the Committee at the present time it would be subjected to the criticism of parties in the immediate neighbourhood, and the interests of the Maritime Provinces, inasmuch as representatives could hardly be present this session, would not receive such attention as they deserved. They would thus get an imperfect and one sided view of the Bill, which was not at all desirable on so important a subject. He would state his views in regard to the constitutional question, briefly premising with the observation that he differed with some of his hon. friends, for whose opinions he entertained a high respect. He assumed that the power was claimed under that branch of the British North American Act which gave to this Parliament the regulation of trade and commerce. Commerce, in its widest and most general sense, included the exchange of commodities for other commodities or for money. The co relative term "trade" also applied to an interchange of commodities between individuals or between nations—in short, both home and foreign trade; but it was in this enlarged sense it was used in the Confederation Act. This Bill proposed to deal with all branches of traffic in all parts of the Dominion. He contended that this Parliament had no power to pass a law regulating all traffic whatever between people in any Province of the Dominion. If so every baker and butcher was connected with trade, and every person who transacted business might be considered tradesmen. This Parliament had no power to legislate over the civil rights of the people on the mere ground suggested by the hon. Secretary of State, that it would be very inconvenient if they had not. The question is not whether it is convenient, but whether it is within the competency of Parliament, and if there be any doubt as to this, a reference to the class of subjects assigned exclusively to the Local Legislatures by Sec. 92 of the British North American Act, clearly shows that these alone have the power to legislate as to local traffic within the several Provinces. He quoted from the 92d section:—"Local works and undertakings other than such as are of the following classes, viz:—Lines of steam and other ships, railways, canals, telegraphs, and other works and undertakings connecting the Province with any other of the Prov-

inces, or extending beyond the limits of the Province, and lines of steamships between the Province and any British or foreign country"—"Property and civil rights of the Province." This Bill attempts to regulate all contracts with people carrying traffic to or from a wharf or railway station, or from one village to another, or by express, within the Province or by steamboat, along one of our rivers, for hire as a business. Then the local Legislatures have treated it as local. Quebec has a code for common carriers; Nova Scotia has a law regulating carriage of dangerous articles, and the Attorney General only a fortnight ago introduced a bill respecting unclaimed goods in the hands of common carriers. But the last clause of this bill at one swoop repealed all Acts on the subject in force in the several Provinces. It was all very well to talk of uniformity, but our Constitution provided that such a result was only to be attained when the smaller Provinces were willing to co-operate.

Hon. Mr. MILLER considered that the country required legislation in the direction of the Bill, and that the Dominion Parliament alone had power to deal with the subject. He could not see how there could be any doubt that this question came under the heading of trade and commerce, the regulation of which belonged exclusively to this legislature. The hon. gentleman read from the British North American Act in support of his views, and replied at some length to the arguments of gentlemen who thought the subject was under the control of the Local Legislatures. He contended if Parliament had not power to regulate the carrying trade, which was an important branch of the commerce of the country, there was no power in the Dominion to legislate regarding it. The fact that some of the Local Legislatures had attempted to pass laws on the subject only showed that they had mistaken the scope of their authority on this, as they had frequently done on other subjects. With regard to the merits of the Bill, he thought it had not been prepared with much care, and was evidently the work of one who had not a sufficient acquaintance with the practical requirements of such a law. He went on to point out in detail the defects and incongruities of the Bill, and believed that the sense of the House was to allow the measure to stand over until next session. It was too late to allow sufficient time to parties interested throughout the Dominion to represent their views and offer practical suggestions regarding the

amendment of the Bill. The country would learn from the discussion that the question would come up next year, and its passage would not then be a matter of unfair surprise. The Maritime Provinces which had \$20,000,000 invested in the carrying trade by water, could not at this late period of the session get their interests represented before the House or the Committee. The Bill was going to make great changes which should not be hastily done. There was no object to be gained by sending the Bill to committee this session, and he would therefore move the three months' hoist.

Hon. Mr. LETELLIER DE ST. JUST expressed the opinion that a greater number were injured by unlawful regulations by the companies than ever could be by the passage of the Bill in its entirety, and he thought the time had arrived when society should be protected against such practices. When he looked at the bills of lading, way bills and circulars of railway and other companies, and the conditions which they imposed upon the public, against common sense, if he had a term a little less strong than dishonesty he would apply it. It was time that legislation were introduced to protect the public against such exactions. He read from the regulations of the Montreal Telegraph Company's blank to show the restrictions on the transmitting of messages, and considered that when a message was received by the telegraph company from the sender and was paid for transmitting it, they should be compelled to deliver it, but in the same way as forwarding companies and railroads, they were trying to impose on the public conditions so restrictive and injurious.

Hon. Mr. MILLER felt that the opinion of the House was in favour of the withdrawal of the Bill, and if he was not deceived, the Government would also like to be free of the responsibility of carrying the measure further. He could not under the circumstances help pressing his motion, although he was sorry to be compelled to take such a position.

Hon. Mr. SCOTT called attention to the fact that two bills were in the other House last session and were dropped on the understanding that a measure embracing their provisions should be brought forward this session. The department of Marine and Fisheries had had correspondence with parties interested in the Bill during recess, and when it was first introduced the understanding was that it should go before the Committee, so that

those parties and others should have the opportunity of expressing their views as to the legislation needed. If the bill was dropped now they would just be as far advanced next year, and he hoped the House would allow the second reading.

Hon. Mr. DEVER pointed out that the Bill was wrong in principle.

Hon. Mr. TRUDEL did not claim any right to make a suggestion to the Government as to the disposal of this Bill, but he thought the second reading ought not to be pressed by the Government, as it involved the principle of encroachment on the rights of the Local Legislatures.

Hon. Mr. RYAN said, in England, after four months' deliberation on a similar bill last year, the Committee to which it had been referred reported to Parliament, after hearing a vast amount of evidence, that it would be hasty to adopt any legislation that year. They asked that they be dismissed or reappointed this year, and he supposed they were now sitting. He mentioned this to show the difficulty of obtaining proper legislation on a question of such magnitude in one session, and in order to give this measure due consideration he thought the Bill should be left over to another session; in the meantime the Government could obtain such information as was necessary to promote such legislation and bring it to a successful issue.

Hon. Mr. HAYTHORNE regretted that there was a probability of the Bill being withdrawn, as he represented the interests of consumers, but if there were any doubts as to the jurisdiction of Parliament it might be better not to press the Bill past second reading, although he was sorry there was an apparent determination to postpone it altogether this session.

Hon. Mr. PRICE said the people had not had sufficient time to ascertain what the provisions of the Bill were or there would be very strong objection to it. The second clause of the Bill was ridiculous, and it was evident that the parties who drew it up knew nothing about the shipping or railway interests. That second clause would destroy through traffic on railways and the filling up of ships with cargoes from England, and its effect would be to stop all trade. The details of the Bill he considered were sprung upon the House, and he did not think at this stage of the session they had time to send for persons interested who could come before Committee to give evidence as to its effect on the trade of the country. He would

therefore suggest that it should be postponed until next session.

Hon. JAMES SKEAD did not consider that vessels coming into our ports from all parts of the world for cargoes and loaded with special contracts could be considered common carriers. There were grievances which the producers had against the forwarders which should be remedied, but he did not think that justice could be done to the trade of the country by pressing the bill hastily this year.

Hon. Mr. PENNY said the Government did not desire to force the measure through this session. All they wanted was to have the bill read the second time and sent to committee, so that some progress could be made.

Hon. Mr. McDONALD was in favour of sending the Bill to committee where it could be discussed and amended, and then it could be brought before the House in better shape.

A vote was taken on Mr. Miller's motion for a three months' hoist, which was carried on the following division:

Contents—The Hon. Messrs. Aikins, Alexander, Allan, Armand, Campbell, Carrall, Cornwall, Dever, Dickey, Ferrier, Girard, Hamilton (Inkerman), Kaulbach, McLelan, McMaster, Miller, Northup, Odell, Price, Read, Ryan, Shaw, Trudel—23.

Non-Contents—The Hon. Messrs. Botsford, Bureau, Christie (Speaker), Cormier, Guevremont, Haythorne, Leonard, Letellier de St. Just, McLelan, Macdonald, Macpherson, Penny, Scott, Skead, Sutherland, Wark—16.

#### [NORTHWEST TERRITORY.]

Hon. Mr. LETELLIER DE ST. JUST moved second reading of the "Northwest Territory Separation Bill." He explained that the object of the bill was to erect the portion of the Northwest Territory north and east of Manitoba into a separate territory, pending the settlement of the western boundary of Ontario, under the name of the District of Kematin.

In reply to Hon. Mr. Sutherland,

Hon. Mr. LETELLIER DE ST. JUST said it was very hard at present to say what should be the future limits or boundaries of Manitoba.

Hon. Mr. AIKINS asked if any decision had been arrived at between the Governments of the Dominion and Ontario respecting the western boundary of this Province before introducing this Bill.

Hon. Mr. SCOTT said a conventional boundary had been decided on until the true boundary was established between Ontario and the Northwest Territories.

Hon. Mr. GIRARD condemned the Bill as it was imposing new responsibilities, new offices, and more expense by creating a new Territory, when all the business connected with it could be transacted at Winnipeg for some time to come.

The Bill was read a second time.

#### UNION PERMANENT BUILDING AND SAVINGS SOCIETY.

Hon. Mr. ALLAN moved the second reading of the "Union Permanent Building and Savings Society (change of name) Bill."

The Bill was read a second time, and referred to Committee.

#### VIOLENCE AND MOLESTATION.

Hon. Mr. SCOTT moved the House into Committee of the Whole on the "Violence and Molestation Law Amendment Bill." He said it was a Bill that principally affected trades' unions, and it was to define more clearly what would be considered violence and molestation, as the present law was too general in its character on that point. The Committee reported the Bill without amendment, and it was read a third time and passed.

#### SECOND READINGS.

The following Bills were read a second time:—

Corrupt practices at Elections effectual Inquiry Bill.—(Hon. Mr. Scott.)

Corrupt practices at Elections Law Administration Bill.—(Hon. Mr. Scott.)

Provincial Permanent Building and Savings Society change of name Bill.—(Hon. Mr. Allan.)

#### INTERCOLONIAL RAILWAY EXTENSION.

Hon. Mr. LETELLIER DE ST. JUST moved the House into Committee of the Whole on their Intercolonial Railway Bill. He said the object of the Bill was to allow of the extension of the railway into Halifax.

Hon. Mr. NORTHUP would beg to call the attention of the members of the Government to the work at the depot at Halifax, to which he presumed this Bill had reference. More than two years ago Mr. Brydges, General Superintendent, stated in Halifax that if the people would consent to have the depot at North street, the work should be commenced forthwith and trains running over it



before the snow fell. The people contented, and the snows have come and gone for two winters, and, from present appearances, are likely to come and go again before completion. It would seem there has been blundering from the beginning, and the work carried on in the most unsatisfactory manner, and promises to cost a very large sum of money and much more than it should. It is thought the trouble has been at head quarters, as if the Local Engineer could have had full control the work would likely have progressed satisfactorily. I was told the iron roof for the station was procured some time since from the favoured firm in Pennsylvania. The expenditure for the year ending June, 1875, was \$267,343.48. This looks very large, judging from what has been done. No doubt a very considerable sum was expended during the previous year, and in all probability a large sum will yet be required. Perhaps the want of this little Bill has been the trouble, and now that they have it I beg to urge upon the members of the Government that the work be proceeded with vigorously.

Hon. Mr. LETELLIER DE ST. JUST said he was sorry that there should have been any delay in the extension. The Government intended to proceed with it, and this Bill was to remove any doubt as to the right to extend the Intercolonial Railway track, on which point a doubt had hitherto existed.

The Committee reported the Bill without amendment, and it was read a third time and passed.

The House adjourned at 12.30.

THURSDAY, March 23.

The PRESIDENT took the chair at 3 p. m.

After routine,

Hon. Mr. HAYTHORNE enquired if the Government were taking any steps for the providing of a regular mail service between Prince Edward Island and the main land.

Hon. Mr. SCOTT said the Minister of Marine and Fisheries had purchased the boat built by Mr. Sewell for the winter navigation of the St. Lawrence.

#### DOMINION LANDS.

Hon. Mr. SUTHERLAND enquired whether it is the intention of the Government to throw open any portion of the Canada Pacific Railway Land Reserve, in the

Province of Manitoba, or the Northwest Territories, for sale and settlement; and if so, when and on what terms? He said a number of settlers had moved out on these lands, and it was desirable that these settlers should have the privilege of purchasing these lands, and that they should be thrown open for settlement. He had heard it was rumoured that the Government had some intention of selling a portion of these reserves, and it was important to know what the Government were going to do with these lands, as there was no immediate prospect of the early construction of the Pacific Railway.

Hon. Mr. LETELLIER DE ST. JUST said the only answer he could give was that the whole matter was under the consideration of the Government, but nothing had as yet had been decided upon.

#### INTERCOLONIAL RAILWAY EXTENSION.

Hon. Mr. LETELLIER DE ST. JUST moved the third reading of bill, "An Act respecting the Intercolonial Railway."

Hon. Mr. DICKEY said the point to which he called attention was that this Act, which was brought in for the purpose of providing for the extension of the Intercolonial Railway from Richmond into Halifax necessarily passed through the line of the city passenger tramway and interfered with their rights. The question arose how they were to be compensated for any damage which they might incur. Under the amended charter of the Company, passed in 1866, in case the city or the Government required to assume the tramway, they could do so by arbitration, the Company having the right to appoint one arbitrator. He hoped the Government would deal fairly and liberally with the parties in the spirit of this Act. The track was built to enable the Company to carry passengers from Richmond to Halifax, a distance of two miles, and it was a great accommodation to the public, as shown by the fact of half to three quarters of a million of people using it annually. The extension of the Intercolonial would bring the terminus a mile and a half nearer the city and would necessarily interfere with the Tramway Company.

Hon. Mr. LETELLIER DE ST. JUST said in this case there was compensation to be given; the bill was merely to remove doubt as to the right to extend the railway.

The bill was read a third time and passed.

## TRADE MARKS.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Trade Marks Law Amendment Bill. He stated that the object of the measure was to extend the privileges now granted to individuals getting trade marks. By the present Act a trade mark was limited for five years, but in England the privilege could be from time to time extended three years more. This bill made provision for an extension of the time, but left the period to the discretion of the Minister of Agriculture, to whose department such matters belonged. The measure also provided as to the mode of effecting the same, and the fees to be paid.

In answer to Hon. Mr. Botsford, Hon. Mr. LETELLIER DE ST. JUST said the bill did not propose extending the time beyond five years.

The Bill was read the second time.

## THE DEBATE OF THE SENATE.

Hon. Mr. MACPHERSON moved the adoption of the 2nd report of the Select Committee on Publishing the Debates of the Senate. He said he had very little to add to what was stated in the report. The contract for reporting was made last session, and all the Committee had done this session was to arrange for the publication of the debates in *Hansard* form. They had contracted for 450 copies of the debates, two copies to be sent to each Senator and one copy to each member of the House of Commons. The terms were on the whole reasonable and fair.

Hon. Mr. BOTSFORD inquired if any arrangement had been made to have the debates printed in a similar form to those of the House of Commons.

Hon. Mr. DICKEY explained the apparent delay which had taken place in the publication of the *Hansard* reports. In order that no one should be incorrectly reported the contractor submitted the manuscript to the hon. gentlemen for revision, which necessarily kept back the printed *Hansard* sheets. It was much better to have a little delay in that way than to sacrifice accuracy in order to secure speedy publication. The great point was to have correct reports of the debates in a bound volume, which result was obtained under the present arrangement.

Hon. Mr. BUREAU called attention to the fact that he had received a note from one of the reporters asking him to write out the remarks which he had made the

previous day, as he could not catch his points. He (Mr. Bureau) knew it was a difficult matter to get a reporter who could correctly report every subject that came up, but he thought they would be able to find a gentleman who could report the debates to the satisfaction of the House.

Hon. Mr. MACPHERSON said the Committee intended before the end of the session to consider the question of reporting, and would make more effectual arrangements than obtained at present.

The report was adopted.

## THE GREAT WESTERN RAILWAY.

Hon. Mr. McMASTER moved the second reading of the Great Western Railway Company's Capital Bill. The hon. gentleman explained that the company had yet borrowing power for a little over £600,000 sterling, and part of that amount was to be issued in terminable bonds and part in perpetual debentures. One of those classes had become exhausted, and they asked to issue either description of securities. The remaining provisions of the Bill had reference to debentures guaranteed by the Company, and that a certain amount of the traffic of the Company be set apart for that purpose. The Bill provided that the shareholders should give their consent to those provisions.

The Bill was read a second time and referred to the Railway and Banking Company.

## THE PACIFIC RAILWAY.

Hon. Mr. McDONALD resumed the debate on Hon. Mr. Carrall's motion to resolve:—That the construction of the Pacific Railway having formed the principal condition upon which British Columbia entered the Canadian Confederation, every reasonable effort should have been made by the Government of the Dominion to satisfy the people of that Province that faith would be kept with them; but this House regrets to find that whilst incurring, or ready to incur immediately expenditures of several millions of dollars not needed or of doubtful utility, the Government has failed to proceed vigorously with the construction of our great national Interoceanic Railway which is so essential to the material advancement of all the Provinces of the Dominion as well as to the early consolidation of political and social union among the whole people. He said:—

The position of affairs between the Dominion Government and British Columbia has arrived at a point when an expression

of opinion of this House may not be out of place, whether as a guidance in the future to the Dominion Government or to our Province. In my opinion, the chief object in bringing forward this subject now is, that public opinion should be indicated, so far as an expression of this House can be taken as such indication, of a desire to have this great national highway perfected. And whether this House follows or leads public opinion, the result of this debate will be looked upon with interest in our Province. The idea of establishing communication from ocean to ocean is not new, but to British Columbia remains the honor, if it be an honor, of being the immediate cause of pressing upon the attention of the country the necessity for this transcontinental railway; hence her deep interest in this subject, and whether the verdict be for or against maintaining the connection with our Province, the debate will be of equal importance. The hon. gentleman who moved the resolution now before the House reviewed clearly the terms upon which British Columbia came into the Canadian Confederation, and I do not intend going over the same ground again, but may briefly refer to some of the points. I will endeavour to state the case from my standpoint as clearly as I can. The first breach in the terms of union was made in July, 1873, by the failure to commence construction at that time, and to this the Provincial Government, as in duty bound, called the attention of the Dominion Government; and from that time until now they have continued to protest against the nonfulfilment of the terms of union. Whether this breach can be justified or not the fact cannot be controverted. The Premier of the Dominion in a speech at Lambton in January, 1874, alluded to the great difficulties of building the Pacific Railway, and said that a relaxation of the terms with Columbia must be had. This speech became known in the Province at a time when a combination of circumstances gave rise to some alarm and apprehension; the Provincial Government at that time wanted money and were negotiating for a loan with the Dominion, and the fear that the true interests of the Province might be sacrificed and the terms of union destroyed, caused the first political disturbance which ever took place in the Province. To us the terms of union are everything—our capital—stock in trade—and constitution—and if once broken through, we have nothing on which to rely. Shortly after this commo-

tion Mr. Edgar was sent to the Province as agent of the Dominion Government to ascertain the feelings and opinions of the people on public questions—particularly on the Pacific Railway. After some time Mr. Edgar made a proposal to the Local Government to the following effect:—“To commence construction from Esquimalt to Nanaimo immediately, and to push that portion of the railway on to completion with the utmost vigor and the shortest practicable time. Hon. gentlemen will observe that this was not offered as compensation, or as a branch line—but as a portion of the railway; and as a portion must be a part of a whole—this must have been considered as a part of the main line.

“The Government would immediately open up a road and build a telegraph line along the whole length of the railway in the Province and carry telegraph wire across the continent. To a country like British Columbia it is conceded, however, to be an important point, that not only the prompt and vigorous commencement, but also the continuous prosecution of the work of construction within the limits of the Province should be guaranteed. In order therefore to secure an absolute certainty in this direction, the Dominion Government are disposed to concede to British Columbia, that the moment the surveys and road on the main land can be completed, there shall be in each and every year, and even under the most unfavourable circumstances, during the construction of the railway a minimum expenditure upon works of construction within the Province of at least one million five hundred thousand dollars.” I wish hon. gentlemen to observe that this offer was made without reference to the “predicates” of 1871, 1872 and 1874, that taxation should not be increased for the building of the Pacific Railway. These negotiations of Mr. Edgar proved a failure, and I have always maintained that the Local Government acted injudiciously in not treating with the Dominion agent in a fair spirit, and telling him at least what they wanted. The Provincial Government then petitioned Her Majesty, setting forth their grievances, and praying that the Dominion Government might be urged to carry out the terms of union. The Secretary of State for the Colonies, on receiving the petition, and the answer of the Dominion Government thereto, expressed his pleasure at the conciliatory manner in which both parties had approached the subject,

but I am afraid that the recent minutes of Council of both Governments will not produce the same good impression. The Secretary of State then proposed a certain arrangement in settlement of the questions in dispute, which he considered would not press heavily on the Dominion, and would be fair to Columbia. His Lordship's recommendations are the same as the Edgar proposals, excepting as to yearly expenditure, which was to be two millions instead of one and a half millions. His Lordship remarks that even after the concessions are made British Columbia will receive considerably less than was promised to her as the condition of entering the Dominion. The Dominion Government after some further correspondence accepted the settlement of the Secretary of State by Minute of Council dated 18th December, 1874, and as an evidence of such acceptance, brought a bill into Parliament last session to give effect to a part of the settlement; the fate of that we all know—and we know that British Columbia was at that time sacrificed to party spirit. Every hon. gentleman in this Chamber no doubt thinks (and would feel indignant at being told otherwise) that the legislation of this country is founded on principles of justice, which acknowledge the right to protect the interests of the minority as well as of the majority, but in this instance I am sorry to say that an act of injustice was done. The failure of that bill, however, did not cancel the claims of the Province. If there is any virtue in promises and obligations solemnly entered into, whether under Act of Parliament or Minute of Council, they should be adhered to, and not set to one side to the injury of any Province. The Premier, in a speech at Sarnia in October, 1875, announces that serious "modifications of the terms with British Columbia will be necessary, and that fresh proposals were to be made, and that British Columbia deserved every consideration. With the Earl Carnarvon's bargain, this announcement gave rise to much uneasiness in the Province as forshadowing future delay and fresh negotiation—the Carnarvon recommendations had only been agreed to a short time before, and now they are virtually set aside before any part of them is fulfilled. These fresh proposals were embodied in a Minute of Council dated 20th September 1875 and reached British Columbia the following November. The Local Government imprudently attributed motives for this delay,

which I do not endorse; I am willing to believe that the delay was occasioned through the neglect of the official whose duty it was to attend to this matter. The Minute recites the Edgar proposals and the agreement with Earl Carnarvon, and offers a compensation of \$750,000 under such ambiguity, that if otherwise willing to accept the offer, the Local Government could not do so, as it could easily be construed into compensation for indefinite delay upon the whole line, although we are assured by the hon. gentleman at the head of the Government that the offer had reference only to the Esquimaux and Nanaimo Railway. Had this Minute contained an assurance that the other portions of the Carnarvon recommendations would be carried out, the dissatisfaction would not have been so great, but there was no such assurance. This offer of compensation was declined by the Provincial Government. And we do think that the Dominion Government having carried the point of an extension of the time limited, and after having entered into obligations with the full knowledge of there being less onerous than the original terms, we had every reason to believe that they would be adhered to, and cannot understand any attempt being made to ignore those obligations. The two millions yearly expenditure to be no violation of the resolutions of 1871, 1872 and 1874. The Provincial Government appealed to Her Majesty a second time—most unwisely as I think—being more and more impressed with the wisdom and advisability of settling our domestic quarrels at home. And I am glad to be able to say that all the Columbia representatives now at Ottawa disapprove of the action of the Local Government in this instance. The tone of the Columbia Minute of Council refusing the offer of \$750,000 is much to be deplored although it must be borne in mind that it was written under a deep sense of injustice. Even then it is hardly justifiable and the tone of the Minute of the Dominion Government of the 15th of this month is equally to be deplored. It attempts to reduce this great question to a merely local one. The Hon Minister of Agriculture alluded to the tone of the press in British Columbia. I as well as himself condemn the spirit and tone of a portion of that press, but lately they have been writing under the belief that the Province has been deeply wronged, and on that score there is some excuse. I take it that the hon. gentleman would

not like at all times to be held accountable for all that appears in the press of Canada. From speeches made by prominent men, and from newspaper articles in this part of the country, an impression has been gaining ground that there is a feeling in certain circles that British Columbia should be cast adrift. If this feeling has any foundation the sooner we know it the better, and we can part good friends, and this debate will be of some service in confirming or dispelling these impressions. Allegiance and loyalty are based entirely on mutual advantages. The Federal Government and the different branches must each do their part to ensure the harmonious working of the whole. The Hon. Minister of Agriculture also alluded to a resolution passed by the House of Commons in 1871, when the delegate from British Columbia was present on the floor of the House. There is nothing to show that he approved or disapproved of that resolution. What power could he have by being on the floor of the House when he could not open his mouth, and the resolution after all was only a sugar coating to the pill, so that it might go down easily. We say this: that we have just ground of complaint; that these grounds of complaint have been acknowledged from the fact of compensation having been offered us; that there is no desire to burden or overtax the country; that we have agreed to extend the time limit from ten to nineteen years; that we have agreed to take a yearly expenditure much less than we were entitled to; that in 1874 the taxation of the country was increased by three million dollars in order (as stated in the preamble to the Pacific Railway Act of 1874) to make provision for the construction of the Pacific Railway as rapidly as possible; that three millions will pay interest and sinking fund on fifty millions, which is more than necessary with land grants to build the whole line; that in 1874 and 1875 £3,000,000 have been borrowed partly on the Imperial guarantee for the purpose of constructing the Pacific Railway, also for enlarging the canals, the Act authorizing the loan recites the bargain with British Columbia as being the chief reason for borrowing this money; Railway construction is made the prominent feature in the preamble, the enlargement of the canals being secondary. That the money raised under the Imperial guarantee cannot legally be applied to any purposes other than the Pacific Railway;

that five years have nearly elapsed since British Columbia entered Confederation, and it is only reasonable to expect that the work of construction be commenced forthwith. We have had no reports from the Chief Engineer for the last two years, but we find in the report brought down in the session of 1874, which could only embrace information up to the end of 1873, the Chief Engineer makes the following statement:—"It may indeed be now accepted as a certainty that a route has been found generally possessing favourable engineering features, with the exception of a short section approaching the Pacific coast; which route, taking its entire length, including the exceptional section alluded to, will, on the average, show lighter work, and will require less costly structures than have been necessary on many of the railways now in operation in the Dominion." Now, if this much was known two years ago, the information must surely be complete enough by this time to enable the Government to determine the route without delay. That large sums of money are lying idle in different banks, and a large quantity of rails on hand, and that a great deal of work could be carried on for two or three years without much additional outlay. That the Minute of Council of the 20th September last has destroyed confidence and caused much dissatisfaction in the Province as ignoring the settlement of Earl Carnarvon—I think I may use that term—there being no assurance of its fulfilment; that the Minute of the 15th March last tends in the same direction. I will briefly allude to some portions of it. I find the following:—"There is no pretence for saying that the Esquimault and Nanaimo Railway was under the terms of Union, a work, the construction of which was obligatory on Canada, as part of the Pacific Railway." I say that we had very strong grounds for considering this to be a part of the main line. By a Minute of Council of June, 1873, Esquimault is declared to be the western terminus of the Pacific Railway. That Mr. Edgar proposed to build this portion of the railway without reference to its being a branch, or as compensation—and that grants of land were reserved for the purposes of this road in accordance with the "terms of union." The Minute further states:—"The Committee would observe that they cannot assent to the view that the Union with British Columbia has occasioned loss and deprivation to that Province. On the contrary, the results, financially, to the

Dominion and to British Columbia respectively, even ignoring all railway expenditure in the Province, show that enormous pecuniary advantages have been derived by Columbia from Canada." We do not pretend to say that we have suffered any loss from being joined to Canada, but we do say that continual delays and uncertainties have had a most damaging effect on the Province. We are certain of nothing and never know what may next be offered to us. The Minute further states: "The Committee must further observe that the tenor of the representations now under consideration would seem to indicate that the object of the Legislature of British Columbia is less to secure the completion of the work as a national undertaking in such a way and on such terms as may best conduce to the welfare of the whole community, than to enforce the immediate and continued expenditure within their own Province at whatever cost to Canada of many millions of money, for which they cannot pretend to have given an equivalent; and that their chief grievance is that their people have not as yet derived, in addition to the other financial benefits of Union, the gains and profits to be expected from the expenditure of these millions in their midst. To these views must be mainly referred the allegations, unfounded as they appear to the Committee, of disastrous and ruinous delays, and as to all classes of the population having suffered loss and deprivations." This great work is of as much importance to the whole country as to us, and the portion of this railway east of the Rocky Mountains is guaranteed to us as fully as that within our own Province, and is of equal importance to us. British Columbia has the right to protest against delays over the whole line just as much as in the Province—although our immediate attention has been directed to that within the Province, believing that the interests of the eastern sections would be looked after by the people in this part of Canada. These two lines, "It remains only to endeavour to construct the Pacific Railway as the resources of the country will permit," wind up this Minute, and dispose in a summary way of the terms of union and the Carnarvon recommendation, and perhaps it is as well that no fresh promises should be made, and whatever we now get will be unexpected. I don't think it fair to place the statement of amount appended to the Minute before the country at

this time—the expenditure in a new Province being usually larger the first years than afterwards. Everything I notice has been brought against us that possibly could—a share of the public debt of the country, and a share of the cost of civil government, and a share of everything else. The charge on account of the Pacific Railway cannot fairly be charged to our Province. It is a national undertaking, and a large part of this money paid in salaries, is carried back to this part of Canada, from which the Province gets no benefit. We never pretend to bring financial advantages to the Dominion, but if treated well I feel assured that we will return as much, if not more, than any of the Provinces, in proportion to population. What we want now is an evidence, a substantial evidence of *bona fide* intentions and not promises. We want to feel as soon as possible that we are part of Canada; instead of importing foreign goods. We desire to be able to get the benefits of your manufacturers and markets here, we desire to feel that we are a part of a great and progressive country, imbued above all with a deep sense of integrity in fulfilment of obligations.

Hon. Mr. ALLAN said that whether the resolution now before the House passed precisely in its present shape or not, he was quite sure the great majority of the members, without distinction of parties, would give their firm adhesion to the main proposition which it contained; that proposition was that the construction of the Pacific Railway was an absolute necessity if these British North American Provinces were to become a strong, united and powerful confederation. If this great work was not proceeded with then he was sure that the bright future which they all anticipated, and not unreasonably anticipated, for the Dominion would be shorn of half its promise, for without this Pacific Railway they could not hope to build up Manitoba or the Northwest Territories, and without it our union with British Columbia would be little more than a union in name, if indeed, our connection with this, one of the fairest Provinces in the Dominion, would not be imperilled altogether. He maintained that all Canadians, irrespective of party, were deeply interested in this question of a transcontinental railway. In the first place, our honor was bound up in it; the faith of the country was pledged to its construction and completion, and if we had one single spark of

national pride and patriotic desire that the Dominion should be on this continent in reality what have our French fellow subjects in their own language designated it — *La Puissance du Canada* — they should take care that no strife or party politics, no vacillating policy on the part of the Administration of the day should ever imperil that position or endanger the Confederation by anything that might cause the loss of the great Pacific Province, the possession of which was so necessary to the prestige, the political power and the material progress and advancement of the whole Dominion. The resolution pointed specially to two points: first, the delay in the construction of the railway, and secondly, the expenditures unnecessarily made. He would take the latter first, as it would give him an opportunity of saying a few words as to the motives which lead himself and other members of this House to vote against the Georgian Bay Branch and the Esquimault and Nanaimo railways. He wished it to be understood particularly as coming from Western Ontario that he was not opposed in the slightest degree to any reasonable amount of public money being expended in the Ottawa Valley, or in any other part of Canada. On the contrary, it was his desire, as a Canadian, to see every part of the Dominion opened out and developed, as far as the means of the country would reasonably permit. But he was very jealous of anything which looked like frittering away any portion of the money which is so urgently required for a great national undertaking on any road or portions of a road not absolutely essential to or actually forming a part of the great national work in which the whole Dominion was concerned, therefore he had opposed the Georgian Bay Branch, and for the same reason he had voted against the bill for the construction of the Esquimault and Nanaimo Railway, not from any party motives whatever, but because he conscientiously believed then, as he believed now, that it did not actually form a part of the great transcontinental railway. While on this point he would say that, however local interests might influence some few persons in British Columbia, he could not bring himself to believe that what British Columbia coveted was simply the expenditure of money within their territory, or that we should ever preserve that Province to the Dominion by any expenditure for new local objects, or by

anything short of making that union which was now little more than a union in name, a union, in fact, by the construction of the Pacific Railway. Therefore, he had voted against the construction of the Esquimault Railway because he thought it would only serve as an additional excuse for further delay in the construction of the main line. On the same ground, and for the same reasons, he viewed with some alarm expenditures now being made on sections or portions of road professedly forming, or rather hereafter to form, a part of the great Pacific Railway. They all knew the famous "water stretches" policy which the Government first enunciated when they came into office, and had to declare their intentions with respect to the Pacific Railway, and he ventured to affirm that that policy was looked upon by the great majority of the people as only an excuse for an indefinite postponement of the through rail route. This feeling of distrust as to the intentions of the Government in reference to the construction of the main road, had been much increased by what had fallen from the members of the Administration themselves on several occasions recently, in answer to enquiries made from this side of the House, and a very grave suspicion had been raised in his mind as well as in the minds of others, as to whether the Government are really expending the money they are now expending on that which is ultimately to constitute the main line of the transcontinental railway, or whether they are putting it on roads or portions of roads which will be perfectly useless so far as the construction of the main line is concerned. Perhaps before the close of the session in answer to the various enquiries which have been made from time to time, such information may be laid on the table of the House as would enable hon. gentlemen to form an opinion on the subject, for the statements which had hitherto been made by the members of the Government had been of so unsatisfactory a character, so uncertain, so wanting in clearness and precision that it was almost impossible to gather from them what lines of road were being surveyed or constructed or any definite or valuable information whatever about them. Passing onward to that part of the resolution that declared that the construction of our great National Inter-oceanic Railway is essential to the material advancement of all the Provinces of the Dominion as well as to the early consolidation of political

and social union among the whole people, he was sure this spoke the sentiments of a large majority of the people of Canada. It was quite true that under the pressure of various matters more immediately affecting our interests, in this part of the Dominion, the press and people had not lately spoken out so strongly or so earnestly on the subject of this Pacific road, but he ventured to assert that the heart of the people of this country was quite sound on that matter, and while they had no desire that the Government should use undue haste or push on the work without proper preliminary surveys, or faster than the resources of the country would fairly permit, they would not suffer anything that looked like an attempt to kill it off, either by diverting the money to unnecessary works or by continued delays or masterly inaction. He rejoiced, therefore, that the whole subject had been brought before the House by the resolution of the hon. gentleman from British Columbia, as it would give to the members of the Senate an opportunity of calling the attention of the country to the dangers which threatened a great national work, if the present policy of the Government be persisted in, a policy, too, which the Government seemed to take delight in enunciating—judging from the Minutes of Council—which have been alluded to, in such a way as would be most galling and offensive not to strangers and aliens, but to those who were our own fellow subjects, bound to us by the strongest ties of race, creed and a common allegiance. He had had no desire to approach this question in a party spirit or from any partizan motives, and he hoped he had not done so on the present occasion. His earnest wish, as a Canadian, was to see a work, which, in the language of the resolution, was absolutely necessary for the consolidation of our political and social union among the whole people, proceeded with cautiously, considerably, but with one steady, persistent aim throughout, that of connecting the Pacific Slope with Central Canada and the Maritime Provinces on the shores of the Atlantic by a great interoceanic highway, thus completing and consolidating this Dominion as a power on this North American Continent.

Hon. Mr. SCOTT suggested that the debate should be adjourned, as a large bundle of important papers on this subject were in the printers' hands and would be before the House early next week.

Hon. Mr. DICKEY moved the adjournment of the debate.

Hon. Mr. CARRALL said he did not see that there would be much more information in the papers than they already had; and there was enough in the Minute of Council to found a dozen resolutions on.

The debate was adjourned until Thursday, Mr. Dickey having the floor.

#### CORRUPT PRACTICES AT ELECTIONS.

Hon. Mr. SCOTT moved the House into Committee of the Whole on the Corrupt Practices at Elections Inquiry Bill, Hon. Mr. Wilmot in the chair.

Hon. Mr. DICKEY objected to clause 3, which provided for the enquiry into corrupt practices at elections in certain cases by Commissioners, on an address from the Commons. He thought it was a step in the wrong direction, and he hoped that Government would consider well before they sanctioned it, as it was going back to the old principle of trying such matters by a parliamentary majority. It was a delicate matter to interfere with a bill passed by the Commons to regulate their own affairs, but attention should be called to the fact that it was a departure from the principle of the trial of election petitions by Judges.

Hon. Mr. SCOTT said he understood the bill was unopposed in the Commons.

The clause was passed.

The Committee reported the bill without amendments. Third reading on Monday.

The House went into committee on the corrupt practices at elections Law Administration bill, Hon. Mr. Dickey in the chair.

The committee rose and reported the bill without amendment, which was read a third time and passed.

#### THE GEORGIAN BAY BRANCH.

Hon. Mr. MACPHERSON called attention to the fact that the correspondence relating to the Georgian Bay Branch was incomplete. Correspondence with respect to the cancellation of the contract was wanting.

Hon. Mr. SCOTT presumed that that was subsequent to the motion which was made on this subject. There was no objection to its being brought down.

Hon. Mr. READ called attention to the fact that the letter of Walter Shanley did not appear in the return he had asked for.



Hon. Mr. SCOTT was understood to promise that the omission should be supplied.

## FIRST READINGS.

The Bill from the Commons to make provision for the winding up of insolvent banks, and an Act to amend the Acts therein mentioned respecting the Militia and Defence of the Dominion of Canada, were read the first time.

The House adjourned at 5.5 o'clock.

FRIDAY, March 24.

The PRESIDENT took the chair at 3 p.m.

After routine,

## THIRD READINGS.

The following Bills were read the third time and passed.

"Act to authorize the shareholders of the Provincial Permanent Building and Savings Society to change the name of said Society."

"Act to authorize the shareholders of the Union and Permanent Building and Savings Society to change the name of said Society."

## PETITION OF RIGHT BILL.

Hon. Mr. SCOTT moved the third reading of "An Act to make further provision for the institution of suits against the Crown by Petition of Right"

Hon. Mr. DICKEY said he would call the attention of the House to the fact that he had announced at this stage he would propose two amendments but he would only ask the House to agree to one. He proposed to amend the 14th clause to make it intelligible and to bring it within the true meaning of the clause relating to the rules to be made by the Judges. This clause evidently contemplated that Parliament should have control over these rules and orders, and he proposed to amend it so as to conform to the English Act by inserting after the words "*Canada Gazette*" the words "or for either House of Parliament by any resolution passed at any time within 30 days after such rules and orders have been laid before Parliament," just the words of the English law.

Hon. Mr. SCOTT said it was not customary in this country that Parliament should be called upon to take such action, but if Parliament saw fit they could call attention to any defect in the rules, and propose a resolution on it. He saw no objection to

Parliament acting directly in the matter, and there could be no harm in the amendment.

The amendment was concurred in, and the Bill was read the third time and passed.

## NORTHWEST TERRITORIES.

Hon. Mr. LETELLIER DE ST. JUST moved the House into Committee of the Whole on Bill "An Act respecting the Northwest Territories, and to create a separate Territory out of part thereof," Hon. Mr. Muller in the chair.

Hon. Mr. AIKINS said as the Hon. Secretary of State had informed the House that the provisional boundary between Ontario and the new territory had been adopted, it should be defined in the Act, so that the public should really know where it was, and what part of the territory belonged to Ontario and what part to the new district.

Hon. Mr. SCOTT said it was not necessary, as the arbitrators would have decided on the actual boundary.

Hon. Mr. DICKEY gave notice that he would move an amendment to the first clause respecting the definition of the boundary between Ontario and Kewatin when the bill came up for a third reading.

The Committee rose and reported and the third reading was ordered for Monday.

## CANADA SHIPPING COMPANY.

On motion of Hon. Mr. Penny, the Act to incorporate the Canada Shipping Company was read a second time, and referred to the Standing Committee on Banking, Commerce and Railways.

## PRINTING COMMITTEE.

The fifth report of the Joint Committee on Printing was, on motion of Hon. Mr. Simpson, adopted.

## TRADE MARKS.

The House went into Committee on the Trade Marks Law Amendment Bill, Hon. Mr. Letellier in the chair.

The Committee rose and reported, and the third reading of the bill was fixed for Monday.

## MILITIA LAW.

On motion of Hon. Mr. Scott, the Militia Law Amendment Bill was read the second time and referred to the whole House immediately. Mr. Botsford took the chair.

The committee rose and reported, and the third reading was fixed for Monday.

## FIRST READINGS.

The act to supply an omission in the 37th Victoria, chap. 42, extending certain provisions of the criminal laws of Canada to British Columbia; an act to explain the acts therein mentioned respecting weights and measures, and the inspection of gas and gas metres to Prince Edward Island; and the acts to provide for the payment of a temporary grant to the Province of Manitoba, were read the first time.

The House adjourned at four o'clock p.m.

MONDAY, March 27.

The PRESIDENT took the chair at 3 p. m.

After routine.

## CORRUPT PRACTICES AT ELECTIONS.

Bill, "An Act to provide for more effectual enquiry into the existence of corrupt practices at elections of members for the House of Commons," was read a third time and passed.

## TRADE MARKS.

Hon. Mr. LETELLIER DE ST. JUST moved the third reading of the Bill "An Act to amend the Trade Mark and Design Act of 1868." He said there was an objection against this Bill by an hon. gentleman from Prince Edward that it did not extend to that Province. This Bill was only to extend the provisions of the Act, and it was not thought advisable to include Prince Edward Island in its provisions. A special act would be introduced by the Government to extend to that Province and Manitoba and British Columbia.

The Bill was read a third time and passed.

## MILITIA.

Bill "An Act to amend the Acts therein mentioned respecting the Militia and the Defence of the Dominion of Canada," was read a third time and passed.

## CRIMINAL LAWS.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of Bill "An Act to supply an omission in Act 37 Vict., chap. 42, extending certain criminal laws of Canada to British Columbia." He said it was to provide for appeal in certain cases from a conviction had or an order made by a Justice or Justices of the Peace to the Court of Quarter Sessions of the Peace which shall be held nearest

to the place where the conviction has taken place or the order has been made from which it desired to appeal.

The Bill was read a second time and referred to the Committee of the Whole on Tuesday.

## WEIGHTS AND MEASURES.

Hon. Mr. SCOTT moved the second reading of Bill "An Act to extend the Acts therein mentioned respecting weights and measures and the inspection of gas and gas metres to Prince Edward Island." He said the Act provided that after the 1st of July the Acts respecting weights and measures and gas and gas metres should apply to Prince Edward Island and the local Acts there should be repealed.

The Bill was read a second time and referred to the Committee of the Whole on Tuesday.

## GRANT TO MANITOBA.

Hon. Mr. SCOTT moved the second reading of the Bill: "An Act to provide for the payment of a temporary grant to the Province of Manitoba." He said it had been found since the Government had been organized in Manitoba the subsidy granted by the Dominion was not sufficiently large to enable them to carry on the administration of affairs. It had come to the knowledge of both Houses of Parliament that it would be necessary to aid from time to time with the funds of the Dominion, the gentlemen who were administering the affairs of the Province. The grant was to be given on the express understanding that they should reduce expenses, one condition being the abolition of the Upper Chamber.

The Bill was read a second time and referred to Committee.

Hon. Mr. WILMOT said on Friday last he had given notice that it was his intention to enquire of the Government whether it is their intention to introduce during the present session of Parliament a measure for the purpose of enabling Committees of Parliament to examine witnesses under oath. He found that a change had been made in the British North America Act which enabled this Parliament to pass an Act for that purpose. How far an Act of the Imperial Parliament should have the power to enact such a measure without any address from this Parliament was to him a matter contrary to the principles of responsible Government. If the hon.

Secretary of State would allow him to ask the question now he would do so.

Hon. Mr. LAIRD—The hon. gentleman should give notice.

Hon. Mr. WILMOT gave notice accordingly.

Hon. Mr. MILLER said he thought to have the Imperial Parliament alter the British North America Act without an address from this Parliament was most dangerous, and it might establish a precedent under which any Government at any time might obtain important alterations in the constitution of the Dominion.

Hon. Mr. SCOTT said the best way to do would be to discuss it when the motion came up.

The question then dropped.

#### PARLIAMENTARY RETURNS.

Hon. Mr. AIKINS asked when the returns he had moved for with reference to departmental printing some time ago would be brought down.

Hon. Mr. SCOTT said it would be impossible to get in all the details immediately as it involved a great deal of correspondence with outside offices in the different provinces.

Hon. Mr. AIKINS said he was satisfied that the vouchers for such printing must be in the departments as they had to reach here before the money was paid on them. Hon. members were placed in such a position by the delay in bringing down returns that in moving an address they were obliged to discuss what could be much more intelligibly discussed if they had the papers before them.

Hon. Mr. MILLER said it would be much better for the Government to bring down returns as soon as possible after they were moved for. They all knew it was very much more desirable to discuss subjects when the papers which the Government are asked to give were on the table. The result of delay was that papers moved for early in the session would all come down at the latter end and they would all have to be discussed together so that a fair debate could not take place on them.

Hon. Mr. LETELLIER DE ST. JUST said hon. gentlemen would see that the multiplicity of these addresses entailed a large amount of research in the different departments, and necessarily caused delay.

Several Bills from the Commons were introduced and read a first time.

#### CANADA SHIPPING COMPANY.

Bill "An Act to amend the Act of the Canada Shipping Company" was reported from committee with several amendments.

Hon. Mr. PENNY moved the third reading of the Bill.

Hon. Mr. WILMOT said the 4th section of the Bill did not meet with his approval as it gave power to this Company with limited liability, to buy and sell goods as well as carry them, and giving them general trading powers. How far it was desirable to give them this power to trade in the very articles which they carried as freight for other parties, he had grave doubts. It was a new feature in these Bills and he had grave doubts as to its propriety.

Hon. Mr. PENNY said the 4th clause gave this company the right to purchase articles to make up their cargoes. This was very necessary with regard to certain staple articles carried in large bulk and frequently in ballast. He believed the company had hitherto been in the habit of making up their cargoes by purchases on their own account, but there seemed to be some apprehension that it was illegal and they asked for this Bill. Any honourable gentleman who was acquainted with the shipping business would see a necessity for shipping companies to sometimes make up their cargoes by purchasing what they required sometimes for ballast. Ships in Newcastle might have a very considerable freight offered, but might have to take coal for ballast as they do flour at Montreal and cotton at New Orleans. As to the objection to companies with limited liabilities carrying on business, it was no objection, as nearly all limited liability companies were trading companies to a certain extent. This Company had enormous capital, and the articles which they purchased would principally be bought for ready money.

The amendments were concurred in and the bill was read a third time and passed.

The House adjourned at 3.55 p.m.

TUESDAY, March 28.

The PRESIDENT took the chair at 3 p.m.

After routine,

#### DIRECT CABLE COMPANY.

Hon. Mr. KAULBACH enquired of the Ministry what course the Government

has taken or proposes to take in reference to the letter of the Direct Cable Company, of the 27th January, 1876—addressed to His Excellency the Governor General?

Hon. Mr. SCOTT said the Government has not, nor does it intend to take any action in the matter.

Hon. Mr. KAULBACH—Although the Hon. Secretary of State has given him a very satisfactory reply, yet he would ask the attention of hon. gentlemen for a few moments to the letter addressed by the Managing Director of the Direct Cable Company to the Government. He was satisfied that he was not far wrong in the opinion expressed some weeks ago, that an attempt had at least been made by some of the Directors of the Direct Cable Company to arrange a uniform tariff with the Anglo-American Cable Company. Now, in reference to the letter, the subject of his question, it appears that on the 15th September, 1875, the Direct Cable Company opened its lines for traffic, the cables being from Ireland to Torbay, and thence to New Hampshire. On the 27th of the same month it was interrupted, by anchor or grapnell, in about eighty fathoms of water in latitude 45 deg. 7 m. 11 s., longitude 53 deg. 21 m. 24 s. west, which would be, as reference to map would show, on Green Bank, on the southern coast of Newfoundland. The break was successfully repaired on the 4th day of the following month. On the 10th of that month, October, it was again interrupted in latitude 44 deg. 51 m. 42 s., longitude 58 deg. 52 m. 12 s.; by the dragging of an anchor or grapnel, which was again repaired and communication restored on the 10th of January last. Then again on the 23rd of January, the Torbay, New Hampshire, section was broken, where is not mentioned. The writer, then, wishes it inferred that the breakage of the lines was designedly, for the reason that it occurred after their lines were in working order, and prays protection by the Government, by offering a reward to find out the vessels concerned in the rupture of the cable, and to issue notices warning vessels not to anchor near the course of the cable. The Government have taken a proper view of the matter—that there are no grounds to suspect that the cable was intentionally cut, and he felt sure hon. gentlemen would agree with him that it would be improper for the Government to interfere in the way proposed by the chairman of the Company.

Hon. Mr. RYAN said the Direct Cable Company were very much under apprehension that improper means were taken to break that cable, and that the break was not caused by the action of the sea or of navigation. In the report of the Anglo American Cable Company at the ordinary general half yearly meeting of the shareholders, held in London on the 4th of February last, he found a part which bore very much on this subject, and he thought the Government should hear it before assisting a Company which operated on a false statement. The chairman at that meeting said:—"But unfortunately at the other end of our lines we have a number of what I may call inland cables; that is, small cables near the shore, where there is a good deal of fishing, and where our cables, equally with the Direct, have been broken by the fishermen. When I had the honour of being on the Board of the Electric Company, for more than fifteen years, we had what we called light cables to Holland. But, gentlemen, they were rather larger than any of the Atlantic cables, and were covered with most beautiful steel; more perfect cables could not be found. Some are in existence still; but, gentlemen, those cables used to be broken week after week, either by ships' anchors or fishermen's dredging, and when they brought them up to the surface, rather than lose their anchors, they cut them, and that, I think, has most likely been the fate of the Direct Company. What did we do in the old Electric Company? We laid down heavy cables to Holland that weighed nearly ten tons to the mile, and I believe after that there was no more breaking, and if we could find out, anchors are hanging to them." In the reports of the Direct Cable Company they seem to indicate that some very serious enemies of theirs, such as the Anglo American Company, caused these breaks. He thought the statement which he had read would more reasonably account for it.

Hon. Mr. WILMOT said the position of the two cables was quite different; the depth of water in the German Ocean being much less. If the report that he had seen was correct, that the cable was broken in eighty fathoms of water, anybody who knew anything of navigation would know very well that ships did not drop their anchors in this depth of water. The cable had been brought up three times in this depth of water, which was very extraordinary, to say the least,

although he did not impute malice to anybody.

Hon. Mr. DICKEY said his hon. friend had expressed some surprise at the cable being broken on the Banks of Newfoundland, but if he would look at the correspondence he would find that no such surprise was expressed by the Company. Indeed, the Atlantic Cable Company have had their cables broken several times on the Banks. At one time they had as many as four cables broken, and communication with Europe was depending upon one cable only. But it never occurred to them to impute motives to anybody. If hon. gentlemen would refer to the correspondence laid on the table they would find that the Direct Company attributed this break to the dragging of ships' anchors or to the dragging of the anchors of fishing vessels. It was a very natural reason, and they only expressed the opinions of other companies under similar circumstances. He was sure the hon. gentleman who put the motion must be satisfied with the answer of the Government; if any other reply was given it would be assumed that the Government were going to legislate to prevent vessels from anchoring on the banks of Newfoundland, and to control the great marine highway between Europe and America. (Hear, hear.) He confessed that after the suggestions made in moving for the correspondence, he was not a little surprised that the company in putting their own case were not prepared to dictate it in the terms which the remarks of the hon. gentleman who had sat down would indicate. They said distinctly that the break was caused by ships' anchors, and they suggested that the Government should publish a chart warning all ships not to anchor near this cable; it did not suggest malice at all. He was gratified to find that the conversation which took place in this body last month was devoid of sufficient importance to warrant a long despatch from the manager of the Direct Company to the hon. Secretary of State, and he was equally happy to find that not a single statement then made had been questioned in any way. (Hear hear.) The Manager had thought proper to refer to the amalgamation, and had justified everything that had been said and even more, because he stated in effect that it was the work of stock jobbing speculations in which some of his Directors had joined, but the Board as a body had discounted it, and the Chairman of the Anglo-American Company had de-

nounced it as midsummer madness. They admitted the fact that this proposal for amalgamation did take place, and with the concurrence of some of the Directors, although the Board as a body discounted it. They did not deny the existence of a working arrangement for a uniform tariff, or that they first started with a shilling tariff, which they had increased to three shillings, or that they had stated in their prospectus before this House they would be content with a two shilling tariff, while they were now working under a three shilling tariff which verified the statement made in this House. (Hear, hear.) Hon. gentlemen would have to dismiss all these suspicions respecting the cause of the break from their minds; experience had shown that on former occasions when a cable had been pulled up by means of an anchor the only way to get rid of it and get the anchor clear was to cut it. The Anglo-American Company's cables had been cut in the same way, and it was not likely that any greedy speculators would undertake such a dastardly act for malice or self-interest. All this showed the propriety of the amendment proposed last year requiring at least two cables to be laid before giving effect to the Bill, which was voted down by the majority of this House.

Hon. Mr. WILMOT said, in his early days he had a great deal to do with navigation, long before Atlantic steamers existed, and he would assert here that the idea of a sailing ship dropping her anchor in 80 fathoms of water in the Atlantic was a thing he never knew of. No doubt fishing vessels sometimes dropped their anchors in deep water on the Banks of Newfoundland, but not in 80 fathoms.

#### DOMINION NOTES.

Hon. Mr. WILMOT moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, a statement showing the amount of Dominion Notes that have been redeemed in gold from the first day of September, 1874, to the 31st December, 1875, showing the names of the banks or individuals making the demand, or to whom the money has been paid. He said it would be in the recollection of hon. gentlemen, that last Session his hon. friend the Secretary of State brought in a Bill for the purpose of restricting the issue of Dominion Notes. He (Mr. Wilmot) had taken a decided

course in opposing that measure. It was not to-day, nor yesterday, nor last year, he had made up his mind on this subject; it was a great many years ago, and he would refer to the report of a committee of which he was chairman, in New Brunswick, to investigate into the causes of the depression in 1847. Many would recollect that the state of trade at that time was very bad, and that Committee investigated the imports and exports of New Brunswick, the amount of bank circulation for some years previous, and the effect of the wonderful changes that had taken place in the trade of that country. The amount of imports into New Brunswick was reduced two-thirds; the amount of bank circulation was reduced three-fifths, and the committee came to the conclusion that these returns demonstrated that there must be something radically wrong in the general trade of the country, or in the banking system, when such expansion and contraction should occur. The committee reported: "That there was no other way of accounting for these injurious obstructions except by the influence of the foreign exchanges on the currency causing at irregular periods a demand for specie, and the banks in consequence being compelled to call upon their customers to pay up their engagements, thus obstructing the whole business of the country, not only in the foreign trade, but in the home trade. The committee would submit whether an issue of Provincial notes to the extent of the annual revenue to be taken at the Treasury in payment of duties would not, at this period of pressure, relieve the community and to the extent issued form a currency that would not be affected by the foreign exchanges."

It was not to-day that he came to these conclusions, and after having had a great deal of experience with regard to the finances of his own Province, with regard to its manufacturers, its imports and exports, he had formed his own opinions with regard to the necessity of having a circulating medium independent of the circulation of the banks. He had not heard in the discussions that had taken place in the other branch of the Legislature with regard to protection and free trade, the opinion of the Finance Minister relative to the issue of Dominion notes, and he was of the same opinion to-day as he was last year. He desired to bring something before the notice of the House that would cause them to reconsider this question. He would quote the opinions

of leading financial men in the British Parliament on this important subject. The first was made by Stephen Cave:

"Free trade has been mentioned. I quite understand free trade in banking but free trade in issuing would be another thing, and one to which I should be wholly opposed in the case of England. No one can doubt that on principle, the paper issue of the country, like its metallic currency, ought to be in the hands of the Government. I believe that very few can read the debates on the Act of 1844 without believing that this was Sir Robert Peel's opinion. He went as far as he could in that direction, and I believe that his views were that long before we should arrive at the present year of grace, the work would have been accomplished and the entire issue of the country would have been in the hands of the State. This was the opinion of a number of members of the present Government of Great Britain.

Hon. Mr. CAMPBELL said he was not a member of the Government, and asked what position he held.

Hon. Mr. WILMOT said if his hon. friend would refer to the Library for a list of the present Conservative Administration in Great Britain, he would discover that Mr. Carr was a member, and as such made the motion for the appointment of a Select Committee to enquire into the subject of the issue of notes in England, Scotland, and Ireland. The next gentleman who spoke was Dr. Lyon Playfair, a former member of the Gladstone Government. He said:—"It cannot be denied that the principle of the Act of 1844, as explained and enforced in the strongest possible language of Sir Robert Peel, was to control and separate the powers of issue from the business of banking." He would now refer to Mr. Gladstone, and see what his views were on the question; and he presumed that every member in the House regarded that gentleman as a great financial authority. Mr. Gladstone said—"I am one of those disposed to adhere firmly to the principle of the Act of 1844, and I am disposed to adhere firmly to the principle laid down by the Chancellor of the Exchequer (the Right Hon. Sir Stafford Northcote), namely, that all issue is the privilege and prerogative of the State, and that nothing can be more fallacious and mischievous than confounding the privilege of banking with the privilege of issue. Nothing could be more strictly accurate, and at the same time

more felicitous, than the expression of my right hon. friend (Mr. Goschen) when he spoke of the issue banks as being subsidized by the State. They are so subsidized in the strictest sense because they have in their own hands, in their notes a power which, if exercised by the State, would be directly productive of considerable funds, available for the relief of the taxpayer. It would be exactly the same thing, as far as the money is concerned, to grant an inducement to a person, or pay over to him a considerable sum from the Consolidated Fund." Mr. Gladstone also said—"I have the eminent and melancholy privilege of being the only person now in the House who belonged to the Cabinet of 1844, and as I occupied a post intimately connected with the trade, commerce, and finances of the country, I was naturally and necessarily cognizant of the views of that eminent statesman, upon which the legislation of that period was founded; now, my right hon. friend has referred with perfect accuracy to the declaration of Sir Robert Peel, that he was entirely in favour of absolute freedom in the trade of banking, but he did not give him credit for the qualifying statement he made, that he was not also of opinion that if it was the pleasure of Parliament to combine the business of banking, which was essentially and properly a free business, with the fictitious and artificial business of issue, which has nothing whatever to do with banking, and which rests on grounds of its own, such a combination of privileges might not materially modify the principle of freedom in banking. That was the course taken by Sir Robert Peel in respect to English Banks at the period referred to, and it affords an illustration of his opinions on the question, and I do not think my right hon. friend (Mr. Lyon Playfair) has been at all successful in his attempt to show that it was otherwise. He would also read the opinion of J. D. Hubbard, one of the first financiers in Parliament, formerly a Governor and now a Director in the Bank of England. Speaking of Scotch banks, he said, "but who were the sufferers?" the whole nation, for the Scotch banks were not so much monopolists as usurpers of the royal prerogative. They were exercising on the other side of the border that which was the special privilege of the Crown—that function which ought to be exercised for the advantage of the Exchequer in the interests of the whole people of England was exercised by a knot

of something less than a dozen of Scotch Banks. That was an anomaly; it was an invasion of the rights of the nation, which had been tolerated for thirty years. But he quite agreed with the view that had been expressed that this state of things was never intended by Sir Robert Peel to be a permanent adjustment of the currency question. The Chancellor of the Exchequer (Sir Stafford Northcote) said "that the Right Hon. gentleman (Mr. Gladstone) speaks with an authority superior even to his ordinary authority on all questions of finance and currency, because, to a great extent the right hon. gentleman knew the mind of Sir Robert Peel and was a member of the Government which originated the legislation of those years. It is, therefore, a great satisfaction to me to hear from him the complete confirmation of the views I have always taken of that legislation. I understand that that meaning is this, to make a clear distinction between the two great principles of issue and of banking—to put the currency or issue under proper regulations, on the assumption that the privilege of issue belongs to the State, and that the State exercises that right of issue in such a manner as may be most for the convenience of the public." He quoted these opinions from leading English statesmen to support his position that we ought to have a Dominion issue. He would now refer to a few figures showing the course of issues in Canada since 1866. In that year the whole amount of circulation was \$11,749,443; the amount of specie, \$6,935,139; the discounts, \$43,155,475; and the deposits were \$29,226,689. That year, it would be remembered, was one of great commercial difficulties. In 1868 the bank circulation had fallen to \$8,824,848; the banks held in specie and Dominion notes \$8,193,363; and the discounts were \$66,143,025. In 1874 the bank circulation had increased from \$8,000,000 to \$29,046,273; the specie and Dominion notes together held by the banks amounted to \$16,819,084; the discounts were \$139,379,458; the deposits on demand, \$42,971,000, and on interest, \$42,946,000. Coming down to 1876, and he took the return from the *Globe* newspaper, taken from the *Gazette*, he supposed, showing the bank returns of the Provinces of Ontario and Quebec, up to the 31st of December, 1875, he found the amount of notes \$19,922,502; deposits on demand, \$35,518,252, making \$55,444,754. The immediate amount of that could be called for in gold. The whole amount of specie

at that time was \$6,420,540 less than in 1866, when the issue was only \$11,000,000. The amount of discounts was \$119,131,927, the deposits on demand, \$35,518,252, and the deposits on interest, \$28,556,248. He looked at this matter from a practical point of view. If there had been inflation—and we heard a great deal of it just now—and that term was confined to the issue of the Dominion notes, it was caused by the large issue of bank notes. It was quite reasonable and right that banks should look to their own interests, but there was an interest above theirs, that of the public; but what would be for the interests of the banks and the general public was to have the circulation entirely independent of them. He knew from practical experience that banks paid the best dividends when the country was most prosperous. When dividends were made out of the necessities of their customers by the sacrifice of their prosperity, it was not a desirable state of things, and large numbers suffered thereby directly. Any one who had taken the trouble to read the papers would know something of the great agitation going on in the United States with respect to the currency. Mr. Peter Cooper, a man well known, who had accumulated a great deal of wealth, and had used it in a philanthropic manner, had written on the subject, and his opinions had been favorably reviewed by the *New York Herald* of the 2nd December last, as follows:—"On one important point we are not prepared to take strong ground in opposition to Mr. Cooper. He thinks the bank note circulation should be suppressed, and that our paper currency should consist exclusively of legal tender notes issued by the Government. There is a great deal to be said in favour of this view. The national bank notes circulate on the credit of the Government and not on the credit of the banks that issue them. Why should the Government be responsible for any other promissory notes than its own? Why should it give away its credit for the profit of banking institutions? If it be for the security of the people, the people would be equally secure if the whole currency consisted of greenbacks, and the Government would receive the profit of the paper circulation for the reduction of taxation. When a man borrows bank notes he merely borrows the credit of the bank. A merchant is so good that an other wealthy merchant endorses his note for nothing, goes to a bank, and gives the joint promissory note of himself and his

endorser in exchange for the promissory notes of the bank for the same amount, and it pays seven per cent. interest for the use of a credit which is really no better than his own. If the greenbacks were withdrawn, the Government itself might go to the bank and pay six or seven per cent. for the use of bank notes whose circulating power depends on its own endorsements, that is to say, that the Government buys back at a heavy discount its own credit, which has been given to the bank. This is absurd. Why should not the Government have the full advantage of its own credit? When citizens pay for an exchange of credit, why should it be nominally for the fictitious credit of a bank, instead of directly for the real credit of the Government, which gives the bank notes their circulating power? Great profits are made by the exchange of the credit of solvent individuals for the credit of national banks, and these profits belong rightfully to those whose credit, and not that of the banks, gives currency to the bank notes." Cooper says:—"The people do not want specie, they want the credits already given them not to be withdrawn. They want their labour and material freely given to save the country, or to build it up, to be valued by the same standard as that by which it was measured when they began to work. The moneyed class evidently want scarce money and high rates of interest. This gives them more power and less expense, but the advantage of the whole people, including this very money class, if their interests were rightly understood, is to have money easy to the industrious, the honest and enterprising, and the interest of money low." He did not stand here in opposition to the banks, but to assert the rights of the producers of the country who created the wealth by which we sustained our credit. It is the farmers, mechanics, manufacturers, the productive labourers that by their industry converted the raw material of nature into exchangeable wealth. Those who had studied political economy at all knew that a great deal of nonsense had been written about it, and would remember that Carlyle had called it the "dismal science," but any one who had given the subject any attention was aware that commerce did not create but simply interchanges products; it must be the productive labour of the Dominion that created all the wealth. He therefore firmly believed that the public should have the benefit of that which circulates.



the products of the country, that which interchanges its wealth so created, thoroughly secured in the first instance, and not have simply promises to pay, which represented debt and not value—which was the case with bank notes. He knew that this subject was one of vast importance, and that it would not be many years before the whole subject of banking must come before Parliament. It was a subject in which very little interest was taken, and although money enters into the transactions of every man's daily life, few understood really what it is. The manner in which France had paid the enormous war indemnity was another proof of the correctness of the theory he advocated, for the circulation of that country was only of one kind, viz., the notes of the Bank of France. For years Nova Scotia had provincial notes, which, instead of being injurious, were a great benefit to the country; and he deeply regretted that in the present advanced age any gentleman in the present Government should go back to a system which he believed to be entirely unsound. The following passages from "The Report of the History of Banking in the State of New York," by John Cleveland, controller of the currency, which was published in 1857, would be of interest in this connection.—He says that between the years 1791 and 1838 two systems distinct and dissimilar were tried and abandoned by the Legislature of that State; in the Dominion of Canada we are blundering along with a system that the State of New York abolished in 1838; they enacted a free banking law, and the existing National Bank Act is in some respects similar. By it each corporation is authorized without application to the Legislature to fix for itself its corporate name, to designate the particular city, town, or village where its operations of discount and deposit shall be carried on, to determine the amount of its capital, and the number of its associates from time to time. This made banking free and did away with monopoly. That was just in accordance with what Mr. Gladstone stated, that banking should be free, but the issue should be entirely distinct. If the business of Canada was to be carried on by issues regulated as they are by some 50 odd Boards of Directors, what could be expected but inflation at one time and contraction at another? And what was the effect of that contraction? The banks might be perfectly sound, but the result was that

the customers or the parties who borrowed must make sacrifices in order to get foreign drafts or bills of exchange, to meet the demand made on the banks for their notes, and they were the parties who suffered. Consequently there were regularly recurring break-downs, such as we witness now.

Hon. Mr. SCOTT said he had listened with very much interest to the remarks of the hon. gentleman, but he did not propose to go into a discussion of the question at present. There were a great variety of theories on banking, and he did not profess to have studied the question. His hon. friend had evidently studied it, or, at all events, he had satisfied himself that his views thereon were correct. There was no objection to the address issuing, but it would be quite impossible to give the information asked in the latter part respecting the names of the banks or individuals making the demand. It would involve giving the name of every person who went to the Receiver General and demanded \$20 or \$100 in gold. A great number of such small demands were made and no record was kept. As far as possible the information required would be brought down.

The motion was then carried.

#### VENTILATION OF THE BUILDING.

Hon. Mr. REESOR moved for the appointment of a Committee of five Members, to inquire into and report to the Senate, the cause of the bad ventilation of the corridors and committee rooms of the Senate, with power to send for persons and papers.

The motion was carried.

#### SEPARATE SCHOOLS IN THE NORTHWEST TERRITORIES.

Hon. Mr. MACFARLANE asked if it is the intention of the Government, in response to the numerous influential petitions presented to Parliament, praying for the repeal of section 11, chapter 49 of the Act of 1875, fastening Separate Schools on the Northwest Territories, to introduce any measure to repeal the law complained of. The hon. gentleman said the inquiry to which he desired to draw the attention of members of the Government, was regarded with much interest and causing great agitation in the Provinces of Nova Scotia, New Brunswick and Prince Edward Island, where the system of free schools prevailed, and their inhabitants viewed with suspicion and alarm any action taken by the Domin-

ion, calculated to disturb this system. In Nova Scotia, where a complete system of free schools had been in operation for many years, the utmost harmony of action prevailed, and all classes, both Protestant and Catholic, were united in sustaining it. The bitter jealousy felt on the introduction of free schools had been forgotten. Scarcely a murmur of discontent was now heard in any section of that Province, and the same could largely be said of New Brunswick and Prince Edward Island. He found, on examination, that fifty-two petitions, signed by upwards of 12,000 persons in these Maritime free school Provinces, had already been presented to this Parliament, praying for the repeal of the law, and from information he had received, a large additional number was in course of being sent forward. One of these petitions from Prince Edward Island had upwards of 4,000 signers, while another from Nova Scotia contained more than 6,000 names; and in addition the United Baptist Convention of the three Maritime Provinces representing a numerous and influential section of their inhabitants strongly urged the repeal of the section of the Act referred to. It might be asked why the Lower Provinces felt so deep an interest in the educational system in the distant North West. The cause is that many of these people are desirous to make homes in the fertile plains of the west and are anxious to enjoy the same blessing of free schools there that they are favoured with at home. The law was only sustained by a naked majority in this House. He believed it was very unwise to fetter the free action of the new Provinces that will grow up in the Northwest, and unless the law is repealed it will lead to agitation and trouble in the future.

Hon. Mr. MILLER remarked that it would be impossible, under the British North America Act, to set aside the clause after it became law.

Hon. Mr. MACFARLANE said the clause was an enactment of the Dominion Parliament and could be repealed. The British North America Act had nothing to do with it.

Hon. Mr. LETELLIER DE ST. JUST said there was no intention to repeal the Act. Although he had a great deal of regard for the opinions entertained by the Maritime Provinces on the subject, yet it was found in the larger Provinces that it was better to have this question settled once for all. We had passed through a great many difficulties and had

discovered but one way to keep clear of in the future. He believed that the present policy would have beneficial results.

Hon. Mr. HAVILAND expressed his deep disappointment at the answer of the hon. Minister of Agriculture. He was in hopes that the petitions on the table and also the general feeling in the Maritime Provinces would have induced the Government to introduce a measure for the repeal of the obnoxious clause. The Act was passed by a very narrow majority in this chamber, and if all members had been in their places at the time, the probability was that the clause so strongly objected to now would not have been carried. He thought it would have been far better, in order to have this matter satisfactorily settled, to have left it to the people of the Northwest Territories themselves, when they organized a Government to regulate their educational matters to their own satisfaction without being iron bound by the difficulties placed in their way by this legislation. They all knew that if the Government there was once organized, and the separate school system was brought into existence — as an hon. member for Cape Breton suggested — it would afterwards be impossible, under the British North America Act, to repeal that clause, and they would be bound to submit to a system which many believed to be obnoxious and injurious to any country. It would also have a bad effect on immigration into that Territory, as people who believed in the free school system would not for a moment think of settling in a country where they could not have public secular schools. He felt very much disappointed at the mode in which the Government intended to act upon this question, because it would be too late to remedy the difficulty when the Government was once organized, whereas, although the Northwest Territories Act was now upon the statute book, it had no effect in law, as the proclamation to carry it into operation had not yet been issued. Representing, as he did, a large number of people of all classes and grades of society in Prince Edward Island, who had petitioned against this clause, he could not remain silent when the answer given by the Minister of Agriculture was that the Government intend to treat these petitions as a mere nullity.

Hon. Mr. MILLER said he did not wish to prolong a discussion that was somewhat irregular, but he could not refrain from expressing his satisfaction with the

reply of the Hon. Minister of Agriculture to the question of the hon. member for Cumberland (Mr. McFarlane.) The conduct of the Government in this important matter deserved his warmest approval and thanks, and he believed would meet with the approbation of the overwhelming majority of the people of this Dominion. The policy adopted in regard to the vexed question of education in the great Northwest Territories in the Act of last session was a wise, liberal and statesman-like policy, and while interfering with the rights of no class, or race, or sect, would save that young country from all the discussions and bitter strife that had troubled the old Provinces. The hon. gentleman from Nova Scotia had said that 12,000 petitioners in the Maritime Provinces desired the repeal of the eleventh section of the Act of last session, but he (Mr. Miller) could tell that hon. member and this House that if it were supposed that the petitions of a fistful of Protestants in the Maritime Provinces would have any influence in changing the policy of the Government on this subject, the friends of that policy could bring to this House the petitions of 1,600,000 Catholics in support of the law as it now stood. Perhaps these modest and blunt 12,000 Protestants would consider themselves entitled to more weight and consideration than 1,600,000 Roman Catholics, who were asking for nothing except a guarantee against intolerance and oppression, in a region in which the bigoted views of those meek Christians had not yet secured foothold or ascendancy. The spirit of the petitioners well illustrated the injustice that Catholics in the small Protestant Provinces had to encounter and submit to, for with some people nothing was so sure to make any subject popular as the supposition that it would violate the conscientious convictions of their Catholic fellow subjects. These people were not satisfied with tyrannizing over Catholics where they had the power, but seemed desirous to blight the unsettled regions of the Dominion with their intolerant principles. He did not know which was the more conspicuous, the ridiculous egotism or disgusting fanaticism of the concoctors of these petitions. Was there anything in the Act of last session to justify the alarm or excite the hostility of the petitioners? There was nothing, unless they were alarmed because equal rights were secured to all, and displeased because a majority could never be able to outrage the con-

victions of a minority, as they would like to have the privilege of doing. The Act provided simply that Protestants or Catholics could not be compelled to support schools of which they disapproved, and that every man's principles on the subject of education should be respected, or at any rate should be safe from outrage. That, instead of being an objection to settlers to go into the Northwest, it would be a great inducement to many to go thither. Yet this was what the petitioners were so much afraid of. But he was glad that, so far as education was concerned, the prospects now were not very promising for the trade of the religious bigot in the Northwest. It was remarkable that there were no petitions against the law from the great Provinces of Ontario and Quebec. He pointed proudly to the fair and generous attitude of the majority towards the minority in the Catholic Province of Quebec. There was a minority treated in all matters, not only with fairness, but with generosity, and he hoped it would always continue so. He could also refer to the great Protestant Province of Ontario to-day with admiration and gratitude as a noble example, in all that related to civil and religious liberty, to all the smaller Provinces of the Dominion. Did the great Protestant Province of Ontario send any petitions to Parliament against the Act of last session? On the contrary, this principle of real freedom of education had been long ago adopted by that enlightened Province, and the result was that harmony and good feeling prevailed among all classes of its population. It was reserved for the mighty Province of Prince Edward Island, or rather the majority in that Province, for nearly half its population were Catholics—to inaugurate the present agitation. Not content with tyrannizing over the minority of their own people, they desired the luxury of forcing their intolerant views on regions happily outside the limit of their baneful influence. They could not be prevented from burrowing in the little rut of bigotry they had created in their own Province, but fortunately they were powerless for mischief beyond. However, he did not consider that the petitioners represented the opinions of the whole Protestant population of the Island, among whom he believed there was a large number as fair and liberal and tolerant as could be found elsewhere. He thought the Minister of the Interior deserved especial praise for his connection with the law of last session,

because it emanated from his department. He (Mr. Miller,) was ready to accord him the thanks he had so well earned by his share in this act of wise statesmanship. He confessed it was more than he expected from him, considering his antecedents: but it was one of the beneficial effects of Confederation, that when men ceased to be local politicians, and were called upon to assume the larger duties of Dominion statesmen, they could learn to throw off their local prejudices, and could prove themselves equal to their altered positions. He was not without hope that even his hon. friend (Mr. Haviland) if transferred from the cold shades of opposition to a seat on the Treasury Benches might soften in his tone and opinions in regard to Separate Schools, if it were necessary to his tenure of office, or rather if it were necessary to prevent the country from losing his valuable services. Few public men were unwilling to make such sacrifices for the good of their country, and it would not be fair to suppose that his hon. friend would be one of the exceptions. He thanked the Government again for their determination to adhere to the law of last Session, which secured freedom of education forever to the great territories of the Northwest. When the Act will have been proclaimed, which he supposed would shortly be done, it can never be repealed, and the privileges it guarantees will then become the birthright of the generations that are to people that great and promising country, so long, at least, as British institutions and British justice shall prevail there.

Hon. Mr. McFARLANE denied that the Roman Catholic minority in Nova Scotia had ever been treated unjustly; the system of free schools had been found to work there with perfect harmony and without objection from the Roman Catholics.

Hon. Mr. LETELLIER DE ST. JUST said he would tell his hon. friend from Nova Scotia that this Bill was not the sole production of the Minister of the Interior; it was the policy of the Government, and the Minister of the Interior being a member of the Government, accepted that policy.

Hon. Mr. NORTHUP said he had received letters from Nova Scotia, testifying to the excitement on this question, of which very large petition, signed by upwards of six thousand people, presented by him a few days since, gave ample proof, and he hoped the Government would deal

with the matter. The people were under the impression that, by the Act of Confederation, the General Government had nothing to do with the subject of education; and, besides, the population in these territories must, for a very considerable time, be sparse and quite unequal to the establishing of successful separate schools. He thought his hon. friend had spoken too strongly, when he spoke of intolerance towards the Roman Catholics of Nova Scotia. There might have been a few local difficulties, but nothing that called for language so strong.

Hon. Mr. MILLER said the Roman Catholics were only tolerated in Nova Scotia, so far as any concession was made to the views on education.

Hon. Mr. NORTHUP said the free school system which prevailed in Nova Scotia, and that which worked there, would do very well for the Northwest Territories.

Hon. Mr. MONTGOMERY said when the Northwest Territories' Bill, containing this clause, was before the House last session, he voted against it, because he believed that this clause interfered with the Union Act, which provided that legislation in such matters should be left to the people themselves. That was his reason for voting against it at the time, and he held the same opinion still.

Hon. Mr. GIRARD said he did not intend to take part in this discussion, but as he had a great deal to do with the Northwest it seemed to him that he could express a practical opinion on the subject. When the Bill was adopted by the House last session naturally the Government had to provide a measure that would facilitate the speedy settlement of the Northwest, and certainly that provision in the Bill would tend more than anything else towards that end. If there was anything in the Bill that afforded satisfaction to the people of the Territories it was that provision. They had in Manitoba to do battle on this question, but they had been enabled to establish a basis which would do away with the difficulties that existed in other parts of the Dominion. When the occasion came it was very desirable that this matter of schools should be defined, and he thought if the Government had at any time initiated any wise legislation it was when they passed this Act. In order to provide for the settlement of difficulties of such a serious character, under this clause of the Act no one was specially protected, while everybody remained free to educate

his children as he considered best for their future welfare.

Hon. Mr. SCOTT said he would mention one little experience which he had with this separate school system. He had the honour of bringing the subject before the old Parliament of Canada for a number of years. The Bill passed in 1863, and consulting the votes taken on that occasion he found that one-half of the gentlemen who were now averse to this Act voted for separate schools in Ontario. The Government were guided by experience in settling the separate school question in the Northwest, and setting it at rest at once and forever. The vote taken in 1863 was not a party vote by any means, and among those who supported the measure were a large number of leading Conservatives.

Hon. Mr. AIKINS said if the hon. gentleman would read the other side of the list he would find that the Liberals almost to a man voted against it.

#### THIRD READINGS.

The following Bills passed through Committee of the Whole, were read the third time and passed:—

"An Act to supply an omission in the Act 37 Vict., chap. 42, extending certain Criminal Laws to British Columbia"

"An Act to extend the Acts therein mentioned respecting weights and measures, and the inspection of gas and gas meters to Prince Edward Island."

#### INCREASED SUBSIDY TO MANITOBA.

Hon. Mr. SCOTT moved the House into Committee of the Whole on Bill "An Act to provide for the payment of a temporary grant to the Province of Manitoba."

Hon. Mr. GIRARD said it was not his intention to oppose the Bill, but he did not wish his Province to appear before this House as receiving help or anything that they were not justly entitled to—and a little less.

Hon. Mr. DICKEY said he was very glad to find the Government had been converted to the doctrine of doing justice to the smaller Provinces. They all had a lively recollection of how the Nova Scotia better terms were opposed, and on that occasion he was under the impression there were no stronger opponents to it than the very gentlemen who were now doing justice to Manitoba.

Hon. Mr. AIKINS—Since the hon. gentlemen have taken the seals of office they have acquired broader views.

Hon. Mr. LETELLIER DE ST. JUST—And other gentlemen have contracted narrower views since they have lost office.

The Bill was reported from Committee, read the third time and passed.

The Committee rose and reported the Bill without amendment. It was then read the third time and passed.

#### RAILWAY ACT AMENDMENT BILL.

Hon. Mr. SCOTT moved the second reading of the Railway Act 1868 Amendment Bill. The hon. gentleman briefly explained that the object of the measure was to make provision that in the event of the death of the third arbitrator the remaining two should name another. This was an omission in the Act of 1868.

The motion was carried and the Bill was immediately read the third time and passed.

#### CITIZENS INSURANCE AND INVESTMENT CO.

Hon. Mr. FERRIER moved the second reading of the Citizens Insurance and Investment Co. change of Name Bill. This Bill, Mr. Ferrier stated, allowed the Company to change its name to the Citizens Insurance Company, and also to enable them to divide the life from the fire insurance part of the business.

The bill was read the second time and referred to the Standing Committee of Banking, Commerce and Railways.

#### MANITOBA ROAD ALLOWANCES.

Hon. Mr. LETELLIER DE ST. JUST moved the second reading of the Manitoba Road Allowance Bill. The intent of the measure, the hon. gentleman said, was to grant the roads to the Local Government. It was necessary that the local authorities should hold the roads, and the Bill gave the Manitoban Parliament the right of obtaining the title from the Federal Government whenever they were desirous of opening them and made an application to that effect.

Hon. Mr. AIKINS said he could readily understand why the roads should be vested in the Local Government, but in some instances old claims might be cut off in making the roads, and as the compensation was only 7s. 6d., great injury might be done to a number of persons.

Hon. Mr. LETELLIER DE ST. JUST pointed out that little or no injury would result from the manner in which the proposed roads were cut.

Hon. Mr. REESOR was also afraid that the old settlers would be injured by the Bill, and that in such event \$1.50 indemnity would be insufficient.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST explained that the old settlers were not affected by the Act.

Hon. Mr. DICKEY asked if the proposed legislation was owing to some arrangement with the Province.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST said the Bill was brought forward at the request of the local authorities.

Hon. Mr. DICKEY said the transfer was provided for by the fifth section. He would call attention to an inconsistency between that section and the sixth. The former section read :

"On the final completion of the survey and marking off of the lots and roads as above provided in the said outer two miles, and of the maps thereof, and the approval of the same, the Governor in Council may, on the report of the Minister of the Interior, transfer the said several roads provided for by the next preceding section, to the Province."

The 6th clause provided that :—"The unpatented land forming part of any road transferred under this Act to the said Province shall be the property thereof, the legal title thereto remaining in the Crown for the public use of the Province, but no such road shall be closed up, or its direction varied, or any part of the land occupied by it sold or otherwise alienated, without the consent of the Governor General in Council."

The effect of this would be that no road could be altered in any way without the consent of the Government at Ottawa, which was not only undesirable but incongruous with the previous section.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST said that the reason for this was that although the roads were ceded, they did not intend to give power to the local authorities to close them at will.

Hon. Mr. DICKEY said this was a permanent Act. It might work well just now, but in the future roads would perhaps require to be altered and it was scarcely the thing to have to apply to the Federal Government for permission.

Hon. Mr. AIKINS thought the Government should have control of the roads.

Hon. Mr. SUTHERLAND stated that on first examining the Bill he took a different view of it than he did now. He understood now there was no enactment in regard to roads crossing the lands of the old settlers, and the Bill was therefore satisfactory to him in that respect. But the point raised by his hon. friend

from Nova Scotia struck him as very forcible. He thought it hardly proper that, when a road was to be altered hereafter, application should have to be made to Ottawa, and he suggested that a slight amendment with reference to this should be inserted.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST was of opinion that those who gave the property had a right to impose such a condition. When proper representations were made, there would never be objections to contemplated alterations.

The Bill was then read the second time.

#### DOMINION NOTES EXTENSION.

Hon. Mr. LETELLIER D<sup>s</sup> ST. JUST, in moving the second reading of the Dominion Notes Extension to other Provinces Bill, said its object was to enable the banks of the Provinces of Manitoba and Prince Edward Island to have the advantages of the Act to enable the banks of Canada to use the notes of the Dominion.

Hon. Mr. HAVILAND supported the Bill, but expressed his regret that such a measure was not passed two or three years since. It would have been a great benefit to Prince Edward Island, which had been put to great inconvenience by the existing law, which provided that all tenders over \$20 should be made in gold. He instanced the difficulties experienced in carrying the Land Purchase Act into operation, several of the factious Oppositionists refusing to take Dominion notes, and being sustained by the courts. Such difficulties would be avoided in the future if the Bill was passed. Even from a mercantile point of view it would facilitate business, because gold was required for commercial purposes in the winter, when it was impossible to import in the ordinary steamboats. This, of course, might have been obviated to a great extent if they had had the steam communication promised at the time of confederation.

Hon. Mr. HOWLAN asked whether it was the intention of the Government to alter the present banking arrangements made at Confederation.

Hon. Mr. SCOTT said he was not aware there was any permanent arrangement with the banks. It was necessary a deputy Receiver General should be there, as in the other Provinces.

The Bill was read the second time. It was then immediately read the third time and passed.

The House adjourned at 5:20 p.m.,

WEDNESDAY, March 29.

The PRESIDENT took the chair at 3 p. m.

After routine,

GREAT WESTERN RAILWAY.

Hon. Mr. McMASTER moved the third reading of Bill, An Act respecting the capital of the Great Western Railway Company, and on the capitalization of certain charges and liabilities.

Hon. Mr. LEONARD said it was his intention to oppose the Bill on certain grounds, in the interest of the people of the city of London, who had issued bonds to this Company on certain conditions. He had since learned that parties holding these bonds had come to no arrangement with the authorities, and he would, therefore, withdraw his opposition.

The Bill was read the third time and passed.

TOBACCO AND SPIRITS.

Hon. Mr. DEVER asked whether, in view of the free trade or non-protective policy lately declared by the Government, in replies to the Opposition, they are prepared or intend to carry out this doctrine in relation to manufactured tobaccos and spirits, all of which goods are labouring under a prohibitory protection calculated to destroy the importation of those articles from legitimate markets, as well as causing a serious loss to revenue, without any sufficient corresponding benefit to the country.

Hon. Mr. LETELLIER DE ST. JUST said it was not the intention of the Government to change the tariff this session.

MANITOBA LAND.

Hon. Mr. SUTHERLAND enquired of the Ministry—1st. When will the Government be prepared to make the allotment of the land grants to the half-breeds? 2nd. When will the scrip to the settlers in the Province of Manitoba be issued in accordance with the Manitoba Act, and the several amendments thereto made and provided in that behalf? He said it was now six years since the subject matter of his enquiry was guaranteed to the half-breeds of Manitoba by Act of Parliament. Blocks of land, although set aside for that purpose, had not been allotted, and the parties interested were very much disappointed. This delay not only interfered with settlement, but it was also injuring the value of the land, as the timber was being destroyed by prairie fires, and was being cut and carried away by any one who desired it. New settlers coming into the country

could not see why they should not be permitted to locate these lands, and it was only when they returned to the land office, after making a selection, that they found the lands were reserved. They also feel very much aggrieved, because the lands around those half-breed blocks were now more or less settled, and the great majority of new arrivals preferred settling near such places. With regard to the second part of his inquiry, hon. gentlemen were aware that old settlers enjoyed certain rights and privileges, such as cutting hay and timber, beyond the limits of their immediate holdings previous to Manitoba entering Confederation, and that the Manitoba Act of 1870 guaranteed commutation in lieu of those rights and privileges. This scrip was to be made payable in Dominion lands. In the meantime the country around those old settlers was being rapidly located and consequently the old settlers were confined to their old narrow lot, in many cases not more than 40 or 50 acres, hence the necessity for the early issue of scrip, so that the old settler could put it on land within reasonable distance where it would be valuable to him in connection with his old homestead. In the majority of cases this was now impossible, so that these poor settlers were now so enclosed that many would be forced to leave the spot most dear to them on earth—the old home—where they have enjoyed their greatest pleasures and their deepest griefs, and go out into the wilderness a second time to seek a home. But he would not trouble the House any further, as he believed the matter was now fully understood by the Government, and he also hoped that before as many months had passed as years since these promises were made the whole matter would be settled.

Hon. Mr. GIRARD said he rose to endorse the views expressed by his colleague from Manitoba. It was not the first time that this question had come before the House. He had received answers from the Government, but at the same time it was well known that nothing had been done. It was now time that something should be done in the interests of both the old and the new settlers. In consequence of the commercial depression, the farmers had been compelled to sell, at times for trifling sums, properties of high value, while new settlers could not purchase, as they had no guarantee in buying. They had now waited six years for the solution of this question, and it was a

serious damage to the country that it remained unsettled. He hoped the Government would make up their minds to settle this matter.

Hon. Mr. LETELLIER DE ST. JUST said he felt, in justice to the Government, that the hon. gentleman would have to admit that they had done as much as they could for that Province. Last year the same demand was made, and the Government said they would proceed. A commission was appointed, as it was necessary to determine the half breed claims, and as soon as the papers would be received the allotment asked for, as well as the division of these lots, would be made. The question had not stood for six years; it had the consideration of the Government year after year, and as the difficulties of the Province became known, the legislation respecting their lands was improved.

Hon. Mr. AIKINS asked if the report of the Commissioners was in a position that it could be laid before the House.

Hon. Mr. LETELLIER DE ST. JUST said he would enquire into the matter.

Hon. Mr. SUTHERLAND said the late Government had commenced and did allot some of the half breed grants, but on finding some little obstacle in the way, they stayed proceedings, and he felt surprised that the present Government had not been able to rectify that little difficulty.

#### INLAND REVENUE STATISTICS.

Hon. Mr. DEVER moved—That an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House the returns and statistics of the Inland Revenue of Canada, for the months of July, August, September, October, November and December of the year 1875. In doing so he said: Hon. gentlemen, the motion I have the honour of placing before you to-day is one of greater import than the mere calling for returns and statistics of the Inland Revenue for the months of July, August, September, October, November and December, 1875. By it I will take the liberty of pointing out to you that, in my opinion, the Inland Revenue Department of this Dominion requires our serious consideration. To me it appears, we are simply building up two custom houses with two sets of officials, to collect duties which should be collected in one. It is true we find similar instances in other countries, but on a more reasonable basis. For instance, we find it in Great Britain and Ireland where officials are appointed to

look after the national products of barley when manufactured into those rare whiskeys, which are exported all over the world, as sources of wealth to the farming interests of that country. So also in France and Holland—in the latter, that spirit so well known as *Geneva*, made from the native grain and the juniper berry; in the former (France), it is required to regulate the teeming wealth of the harvest in delicious wines and fragrant brandies, which enhance the volume of trade and commerce of the world. We then retrace our steps, and find it in the United States, where, by means of the abundance of their Indian corn, both South and West, they are enabled to manufacture spirits or alcohol for the markets of the world without any fear of competition. We may well admit, then, it pays the people in all those countries to have an Excise Department. But is it so with us? I say certainly not. We have not the raw materials to manufacture to advantage, and it may be well said that the Department is a great fraud on our people. To give some idea how the army of officials may be seen as occupied, I would ask permission to say that a few months ago some fifteen barrels of diluted alcohol, known in the trade as rye whiskey, were placed on a public street, surrounded by some three or four officials and a large platform scale. The first cost, or value of the whiskey, would be about twenty-five cents a gallon. One of the officials, a respectable looking old gentleman wearing spectacles, was peering into the balance with dreadful anxiety least one grain of the precious commodity might escape his fiat. The others were engaged with similar anxiety fearing one drop, more precious than gold, might go untaxed, and thereby lose a part of the pap that was giving them life, and a lazy employment. The fact is that in this Department of ours, with its yearly increasing expenses, the only items on which duties are being collected to any extent to warrant the waste of public money required to run this establishment, are the two items of spirits and manufactured tobacco. From these two items are collected annually duties averaging something like four and a half millions of dollars out of a whole excise of about five and a half million dollars. Now, my argument is this, that the manufacture of these two articles is a great loss, according to the present tariff, to the customs revenue, and no good to the consumers or country, and amounts



to \$490,000, on a yearly average of seven millions of pounds of consumed manufactured tobacco, protected by seven cents per pound, including specific and *ad valorem* duties; and on spirits a further loss of no less a sum than one million of dollars, on a yearly average of four millions of proof gallons consumed by our people. This loss, too, is being sustained without any considerable benefit to this Dominion, the goods not being natural manufactures of this climate or country, since the raw materials have to be obtained from a foreign nation, and people who will not trade with us, and can only be manufactured here by means of a high protection. The spirit is made from Indian corn, obtained from Chicago, and can never be manufactured in this country only under a high protection, which, at present is twenty five cents per proof gallon, or about 90 per cent on the first cost, or value; or, in other words, at a loss to Customs revenue of one million of dollars on four millions of proof gallons consumed, not to mention the further loss of freights and commerce sustained by the Maritime Provinces, who are seriously injured by this stupid arrangement of a Government pretending to reform and retrench, and to be non-protective in principle and practice. While passing on, it may be well to point out that, according to the Tables of Trade and Navigation for the years 1872, 1873, 1874, and 1875, this protection on spirits is causing a visible falling off in the quantities of brandies and other foreign spirits coming through the Custom House, and hence, in this way, another cause of loss of duties, as well as the promotion of extensive adulteration, as a necessity of trade. But whilst advocating the equalization of these duties with those of the Custom House, I am far from believing that the high rates now levied on tobacco and spirits of all kinds is a wise or just policy, and I have never ceased to denounce the present Government for their oppression after getting into power, in placing 33½ per cent. extra on the poor man's tobacco, which was too high in duty before, as well as 25 per cent. extra per proof gallon on all spirits consumed principally by the working classes. But, you will say, it is useless to complain of the demoralization of the laws of business, whilst the present indifferent people are at the head of affairs, their only object being to obtain money, no matter by what means, and the duties collected on these goods are never noticed by a large number of the community. This, alas, is too true, and here

is the danger of permitting any Government to absorb out of the people—no matter by what medium—more duties per capita than the earnings of the country can afford; and here I assert, without fear of contradiction, that the country cannot afford to pay the present rate of tariff, and that certain branches of business must go down to utter ruin under its operation. I would also point out the hollow mockery seen through and felt by everybody, in the insulting pretensions to retrenchment without altering the scale of the tariff from a rate that would wring out of our four millions of people at least twenty-seven millions of dollars a year, if not for the curtailing of the volume of dutiable goods by all parties as may more fully be seen by the vast falling off *per* the statistics of importations. I would warn the Government of the day, whatever Government that may be, to see more closely to the formation of the tariff of a commercial people and especially to the Inland Revenue portion of it, which is now so justly considered distasteful, vexatious, and expensive, without any benefit to the country, but on the contrary a mere displacing of the customs duties for that of the excise, and the unwarrantable multiplication of unnecessary and expensive officials. Nature has arranged the several climates of the world to produce the peculiar wants of man in the various countries. Hence commerce. We must then as wise legislators work not against its laws by any foolish prohibitory duties and restrictions. Let us turn our attention to the natural manufactures of the country, and if we want spirits, or alcohol, or tobacco, we can obtain them in the natural markets with less waste of public money. We obtained them in this way in New Brunswick before coming into the Union, and there is no good reason it cannot so be done all over this Dominion with great satisfaction and relief to commerce and a vast saving to the tax payers of the country. With these remarks, hon. gentlemen, I will move the resolution of which I have given notice.

Hon. Mr. LETELLIER DE ST. JUST said there was no objection to granting the motion.

Hon. Mr. AIKINS called attention to an announcement made in the other House by the Premier, that it was quite impossible to comply with any more addresses.

Hon. Mr. LETELLIER DE ST. JUST said he did not know they were to take much notice of what was said in the other House. As far as possible they would comply with the wishes of this House in this respect.

Hon. Mr. SCOTT stated that the enquiries this year were very numerous, and it was impossible for the Government to procure the details sought. During the first forty days of the session of 1873 only one address was brought down in this Chamber. This year twelve had been brought down, and he thought the hon. gentlemen had no right to complain. The number of addresses sent down this year was far in excess of any ordinary year.

Hon. Mr. AIKINS explained that he did not mention the matter by way of complaint.

Hon. Mr. MILLER hoped the Government did not complain of too many addresses being passed in this House. If they did, they should remember that they had some of their own friends to blame for the greater activity this year. The Senate was at one time accused of taking no notice of public business, and now that they did evince an interest there should be no complaint. They were desirous of doing their share of public business.

Hon. Mr. CAMPBELL said the Secretary of State was fond of alluding to what had occurred under the previous Government, and making invidious distinctions. One reason why there were so few addresses in the year named, was that the late Government were frank in giving information, that the business of the country was always in a proper shape, and papers were laid on the table without those motions, and the House was constantly in possession of the information necessary to guide them in matters of legislation. This session, however, they had the greatest difficulty of getting information from the Government. Questions and motions had not resulted in eliciting the information to which they were entitled. In this respect the session of 1873 compared favourably with the present.

Hon. Mr. CARRALL thought the Secretary of State had vindicated the vitality of the Government. If the rate of progress continued in the same equation, he would feel himself in duty bound to join his humble voice in their praise.

Hon. Mr. SCOTT said he had no desire of making invidious comparisons. He had been taunted by some hon. gentlemen

because returns had not come down, and he could assure the House that he had endeavoured to use all possible despatch, for he believed an address should be brought down when a motion was made. Nothing could be gained by any other course. The fact that addresses were not forthcoming did not burk discussion, and no government dared to neglect such matters. He felt annoyed when the addresses were not answered by the various departments, and he directed the Clerk to look back and see if the delay was unusual. The result was that he had learned the fact which he had communicated to the House.

The motion was carried.

#### TAXES ON THE SALE OF GOODS.

Hon. Mr. PENNY moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of any correspondence between persons aggrieved and the Government, on the subject of the imposition of taxes by local authorities, on the free sale of goods owned by the merchants or manufacturers of the Dominion. It seemed to him in a country like this, where we were supposed to be united, trade amongst one another should be as free as air. Nothing could be more incongruous or more improper than that local municipalities should have the power to impose taxes upon business houses in other places who have occasion to send travellers to transact business with them. He did not know whether any papers of this sort had come before the Government, but he would like to know if anything had or could be done in the premises. Besides the exactions themselves the manner in which they were imposed was sometimes very offensive. He instanced one case in Quebec where a man was arrested and dragged to prison and had eventually to pay \$70 to be released.

Hon. Mr. SCOTT said he was not aware that there was or was likely to be any correspondence on the subject. Under our laws this matter belonged to Local Legislatures, and the municipalities who had power to pass such by-laws had also the power to exempt any persons they chose. That was his impression without any reference to the book; however, he would make inquiry.

Hon. Mr. MILLER thought the imposition of such dues in many instances was justifiable, for those people often did more harm than good in the places

which they visited. The question, however, appeared to be one of constitutionality, and he would not without investigation like to subscribe to the opinion of the Hon. Secretary of State.

Hon. Mr. SCOTT said the law in the Province of Ontario authorized the various municipalities to impose by-laws for the collection of such taxes.

Hon. Mr. AIKINS remarked that that law had been in operation for a number of years.

Hon. Mr. MILLER—Was it in force before Confederation?

Hon. Mr. AIKINS—Yes.

Hon. Mr. MILLER said then, as a precedent, it amounted to nothing. No doubt the municipalities had the power to pass such by-laws before Confederation, but the question arose whether they retained this power under the altered circumstances of the country. However, he would give no positive opinion on the question now.

Hon. Mr. CAMPBELL thought something could be said in favour of the system. Men who were doing business in a city, and paid taxes on real and personal property, as well as income, had a right to complain if other persons were allowed to transact business without any of those drawbacks and restrictions. He would not say that he was thoroughly convinced that ought to be so, but there was a great deal to be said in opposition to the view taken by the hon. gentleman from Montreal.

Hon. Mr. PENNY thought the question was very plain. The taxation upon the town was merely on the real property, and every trader paid taxes in his own city as well as license fees. He could not see any justice in the restriction.

Hon. Mr. DICKEY thought the view taken by the Secretary of State as to the power of the municipalities was correct. Those sums were paid by way of license, and traders were simply required to take out a certificate in the same way as other persons doing business in the town. The power for this was given in the 92nd subsection of the British North America Act. The system was in vogue in Halifax, and he was sorry that it had been the occasion of any bad feeling.

Hon. Mr. NORTHUP said the wholesale merchants of Halifax found that the persons representing houses in Ontario and elsewhere, were not content with selling to them, but went among their dealers in town and country, supplying them at perhaps the same prices. Now,

while they were paying rent and taxes those agents were exempt, and the Corporation passed a by-law compelling them to pay a license. They might be free traders, but they did not ilke it all on one side.

The motion was carried.

#### EXAMINATION OF WITNESSES BEFORE PARLIAMENTARY COMMITTEES.

Hon. Mr. WILMOT asked whether it is the intention of the Government to introduce, during the present Session, any measure to enable Committees of Parliament to examine witnesses under oath? The hon. gentleman said three Sessions ago Parliament passed an Act to authorize the examination of such witnesses under oath, but that Act was disallowed as there was no authority for it under the British North America Act. That Act, however, had since been amended to confer the necessary power, and he wished to learn the intention of the Government on the subject.

Hon. Mr. SCOTT said his hon. friend was aware that the Act referred to applied to Committees of both houses on private bills. He could not say whether the Government at this late season would feel disposed to introduce such a measure.

Hon. Mr. MILLER said the only question which now arose was whether the hon. member who had put the question would introduce a Bill to give operation to the amended law.

Hon. Mr. WILMOT said he was perfectly willing to introduce a Bill. All that was necessary was to copy the former measure, which passed both Houses unanimously.

#### INSOLVENT BANKS.

Hon. Mr. SCOTT moved the second reading of the Bill "An Act to make provision for the winding up of insolvent incorporated banks." He said it was to apply the Insolvent Act of 1875 to incorporated banks subject to the modifications contained in the 147th section of that Act.

The Bill was read the second time, passed through committee, was read the third time and passed.

#### CANADA LANDED CREDIT COMPANY.

Hon. Mr. CAMPBELL moved the second reading of the Bill "An Act to grant to the Canada Landed Credit Company enlarged powers of borrowing and lending, and for other purposes therein mentioned." He said the Bill was for the purpose of enabling the Company, which by an Act of the Legislature of

Ontario passed last session, extending its operations to two millions of dollars, to have the same powers with these two millions as applied to one million.

The Bill was read the third time and passed.

CANADA MARINE AND FIRE INSURANCE CO.

Hon. Mr. LEONARD moved the second reading of the Canada Fire and Marine Insurance Company. He said it was a Bill that had passed the Local Legislature, but they had to enlarge their powers, and they found they had to come to this Parliament to get a Dominion Act.

The Bill was read the second time, and referred to Committee.

INSPECTION OF FISH OIL.

Hon. Mr. SCOTT moved the second reading of the Bill—An Act to amend the Act to make a better provision, extending to the whole Dominion of Canada respecting the inspection of certain staple articles of Canadian produce. He said the first amendment was with reference to pickled fish. The object of clause 2 was to enable fishermen to sell fish within their own inspection district without being subjected to inspection. The next clause made provision for the weight of fish in boxes, which was considered a matter of importance by the trade, and the 4th that a barrel of fish shall contain 200 pounds, and a half barrel 100 pounds. The last clause was respecting hides, and it provided that no skins under eight pounds should be inspected.

Hon. Mr. MACFARLANE considered the first clause an improvement on the old Act, as under it the fishermen, when they came in with a quantity of fish, were compelled by an arbitrary Act to have them inspected before they could be sold, even in the locality.

Hon. Mr. MILLER said they had a similar Bill before the House last session, and it was thrown out. He was free to admit that this Bill was a great improvement on the one introduced by the member for Queen's. He found that in Halifax there was some hostility against the Bill, as the Chamber of Commerce of that city had passed a resolution against it. In all probability they thought it was the same as the one introduced last year. For his own part he could see no objection to allowing fish to be sold in the district where they were caught without inspection. However, he did not feel himself at all committed to the Bill until he had further studied it.

Hon. Mr. SCOTT said the objection to the other Bill was that it provided that inspection should not be compulsory on fish exported to the West Indies, South America, or other warm countries, but that clause was emasculated from the Bill by the Committee.

Hon. Mr. KAULBACH said he approved of the Bill as far as it went. Inspection was a guarantee of the weight. He had seen the folly of compulsory inspection, where the fish were sold for consumption in the district where inspected. It was simply a loss to the fisherman, without any corresponding benefit to him or the consumer. The uniform weight of boxes of fish was another matter of great importance to the fisherman.

Hon. Mr. NORTHUP said it was found in many instances that fish sold without inspection had not the weight nor quality, and although he agreed that fish might be sold in the district in which they were caught without inspection, they certainly should be subjected to inspection when sold at a distance.

Hon. Mr. MILLER said on further reading of the clause he found it did not carry out the design intended by the Bill, as he was inclined to think it would admit of fish being sent to any part of Canada without inspection. This was a question in which the whole Dominion was interested as much as the localities that produced the article, and therefore he did not think that mere local views should be allowed to prevail. The 64th clause provided that "the inspection of all pickled fish cured for market or exportation, and of all fish oils, codfish tongues, or codfish sounds, cured for such purpose and contained in any such packages as are hereinafter mentioned shall, whenever such pickled fish, fish oils, or other articles as aforesaid, are removed beyond the limits of the inspection district in which they are pickled or packed, be compulsory in every Province of the Dominion except British Columbia and Manitoba." There was nothing to prevent fish from being received from the district before they were inspected, as the clause stood, and the very object which the Committee had in view in striking out the section which had been eliminated was lost.

Hon. Mr. SCOTT said if the clause was not sufficiently explicit it could be amended in Committee.

Hon. Mr. HOWLAN said he was opposed to any tampering with the exist-

ing inspection law, as he believed the most rigid inspection of fish should be enforced so as to raise the character of our exports.

Hon. Mr. KAULBACH said he resided in a county which was doing one of the largest trades in fish with the West Indies of any part of the Maritime Provinces, and he knew how fish were generally purchased for the market, the merchant mainly relying on slight and personal inspection. The inspection of fish for export to warm climates was simply a tax on the fishermen, for which they received no corresponding value. No. 1 fish in Nova Scotia or New Brunswick were subject to deterioration before they reached a foreign market, and merchants would not buy them in warm climates by the bunch. He had no objection to the Bill, but it did not go quite as far as he would like to have seen it. However, it was an important concession that the fishermen could sell their fish in their own district without compulsory inspection.

Hon. Mr. MILLER contended that no fish should be allowed to go out of an inspection district without being inspected.

Hon. Mr. SCOTT said if the hon. gentleman would look more closely at the clause, he would find there was no relief from the inspection law, as far as the Bill was concerned, except where fish were sold in the inspection district. It would be in force wherever inspection districts were declared to exist, but as inspection districts did not exist every where in the Dominion, the law in that respect was not uniform.

Hon. Mr. HOWLAN said he feared the object of this Bill was to allow fish to go from Nova Scotia to the Upper Provinces uninspected.

Hon. Mr. SCOTT said it was not.

Hon. Mr. MILLER said the Bill of last year would, but this would not.

Hon. Mr. HOWLAN said that there was no necessity for the Act at all.

The Bill was read the second time, and referred to Committee.

#### NAVIGABLE RIVER BRIDGES.

Hon. Mr. SCOTT moved the second reading of the Bill—"An Act to make provision for the crossing of navigable waters by railway or other road companies incorporated under Provincial Acts" He said the object of the Bill was to give the Governor in Council the right to say to local railway or road companies whether they should erect bridges over navigable rivers;

the Rivers St. Lawrence and St. John were exempt from the operations of the Bill as being rivers of such magnitude. This power was subject to the control of Parliament at any time to vary or annul any Order of the Governor in Council. The Bill simply relieved companies from the necessity of coming to the Dominion Parliament for an Act to empower them to erect bridges over navigable streams.

Hon. Mr. DICKEY said in the carrying out of the Bill he would like to call the attention of the Secretary of State to the Intercolonial Railway bridge over River La Planche, which was about fifty yards above the Aboiteaux. The Local Legislature had in their wisdom ordered the removal of the Aboiteaux as being in a navigable stream when vessels were in the habit of coming up to discharge. The removal of it would expose the bridge to the whole pressure of the tide. He thought it his duty to call the attention of the Government to this fact.

Hon. Mr. SCOTT said he would see that the matter was not lost sight of.

The Bill was read the second time and referred to committee.

#### ROADS IN MANITOBA.

Bill "An Act respecting roads and road allowances in Manitoba," was passed through Committee of the Whole.

Hon. Mr. AIKINS called attention to the fact that the Manitoba members were absent from the Chamber.

Hon. Mr. LETELLIER DE ST. JUST said he had the assent of the Manitoba members to the provisions of the Bill.

The Bill was read the third time and passed.

The House adjourned at 7:15 p.m.

THURSDAY, March 30.

The PRESIDENT took the chair at 3 p.m.

After routine,

#### CHARTERED BANKS.

Hon. Mr. RYAN moved that an humble address be presented to His Excellency the Governor, praying that His Excellency will cause to be laid before this House the name of any chartered bank which during the year 1875 suspended payment in specie or Dominion notes, of any of its liabilities. He said it was well known that during the past few years

there had been a great deal of distress in the mercantile community, and disaster had come upon more than one of our banking institutions. If these disasters had come in the ordinary course of business, or were misfortunes arising from the depressed state of the trade of the country, it would perhaps only be taken as a very natural circumstance. But, unfortunately, from the explanations that had been made public regarding the condition of the banks that had suspended payment, it was evident that mismanagement, and in some cases fraud, had caused the suspensions to which he referred, and it was in view of these circumstances that his hon. friend (Mr. Penny) and himself had prepared the notices which had appeared on the order paper, with reference to the monthly bank returns, calling the attention of the Government to the circumstances and statements of the banks of the Dominion. He still thought that something more than merely taking the matter into consideration ought to be done by the Government to prevent the recurrence of such a state of affairs as that of 1875. It was quite clear, from the statements of some of these banks, that false returns had been made, in order to conceal the true condition of their affairs from the Government, the shareholders and the public, and he thought the utmost rigour of the law should be enforced against the Directors and Managers who resorted to such devices to mislead and deceive as regards the condition of the banks under their control. He thought the Legislature of the Dominion, under whose jurisdiction questions of banking were placed, was somewhat to blame for these mal-practices and these false returns, as Parliament was too prone and ready to grant charters to banking and other institutions dealing in money on the slightest ground, thus making it quite an easy matter to obtain banking powers and privileges, which were no doubt a benefit to the community, under intelligent and honest management, but which were very frequently the reverse, by falling into dishonest or incompetent hands. It was for the purpose of holding up banks of this description to the notice of the Government and of the public that he had placed his present motion on the paper. On looking over and enquiring into the matter now before the House, he had met with an article in a Boston paper, which he would read to the House, as it described very accurately what had taken place in some of the banks of this

country, and what would likely take place again if the attention of Government and of the public were not directed to their mismanagement. With permission of the House he would read an extract from the article referred to as follows:—"Moneyed corporations acquire public confidence by the weight and respectability of the names they present as trustees, and every day the confiding community awake to the knowledge that the men in whom they trusted make a business of neglecting their duties. The rule that ordinarily prevails is applicable to the failure of the Bank of the State of New York on Tuesday last. Directors know nothing as to its affairs, and the active management having fallen into a few hands, was busily employed in helping its friends and loaning the money of depositors on paper that it would be base flattery to call securities. \* \* \* Those who act in this way are open and direct violators of the law. The Directors are sworn to "diligently and honestly administer" the affairs of the bank. They create the President and all the other officers and can remove them at will. Instead of exercising this supervision, they select these officers, then go to sleep, in blissful ignorance that the assets returned in the reports to the Comptroller of the Currency are as valueless as the lowest form of "negotiable" paper, or the bank accounts of a bankrupt concern. \* \* \* Directors should be held to a more rigid responsibility, and no plea of ignorance should be tolerated for a moment. It should be disgraceful to make such a confession, and the officers, by whose immediate malfeasance a failure is caused, should not escape the penalty of a prison. Restitution and punishment should be as strictly applied to the managers of a bank as to public delinquents or private thieves. The system is now entirely wrong. Let it be reformed altogether. We need a higher moral tone which will compel those who accept fiduciary trusts to meet all the obligations such acceptance implies." He fully concurred in the remarks in this paper, which had reference to the state of affairs in the United States, but the remarks were equally applicable to banking matters in this Dominion. He thought if hon. gentlemen concurred in the views thus expressed they would do well to watch all bills that came before this House asking for increased banking privileges, especially from banks that had gone through such a state of things as was here pointed out. He believed there

were now before Parliament several applications, and that there were several bills to come up before this House, which, if not actually creating banks by name, granted banking or very similar privileges, such as to issue debentures, to receive deposits, and to borrow, to a large extent, over and above their paid up capital. He was afraid, if such legislation were not checked to some extent, that they would have to record of the financial companies results somewhat similar to those which had attended the indiscriminate chartering of banks, as exemplified by the recent events. He would, therefore, if permitted to do so, caution the House to investigate such measures carefully. The banks which, during the past year, suspended specie payment, had all, he believed, resumed within the sixty days allowed by law, but they had nearly all had to make statements, exhibiting a disastrous condition of affairs to the shareholders. He would also mention that there was one instance of a bank which put forth a satisfactory and flourishing statement at its annual meeting in June last, and suddenly, within six months afterwards, ceased to pay any dividend; no reason to doubt the bank's prosperity could be drawn from the annual report and statements laid before the shareholders, who now, within a few months since they were themselves deceived by that statement, found the stock which so lately stood at par, reduced fifty per cent. in value, in consequence of the fraud and recklessness, or neglect and incompetence of its managers or directors. Surely something should be done to make managers and directors readily amenable, if through their malfeasance or culpable ignorance and neglect, such a state of affairs can arise. The circumstances were sufficiently grave to call for more than mere consideration by Government, which meant inaction during the present session, and the postponement of more efficacious means to check official fraud and deception in the management of our chartered banks.

Hon. Mr. WILMOT said he quite agreed with the motion. They had some experience in New Brunswick of banks making returns of that description, and finding out after a few years that these returns had been made by false oaths, and the hon. gentlemen from New Brunswick would remember the Commercial Bank, for instance, when its affairs were wound up it was found there were more notes presented than were ever lawfully issued,

although it had been in operation for thirty years. If banks were private institutions carried on for the benefit of stockholders alone, then it would be their own business; but they were the mediums for issuing circulating notes by which the trade and commerce of the country were carried on, and they were, therefore, a matter of public interest, and the Government should see that the conditions of bank charters were rigidly carried out, and if false returns were made the parties who made them should be punished as criminals. The hon. gentleman (Mr. Ryan) had referred to measures that had passed through the other House, and which were to come before this House. He knew one that included a principle entirely contrary to that of any other banking institution they ever had before them. It included a provision by which the original stockholders might be wiped out. He hoped this House would not permit any such principle to become law in any bank charter, but as to doing it on preferential stock he hoped the House would never permit such a thing.

Hon. Mr. LETELLIER DE ST. JUST said there was no objection to granting the address, but there was one observation which he would like to make. It was true that some bank managers might evade the duties imposed on them in making returns, but there was a remedy for it, as the directors could be prosecuted by the shareholders. It was the desire of the Government to protect the public interest as much as possible from the illegal acts of bank managers or directors, and if the law did not provide the people remedy it would be necessary for them to look for a better mode of granting charters.

#### POSTMASTER AT SACKVILLE.

Hon. Mr. BOTSFORD enquired of the Ministry whether, in view of the nature of the report of the Post Office Inspector for the Province of New Brunswick as to the conduct and standing of the Postmaster of Sackville, it is the intention of the Government to make any change in that office. He said he approached this subject with some reluctance. It was, in the first place, a local matter, and in the second place it was a serious charge against an officer of the Government, but it involved a principle which greatly affected the public welfare, and he felt it his duty to briefly state the circumstances upon which he based his enquiry. He held in his hand a return to an ad-

dress which was moved for in this particular case, and he did not intend to go at much length outside of this report of the Post Office Inspector of the district. It would seem that in the month of May last the Postmaster of Sackville had performed the duties of a trustee, under the Act of the Legislature of the Province, and he had in his hands public funds, as Secretary to the Board of Trustees. In making up his accounts he had a false statement. When he went out of office he handed over his accounts and books, with a balance of \$2 80, which he stated was due the school fund, to the incoming trustee, and on investigation of these books and accounts it was found that the books had been altered and a large sum had been embezzled by him. An investigation was ordered, under the direction of the ratepayers of the district, and while that investigation was being made this officer put in a second statement by which he admitted that there was a further balance due from him of some \$190, and that this was the correct statement of his account. The Committee, on looking into the accounts, found that there was a balance of some \$450 embezzled by this man, and by the second account which he had rendered it was clearly shown that it was his intention to keep a portion of the money which he had embezzled. Finding that he was detected, he, a short time afterwards, paid over the amount. This person was now Postmaster of Sackville, and the public mails passed through his hands. These facts were detailed in the Inspector's report, though the circumstances were extenuated by him in the most favourable manner toward the Postmaster. He would remark also, with respect to this report, that it recommended that this person be retained in his office, in the hope that the detection of his crime would be the means of making him more honest in future, and it further stated that upon enquiry he (the Inspector) believed him to be one of the most competent men out of a population of 4,000 to perform the duties of Postmaster. He (Mr. Botsford) protested against this, because he knew there were men in Sackville who were not only well qualified to perform the duties of postmaster, but the duties of inspector also. He would remark further that a petition had been put into his hands, subscribed to by persons who had postal connection through this office, and it recommended strongly that this person should be retained in his

office. He frankly admitted that on the petition there were some respectable names, and if they were the only persons in that large population who had dealings with the post office, he would not be inclined to move in the matter, as it might be fairly assumed that such a postmaster would be a very suitable officer for people who could put their names to a petition of such a character, in full possession of all the undisputed facts connected with the school fund transaction. But there were many of the inhabitants who had large postal communication with the office who had no confidence in this officer, and it was a most unsatisfactory state of things to have all correspondence, public and private, passing through the hands of an officer guilty of the crime attributed to him. If the Government were responsible for the loss of money letters—or for registered letters even—the public would then have some remedy for any defalcation. He did not pretend to say that any loss had been traced to that office, but the public had no confidence that the duties of the office would be performed in an honest and efficient manner. The retaining of an officer in such a responsible position, and paid by the Government, through whose hands public and private funds must necessarily pass, when a stigma of such a serious nature rested on his character, the details of which are openly canvassed and universally believed by the public, must inevitably be most demoralizing in its effects. He trusted the Government would make a full enquiry into this case.

Hon. Mr. SCOTT said since the hon. gentleman had put his notice on the paper he had searched among the returns in the Department for any additional light that might be thrown upon this fault or malfeasance. The attention of the Government was first drawn to the subject by the report of the Inspector. He had come to the conclusion that the facts as disclosed would not justify the Government in dismissing the Postmaster. If that official was guilty of any dishonesty, it was certainly the duty of somebody to prosecute him. It might be that the Inspector had not reported the true state of the case, and had glossed it over: but he spoke in terms of laudation of Mr. Dixon. His hon. friend opposite appeared to be in possession of more facts than the paper disclosed. In addition to this, some time ago a petition was sent from the people of Sackville expressing entire confidence in the Post-



master, and praying that no change be made in the office. It would be a serious thing for the Government to assume that the man was guilty before he had been tried in a court. Had the inhabitants of Sackville felt aggrieved by his conduct, it was strange he was not indicted, and that they petitioned in his favour. The Government would have been bound to take action, if the Postmaster had been prosecuted; but they would scarcely be justified in taking notice of a report in a newspaper. However, in view of the additional fact that the hon. gentleman had adverted to, he would make some further enquiries before confirming Mr. Dixon in his office.

Hon. Mr. BOTSFORD said of course he was not aware why this person had not been prosecuted. It would be invidious to call upon any one to become a public informer unless he was so inclined. It might have been the duty of the Trustees to do that. He trusted the Government would make further inquiry, and demand an explanation of the officer charged with so serious an offence.

#### THE STEEL RAILS PURCHASE.

Hon. Mr. SMITH rose to make a personal explanation with reference to the statements made by the hon. member for Toronto (Mr. McMaster). That hon. gentlemen, during his absence, had declared that the statement he had made in regard to the Steel Rails purchase on a previous occasion, was incorrect. He positively stated now that the facts he gave on that occasion were perfectly correct. If he chose to go into figures, he could show that rails could have been procured last month for one dollar a ton less than he had stated, which would add \$50,000 to the estimated loss on the transaction in question. As a juvenile member of this House the statement of the hon. member might have had a serious effect upon him, and he wanted hon. members to understand that during his time here he would make no statement that he could not prove. In another portion of his speech the hon. gentleman said that "such reckless assertions made by the hon. gentleman from Toronto did not, in his mind, add much to his reputation as a business man." To make such an attack in his absence was unbecoming a gentleman who had known him in a business capacity for a quarter of a century. He challenged the honourable member and the Government of which he was a supporter, to point out any business transaction of

his, either with the Government or any other party, that was not straightforward, honourable and fair. Whenever any one attacked him as a business or railway man he was prepared to answer for himself; and he would say that the hon. gentleman was not justified in making that assertion. The hon. member had also charged him with being "put forward." He never in his life was "put forward" by any man, but had always acted up to his ideas and convictions. It was incorrect that he had been urged to bring forward the resolution by some other person; the figures and the ideas were his own. If the phrase "put forward" applied to any one, it should be the Hon. Mr. McMaster who made the attack, for he had been "put forward" by the Government to make a good case out of a bad one, and had failed to do it. The hon. member's connection with the Great Western Railway illustrated his shortcomings in the matter of business, and it would be better if in the future he would let his (Mr. Smith's) capacity as a railway and business man alone.

Hon. Mr. McMASTER said it was not his intention to follow the hon. gentleman, or make any reply to his remarks. With regard to the statements he had made, he would reiterate them in the most positive manner. Were he to go into particulars, it would be easy to satisfy the House of the correctness of his position.

Hon. Mr. SMITH said he could prove every word he stated, if necessary.

The matter then dropped.

#### THE PACIFIC RAILWAY.

The debate on Hon. Mr. Carrall's motion, respecting the Pacific Railway, was resumed by

Hon. Mr. DICKEY, who said he regretted that his own feeling at the present, and the manner in which his time had been so fully occupied, alike contributed to prevent him doing justice to the great and important question involved in the resolution. At the same time he would endeavour as briefly as possible to advert to a few prominent points connected with it without attempting to make an exhaustive exposition of the subject. An amendment had been suggested to the resolution, and it became necessary, therefore, that the House should intelligently examine the question and decide what course should be adopted under the circumstances. It they went back for a moment to the commencement of this legislation for the Canadian

Pacific Railway it would be found that an Act was passed in 1872 to provide for its construction. The policy of the late Government, which we need not reiterate, was that the road should be built by a company, with aids of money and land, and when he came to advert to the next legislative step it would be seen that the policy then announced had been recognized by the present Administration, although in a most singular and inconsistent manner they had immediately departed from it. The original Bill for the construction of the Pacific Railway would never have passed in this House, and it certainly would not have received his vote, as he stated distinctly at the time, but for a resolution which was placed upon the journals of the House of Commons, and recited as part of the preamble of the Canadian Pacific Act in 1874, for he was one of those not prepared to plunge the country into an unknown and untold expenditure for the purpose of accomplishing the object of that Bill. He remained of the same opinion still, but he and the legislature of the country were prepared to have the railway constructed by private enterprise with the aids that that Act accorded, and he shared most sincerely in the regret expressed that the legislation for the time was a failure, owing to circumstances which have become part of our history. The next step they found was this: The present Government brought forward an Act, to one of the controlling provisions of the preamble of which he would call attention to show how thoroughly the principle he had adverted to was incorporated into the legislation, and how utterly inconsistent it was to some of the clauses of this Bill. The portion to which he referred was as follows:—

“And whereas the House of Commons of Canada resolved in the session of the year 1871 that the said railway should be constructed and worked by private enterprise, and not by the Dominion Government, and that the public aid to be given to secure its accomplishment should consist of such liberal grants of land and such subsidy in money or other aid, not increasing the then existing rate of taxation, as the Parliament of Canada should thereafter determine.”

That was the principle upon which this Bill was based, and yet the enacting clause was that the principle should be violated and that the railway should be constructed by the Government.

Hon. Mr. SCOTT—Oh, no.

Hon. Mr. DICKEY—But I say, oh yes! for it enacts that the Government shall construct and work the railway. The

Act, it was quite true, continued the speaker, enables the Government, if they chose, to give aid to private companies, to let the road to contractors to be constructed, and worked by subscription, but would anyone tell him that that clause could be carried out? It was not pretended for a moment that any company had been found to take part of the railway, and yet they were to suppose that twenty companies could be found to take sub-divisions and not only construct them but work them for all time to come. It was impossible that private companies could be found willing to do that, and it was not at all surprising that two years after the passage of this Bill they had not heard of a single company offering to construct a portion of the railway. (Hear, hear.) They were to get \$10,000 a mile, a grant of 20,000 acres of land and a guarantee of four per cent. of an undefined amount for 25 years; and yet notwithstanding all these aids no company had been found to construct and work isolated sections. But the Act declared that the Government shall have power to build the road, although they had recited in the Act the principle involved in the legislation of 1871, that the railway should be constructed by private enterprise only. Before he passed from the point, he might notice that the Act was brought in at the very tail end of the session and received a very slight consideration. There were only two or three days to look at it, and it was, therefore, not surprising it passed in the manner it did, and that his hon. friends who were present—for he was not here and was in no way responsible for it—did not wish to put themselves in a position of antagonism to the legislation proposed by the incoming Government, but desired to leave to them its responsibility, to enable them to carry on this great work and keep faith with British Columbia in the manner they proposed themselves. But how did they fulfil what they proposed? Before this Act was passed, they had another policy altogether—the Premier's well-known policy of water stretches—to carry out this great object of interoceanic communication; and this policy, which was carried on to a limited extent, had been quietly dropped. Why? The very construction of the Pembina Branch, which was so much talked of, was practically the abandonment of the water stretch scheme, inasmuch as it was to run some seventy miles from the boundary to Fort Garry, alongside one of

the finest navigable rivers of the Dominion.

Hon. Mr. LETELLIER DE ST. JUST said that was not so; the river covered 700 miles; and the road only 200.

Hon. Mr. DICKEY said the hon. gentleman himself stated the other day the distance from the American border to Fort Garry was only 68 miles; he was talking of our own territory, and criticising the policy of the Government. But that was not all. They had abandoned the policy of Parliament, which was to build the road by private enterprise, and committed the country to a ruinous obligation to build the road themselves as a Government work, which they partially exercised. (Hear, hear.) What was the next step? The Government, without any authority from Parliament, placed the matter in the hands of the Secretary for the Colonies, in order to get his decision to bring them out of the difficulty. The Government foolishly, as he thought, acceded to the proposition that the question should be referred to Lord Carnarvon, and after His Lordship had given his decision upon it. A Minute of Council was passed on the 18th December, 1874, which was to this effect:—That the proposal could be accepted, "without involving a violation of the spirit of any Parliamentary resolution or the letter of any enactment;" and that "the conclusion at which His Lordship has arrived upholds, as he remarks, in the main and subject only to some modification of detail, the policy adopted by this Government on this most embarrassing question." They therefore "respectfully request that Your Excellency will be pleased to assure His Lordship that every effort will be made to secure the realization of what is expected." But it did not stop there. An attempt was made to throw a gloss over this matter, and shift the responsibility of any failure in carrying out those terms upon this House, but he would speak of that presently. He proposed to show now, in fact, that the Government themselves stated that the carrying out of the decision of Lord Carnarvon did not require any additional legislation at all; and, second, that they approved of the course the Senate took on the Esquimalt and Nanaimo Railway, which was one of the connections. He would take these points in order. What was that decision? It involved an immense outlay of money by the country. It involved not only the building of the Esquimalt and Nanaimo

Railway, but also the construction of a wagon road, a telegraph the whole length of the line, and the expenditure of \$2,000,000 a year besides. Yet, all this they were prepared to do, as he would show by reference to the papers brought down, without any legislative authority. Within a month before the Esquimalt and Nanaimo Railway Bill was rejected here, the Premier stated, on the 5th March, 1875, after reading the settlement to the House:

"The terms recommended by Lord Carnarvon, and which we have accepted, are simply these: That, instead of one and a half millions, we propose to expend two millions a year within the Province of British Columbia, and we propose to finish the railway connection through the Province and downward to the point indicated by the year 1890, being an extension of time of nine years. With respect to the question raised by my honourable friend from South Bruce, I might say that I have nothing to ask from Parliament. We have no authority to obtain, but merely to communicate to Parliament this decision, and rely upon the House supporting us in accepting the terms."

Now matters had somewhat changed; there was a change of base very shortly afterwards, and there began to be an ominous change in the political atmosphere. The hon member for South Bruce had taken a very decided stand in objecting to the policy and the Government, and the Prime Minister went so far as to assure the hon. gentleman that there was no necessity for alarm, as all they proposed to carry out of these terms was that part which required no legislation. They thought to quiet the hon. gentleman, but it had not this effect, for when the Bill came before the House it met with his opposition. The Bill passed, and came in its regular course to the Senate. The hon. gentleman from Vancouver Island (Hon. Mr. Macdonald) had stated the other day in his place that the Bill was sacrificed to party spirit in this House. It was a most ill-advised and unworthy statement, in the face of the fact, that several of the gentlemen who opposed it were ordinarily supporters of the Government; that the hon. member for South Bruce, who took an active part in opposing that Bill, was a few short months afterwards called to one of the highest positions in the Cabinet, and that the reasons adduced by these gentlemen for opposing the Bill were the very reasons which the Government now gave for not carrying out Lord Carnarvon's design. (Hear, hear.) He would prove it from the papers themselves. Hon. gentlemen would recollect that the great argument in the House against the measure

was that the Esquimalt and Nanaimo Railway was not a part of the Canada Pacific; it was a mere local work and was given as a sort of sop to British Columbia. That was the idea, and it was the contention of the Opposition that the expenditure of money on that road was frittering away the means which Parliament had provided for the construction of the Pacific Railway. (Hear, hear.) They had rejected the Bill, and in taking that course and saving a wasteful outlay of four millions, they had had the sanction of the country. He proposed to prove now that they were right according to the position taken by the Government themselves. Here was their own language. One might suppose they had borrowed it from the speeches of hon. gentlemen from that side of the House, in opposing the Bill, and which ought to put to shame the cuckoo cry of party spirit in connection with this question. (Hear, hear.) Here was the Minute of Council of the 20th September, and what what did it say:—

"The proposed Railway from Esquimalt to Nanaimo does not form a part of the Canadian Pacific Railway as defined by the Act; it was intended to benefit local interests, and was proposed as compensation for the disappointment experienced by the unavoidable delay in constructing the Railway across the Continent. The work is essentially a local one, and there are obvious reasons against the Canadian Government, under ordinary circumstances, undertaking the construction of such works, and in favour of their being built, if at all, by virtue of Provincial action. (Hear, hear.)

The argument was put in even stronger language than that used by the Opposition, because the Government probably had access to facts which the Opposition had not; but the same line of argument was proposed. Strange to say, this State paper was issued within some five months only after the Senate had rejected the Bill and called down on their devoted heads the condemnation of many supporters of the Government and a portion of the press. He gave this, too, as an illustration of the manner in which the Government had backed and filled in their policy with respect to British Columbia and the Pacific Railway. Look again at what they had done in constructing a branch ostensibly to connect the American railway system with Fort Garry, where it was assumed the Canada Pacific Railway would cross Red River. Now we were told the point of crossing was moved down some twenty-three miles. They were expending money in constructing the line from Pembina to

Fort Garry; a line beginning nowhere and ending nowhere; as at Pembina it connected with no part of the American railway, and at Fort Garry it connected with no part of the Canada Pacific Railway. (Hear, hear.) The Hon. Secretary of State, in making out his statement to show where the steel rails were to be used, had to calculate on the road being extended twenty-three miles down the river in order to dispose of some of them. Then it had been suggested here that the Georgian Bay Branch was part of the Pacific Railway, but that was an afterthought. The notion was a perfectly futile one, because in the very Act itself the Georgian Bay Branch was spoken of as a branch of the Pacific Railway. There were on y two branches mentioned in the Act, one the Pembina Branch and the other the Georgian Bay Branch, but now they had this extension from Thunder Bay to Shebandowan as a third branch, not authorised by the Act. He had called the attention of the Hon. Secretary of State, the other day, to the fact that the Canada Pacific Act of 1874 only provided for the construction of two sections from Lake Nipissing to Red River; one on the eastern section from Lake Nipissing to some point west of Lake Superior; and from that the next section was to Red River. There was no branch mentioned there, so if this section from Thunder Bay was not to form part of the main line, it was built without the authority of the law. Some hon. gentlemen could not see the pertinency of the questions he had put at the time, but the line from Nipigon north of Lake Superior was intended to go west; strike Rat Portage, and go to Red River, being nowhere nearer than fifty miles to Thunder Bay. The truth was, that portion of the line had not yet been located, and the hon. gentleman had no right to lead the House to believe that the line would go round Lake Superior from Lake Nipissing in some unknown way, to Prince Arthur's Landing. As far as his information went, there was no proof whatever that such a line was practicable at all, and there was nothing in the official report to show that there was any practical route between Prince Arthur's Landing and Nipigon. It was idle to suggest that this Branch at Prince Arthur's Landing was to be a part of the main line; it was simply a link in the water stretches system soon to be abandoned, and it was wasting in its construction the means that ought to have gone towards the building of the great trans-

continental railway. In the last report of the Chief Engineer they were examining east from Rat Portage to Nipegon, in order to get a line, and it had not been located. He reports:—"Examinations have been made during the past season in various sections of the lake region between Lake of the Woods and Nipegon, and considerable information obtained. All the portages on the Dawson route have been instrumentally surveyed with a view to ascertaining the best means of overcoming them." There was the situation in which this section was at the latest report; they were examining from Rat Portage east, and from Nipegon west, and were not yet satisfied that there was a practicable line. The direct route would naturally lead them from Nipegon to Rat Portage and Lake of the Woods. From Nipegon east it was not known yet whether an available line could be found. The Engineer says:—"Exploratory surveys have been made from Nipegon Bay easterly to Pic River to ascertain if it be practicable to construct the railway along the coast of Lake Superior; and explorations have been made from the mouth of Pic River in as direct a course as possible towards the eastern terminus." Not to go to Georgian Bay, but to go in as direct a course as possible to the eastern terminus, the south east coast of Lake Nipissing. If the Government had been as desirous as they expressed themselves to be of utilizing the water stretches, would it not have been natural for them to improve the navigation of French River by a short canal which would not cost one-fifth as much as a railway, and secure water communication all the way to the foot of Lake Nipissing, the point of connection with that of the extension of the Canada Central or the navigation of the Ottawa? It was quite evident that the intention of Parliament was that this line should run as this report said it should run, in the most direct manner, north of Lake Nipissing to Lake Nipigon, and not south to Georgian Bay, as had been disingenuously asserted the other day. (Hear hear.) It was most unfortunate that in endeavouring to keep faith with the people of British Columbia, as all hoped and desired the Government to do, they had not taken some steps to show that at all events they were in earnest in their endeavours to carry out this inter-oceanic railway. Instead of starting from some available point to open up the great Northwest for settlement, and by means

of immigration to build east and west from this point, thus adding to the population and revenue of the Dominion, they had dissipated the means of the country for the last two years in endeavouring to build the Georgian Bay Branch and other branches, and in buying 50,000 tons of steel rails which were not likely to be wanted for many years to come.

Hon. Mr. SCOTT—Hear! Hear!

Hon. Mr. DICKEY said his hon. friend might say "hear! hear!" but he would require a little more than that to explain to this House the fact that instead of expending that money in endeavouring to construct a portion of the main line they purchased rails that they did not require, and sent 5,000 tons of them round to British Columbia after it was known that the Esquimault and Nanaimo road was not to be built, where they could not be used until they would be rendered useless by exposure to the weather. The line sketched on the map started from the head of Bute Inlet, but anybody who read the reports or studied the geography of the country would know that it would take years to get through that difficult region and put the line in a condition to require these rails; in the meantime they were to be put into piles, exposed to the action of the atmosphere, which would leave them in a few years not worth half their cost. It was well known that the effect of piling masses of iron together was the same as piling wood, to increase decomposition. The consequence would be that in a few years these rails would become correspondingly useless, just as sleepers would be if piled together, instead of being laid on the track and kept free from rust by friction of the trains. Upon these grounds he condemned the course of the Government in this matter; that they had actually dissipated the means which should have been used for the purpose of carrying out in good faith the agreement with British Columbia. But their measures had no tendency to that end, therefore it was the Government should be prepared with an explanation. He had to confess that he shrank from accepting the resolution before the House. As he had already stated, he stood upon the principle that this House was bound by their legislation alone. It was not necessary to go back to addresses and correspondence; it was quite sufficient for them that with the assent of the representatives of British Columbia they had made an arrangement,

and that arrangement was embodied in a resolution and Act of Parliament, and to that arrangement Canada ought religiously to adhere. He took that as the starting point apart altogether from that preliminary negotiation. His hon. friend (Mr. Carrall) did not propose anything practical by passing this resolution, but at the end an amendment was intended, he presumed, to some extent to justify the action of the action of the Government in doing nothing. But see how absurd this amendment would be. His hon. friend's resolution was to the following effect, (see resolution) and the amendment was to strike out all the words after "effort," and to add something, but the previous part of the resolution was to be kept in so that it would read, as amended, as follows:

Resolved, That the construction of the Pacific Railway having formed the principal condition upon which British Columbia entered the Canadian Confederation, every reasonable effort, without increasing the taxation of this country, should be made by the Government of the Dominion to satisfy the people of that Province that faith will be kept with them.

His hon. friend's resolution went back to the original terms of confederation and said these terms must be fulfilled, and yet with absurd inconsistency it said that this railway should not be built with any increase in the rate of taxation. There was nothing about increase of taxation in these terms, which his resolution re-affirms. He supported the Government in this, that they were not bound to carry out that great work irrespective of the terms placed in the statute book, and yet the Government were asked to support this amendment. They could defend themselves if they had acted rigorously and carried out the policy which they had put on the statute book; but they had not done so, and here his hon. friend (Mr. Haythorne) came in with a white-washing resolution for the Government, which said, "by the original terms of union you must be bound," and asked the House to endorse the original resolution and say, "by the terms of the entry of British Columbia into the union we must carry out this work"—that this railway must be built taxation or no taxation. But these were not the terms which were upon the Act of Parliament, and the terms of the Act should be adhered to. In future he hoped it would not be the case, as had been in the past two years, that the means of the country would be dissipated upon branch

roads, steel rails, &c., which cost millions of dollars, but at the same time did not add one mile to the construction of this great public work. He hoped the House would say to British Columbia, on one hand, "We are prepared honestly and truly to carry out the terms on which you were admitted by Parliament into Confederation; but, on the other hand, we are not prepared, nor would you ask us, to ruin this country by any unreasonable act on our part to carry out this work." (Hear, hear.) He hoped the House would neither accept the original resolution nor the amendment of the hon. gentlemen from Prince Edward Island and reaffirm what the Government themselves in their Minute in Council repudiated. (Hear, hear.)

Hon. Mr. HAYTHORNE moved in amendment that all after the word "effort" be struck out, and the following substituted:—"Without increasing the taxation of this country, should be made by the Government of the Dominion to satisfy the people of that Province that faith will be kept with them." He said after listening to the speech of the hon. gentleman who had just taken his seat, he had come to the conclusion that it was a most able effort of a most able special pleader. The House, however, should not be led away by the words of a special pleader, but by sound principles of policy and statesmanship. He had regarded this question with the utmost sympathy towards British Columbia; being connected himself with a lately annexed Province, he felt that the injury, if there was any, which British Columbia complained of might have been the case of Prince Edward Island. It might be that the Government would meet their engagements with that Province with similar inattention and neglect, and then the people of Prince Edward Island might have a just cause of complaint. He would simply do this when he heard hon. gentlemen from British Columbia complaining that the terms under which they came into the Confederation; had not been faithfully kept: endeavour to put himself in their place, and ask himself how he would act if he were placed in the same position. He admired their courage and constancy in occupying that remote part of the British Empire and establishing their homes there. He admired the fine climate of their Province, the fertility of their soil, their splendid timber, their mineral wealth and other resources, and especially their firmness and

consistency in demanding the fulfilment of their terms of Confederation. He considered the Pacific Railway neither a British Columbian nor a Canadian road, but an Imperial work, and it should have been so considered ever since its inception. He would, with the leave of the House, quote a despatch from Earl Granville to Sir R. Musgrave, formerly Governor of British Columbia, which proved the action of the British Government, and the amount of influence brought to bear by them on the undertaking. In 1869 British Columbia had been invited to enter confederation, and the subject was introduced to the notice of her people through the instrumentality of that despatch from which he would read a short extract.

"Her Majesty's Government anticipate that the interest of every Province of British North America will be more advanced by enabling the wealth, credit and intelligence of the whole to be brought to bear on every part, than by encouraging each in the contracted policy of taking care of itself, possibly at the expense of its neighbour. Most especially is this true in the case of internal transit. It is evident the establishment of British line of communication between the Atlantic and Pacific Oceans is far more feasible by the operations of a single Government, responsible for the progress of both shores of the continent, than by a bargain negotiated between separate, perhaps in some respects, rival Governments and Legislatures. The San Francisco of British North America would, under these circumstances, hold a greater commercial and political position than would be attainable by the isolated capital of British Columbia. Her Majesty's Government are aware that the distance between Ottawa and Victoria presents a real difficulty in the way of immediate union. But that very difficulty will not be without its advantage if it renders easy communication indispensable, and forces onwards the operations which are to complete it. In any case it is an understood inconvenience and a diminishing one, and it appears far better to accept it as a temporary drawback on the advantages of union, than to wait for those obstacles, often more intractable, which are sure to spring up after a neglected opportunity."

In that despatch we were told expression was given to the matured views of the British Government. Thus it appeared to him that the British Government had almost identified them-

selves with the construction of the great Intercolonial highway, and they might fairly be asked to contribute largely towards it. He was well aware of the difficulty of inducing the Imperial authorities to take hold of Colonial questions, but this was more than an ordinary undertaking and would form the great means of communication between the East and the West, and he need not remind hon. gentlemen of the great importance eastern traffic had always maintained throughout the history of the civilized world. Great Britain had recently, without waiting for the consent of Parliament, invested several millions of pounds in the purchase of a controlling interest in the Suez Canal, which in many respects was an analogous undertaking to this Imperial railway. There was no doubt, if the matter was properly conducted, English aid could be secured for the construction of the Pacific Railway. He entertained the highest respect, esteem and regard for the Mother Country, but he could not undertake to say she was faultless, and in this matter she had not acted with the wisdom and liberality we had the right to expect. When she made over the Northwest territories to Canada she did not treat Canada well; the Imperial Government ought to have banded over the Hudson Bay Territory without any reserve and without charging the Dominion a dollar for it. It might be thought that the reservations the Company were allowed to retain were comparatively valueless. He had no personal acquaintance with them himself, but had endeavoured to inform himself through the medium of books and pamphlets. He had here an able pamphlet written by a member of the House of Commons, Mr. Trow, from which he learned that some of the reserves of the Hudson's Bay Company in the city of Winnipeg had realized as much as \$7,000 per acre; and he believed he could have produced statements of a similar nature from the *London Times*. With reference to the probable future loss we would sustain if this road was prosecuted, all he could say was that if we owned, and wished to make anything of the country, we must have that road. Of what use was the richest land or the most valuable minerals unless we could have easy access to them? In this respect we should learn from the experience of our neighbours across the line; their history demonstrated that population, wealth and traffic immediately followed the construction of railways.

There was no ground for thinking the construction of the road would be a disastrously losing undertaking. It was a thing which must be done, and the sooner the better, without adding to the taxation of the country. Sir John Hawkshaw, the great civil engineer, and who was now President of the British Association, in his inaugural address bore valuable testimony to the advantages of railways in building up a country; he showed conclusively that the value of the Lancashire and Yorkshire Railroad to the British public was more than equal to the dividends received by the stockholders. And that high authority further stated that the value of the British railway system—that is, its saving in cost of freight, fares and time to the public—was equal to not less than 10 per cent. on the total cost. Now, we know that between six hundred and seven hundred million pounds sterling had been expended in the British Isles on railways. If there fore came to the conclusion that their annual value to the nation, over and above the demands of the shareholders, was not less than sixty million pounds sterling. Sir John Hawkshaw further said there might be instances in which it would be justifiable for governments to assist in the construction of railways, and declared emphatically that such advantages would be recouped speedily by the great improvement of the position of the people, and that, he thought, was also the experience of every Government and municipality in Canada. In proof of this view, Sir John cited the case of Russia, which was analogous in many respects to the Northwest. The climates were not very dissimilar. Each had tracts of country called prairies here and in Russia steppes, and both would be vastly improved by internal communication. The want of this had been severely felt by that empire, which had suffered greatly in times of war. The standing armies of Europe tended to drive out the youth of that continent to America, where they could cultivate the arts of peace, and utilize the best periods of their lives; and thus a guarantee was afforded that the progress of that country would be rapid as soon as the road was opened up. He considered the tide of emigration was only temporarily checked, not turned, and that the North-West and British Columbia would fill up with population from Europe on the one hand, and from the dense population from China and the East on the other. With regard to the

expenditure to be incurred, he took the view that there was a vast difference in national debts as to whether they were incurred for reproductive rather than war-like purposes. It was gratifying to know that not a dollar of our debt has been incurred for war or armaments. This fact ought to stimulate us to greater exertions in the prosecution of this important work. Even if the debt was largely increased thereby, it would be distributed amongst a much larger population, which would be one of the results of the completion of the railway. The question at issue between British Columbia and the Dominion, if the respective governments could not agree, should be submitted to competent arbitration, and the award faithfully and promptly complied with. He regretted the rejection of the Esquimalt and Nanaimo Railway measure, but he thought the Government in offering \$750,000 to British Columbia for the delay which had been incurred had acted with great fairness.

Hon. Mr. CARRALL said that sum was offered for delays which might occur.

Hon. Mr. HAYTHORNE said he would not split hairs on the point; he thought the proposition of the Government a liberal one. They had no right to regard the railway as a British Columbian work; it was an Imperial work, and ought to be so regarded. Canada was as severe a loser from the delay as that province. He did not intend to defend the policy of the Government, but he hoped that in approaching this question hon. members would forget party. If it was desired to pass a vote of want of confidence it should be done in a direct way and not by means of such resolutions as this under discussion; it was unstatesmanlike to mix up a great national work with a vote of censure or want of confidence. In conclusion, he asked the House to deal with this question on its merits and not to consider it from a party stand-point.

Hon. Mr. PAQUET—While cheerfully admitting the ability brought to bear by hon. members who have spoken on this subject, I feel bound to explain to the House some of the reasons which make me regret the hostile attitude they have displayed toward the Administration, which, in my opinion, does not merit their censures. Doubtless hon. gentlemen from British Columbia have given here expression to the views entertained by the Legislative Assembly of that Province, which views are explained in the Address presented to Her Majesty, (in)



der date the 2nd of February last. In this document it is alleged that the Federal Government has completely violated its engagements, since it has commenced the railway neither on the Island nor on the mainland, nor constructed a highway or line of telegraph, all of which had been promised British Columbia on her joining the Confederation. As regards the line from Esquimalt to Nanaimo, the Government had last year obtained the approval of the House of Commons to a measure which, when it came up to the House, was assailed in a partizan spirit which I would not have expected, and despite the efforts of the Minister of Agriculture and those of the Secretary of State that measure was defeated. If there is cause for reproach, on whom must it fall? With respect to the railroad on the mainland, the Minister of Agriculture the other day informed the House without contradiction that the surveys were being carried on vigorously, and that so grave are the geographical difficulties that notwithstanding the surveys already made by the engineers, the only men competent in such cases, the Government has as yet been unable to arrive at the much desired solution. How, then, can the Government be blamed when the location of the line, which must of necessity precede construction, has not been settled? The same remarks are applicable to the highway, which also must precede the railway, and to the telegraph line, of which 500 miles have already been laid. The material for its construction is prepared along the route, especially in Columbia, and only awaits the fixing of the location. One of the paragraphs of the Address from the Legislative Assembly, to which I have alluded in my remarks, contains the following, respecting the promise to carry out energetically the surveys:—"There are no authorized data upon which to base a formal opinion." What is not contained there has been told us here. The Minister of Agriculture informs the House, on the part of the Administration, of which he is so distinguished a member, that the greatest diligence has been used, and that the most sincere desire is felt to carry out the terms of union. It is within the knowledge of hon. gentlemen from Columbia that enormous expense has already been incurred with this object. That they are conscious of this expenditure, their reticence on the subject amply testifies. I regret to hear the Government accused of breach of faith, of

violating the pledges of the country. What are the facts? Under the Act of Union with British Columbia, the Pacific Railway was to be constructed. It should run over a distance of some 2,700 miles starting from the Pacific Ocean, to such a point as should be designated by His Excellency in Council, at or near Lake Nipissing, within ten years. The present Government having declared that upwards of two years had elapsed without appreciable information being obtained as regarded the surveys already made, found itself utterly powerless to carry out the terms of union, and delegated Mr. Elgar as its *charge d'affaires* to propose to British Columbia a change, in view of the utter impossibility of completing the line within the time stipulated. In token of its good faith and wishes, it offered them to construct the line between Esquimalt and Nanaimo, a distance of 160 miles, and costing about \$8,000,000; and to execute other works of recognized utility, the cost of which would have trebled this sum, in order to show the sister province the almost insurmountable obstacles the country had to deal with. British Columbian discontent began to manifest itself, and resorted even to Lord Carnarvon, who, as arbitrator, approved the course adopted by the Dominion Government, while suggesting a few unimportant modifications. Since 1871 it has been recognized that this stupendous work would be undertaken solely on condition that no fresh burdens were to be imposed on the people, as would be seen by reference to the proceedings of the Lower House, which in the month of April of that year adopted a resolution proposed in this sense by Sir Geo. Cartier, and this too in presence of Mr. Trutch, one of the delegates, who since has occupied the highest social position in his province. While readily admitting that this express condition was not included in the terms of union, British Columbia ought to abandon her hitherto hostile attitude in view of the good will manifested subsequently in her regard by the voting and expenditure of upwards of a million dollars for surveys in connection with the railway on her coast alone. The better terms offered in 1874, over and above those of the agreement, amounting to some \$30,000,000, ought to place the Government beyond the reach of any unfriendly criticism. Another consideration which cannot altogether be left out of view is the increase of the tariff in 1874. Contrary to the decision of 1871, to which

I have alluded, this increase was necessitated by the enterprise in question. Hon. gentlemen from British Columbia cannot charge the Government with the failure of various companies who attempted to undertake this work. How should the failure to obtain money in England be laid at the doors of the present Administration? The change of policy thus necessitated rendered it impossible to have the road built by a company and obliged the Government to set about the construction themselves, while they retained the authority given by the Act to let the work to a company or companies competent to undertake the construction. The work should be proceeded with prudently. Without repudiating an engagement to which they were in honour bound, which the Government will never do, it will scrupulously watch over the interests of the Confederation, of which British Columbia forms only the four hundredth part in population. In view of the refusal of this honourable House last year to ratify the engagement to construct a line from Esquimalt to Nansimo, the Government endeavoured to satisfy the Province by the offer of a subsidy of \$750,000, to be applied exclusively to local objects. Hon. gentlemen will observe, having in view the population of the Province, that the amount mentioned represents a gift to the rest of the Dominion of \$300,000,000, if it were to be treated in the same manner. It is in face of this liberality, in face of the earnest desire to fulfil obligations on the one side, that discontent and hostility are manifested on the other. Such conduct is unreasonable. Fortunately we find in an Order in Council, dated the 13th of March last, this important paragraph, "that it is incumbent on Government to push on the construction of the Pacific Railway as fast as the resources of the country will permit." Everything will be done, I doubt not, to realize the accomplishment of this gigantic work, to whose importance I attach as much value as any other hon. member of this House. While I deplore the existing discontent, which no argument can justify, the Government is to be congratulated on having successfully withstood the storm, and on having nobly performed its duty. Consequently I propose, seconded by the Hon. Mr. Fabre, in amendment to the amendment of my hon. friend from Prince Edward Island, that the words, "the principal condition" in the third line of the motion of my hon. friend from Cariboo be struck out and the

words, "one of the conditions," be substituted therefor.

Hon. Mr. SCOTT said he could fully understand, and make due allowance for the disappointment of his hon. friends from British Columbia had sustained in the non-construction the Pacific Railway, in accordance with the terms they had formed in 1871. When they went back to that period, and remembered the speeches that were then made, and the bright pictures that were drawn of this inter-oceanic railway, they could not but apprehend the great disappointment that Province must inevitably feel at the non-construction of the work. It seemed when this subject came up for discussion then, that the difficulties of the route were never contemplated, and only roseate pictures were drawn of the vast extent of magnificent country lying between here and the Pacific coast. The only books that were written on it were those written by Sir George Simpson, and the only persons who had travelled through the West were those who had travelled by the canoe routes, and had viewed the beautiful valleys and streams from a distance. It was thought they had little more to do than to strike out a line due west to the Pacific, lay down our ties, and on them place the rails. But they found in 1873, at the end of two years within which the Government of Canada undertook to commence the construction of the road, that they had up that time failed to find a line from Nipissing to the Pacific. The first document that met their eyes in this blue book was a protest sent in July, 1873, from British Columbia to the Government of the Dominion, calling attention to the fact that the two years had expired within which the railway should have been commenced. That protest of the British Columbia Government received a formal acknowledgment from the Federal Government. In November, 1873, about the time the change of Government took place in Canada, another communication was sent from the Pacific slope, calling attention to the fact that their protest had not received the due consideration which it deserved, and again protesting against the gross breach of faith on the part of the Dominion of Canada. So the present Government found things when the change took place in the management of affairs at Ottawa. While all the gentlemen who formed the present Administration had, he believed, on many occasions, given utterance to no uncertain sound as to what they thought

of the proposition to construct a road through 2,700 miles of wilderness to the Pacific coast, within the time limited by the terms of union, and how utterly impracticable they considered it; yet, in view of their serious responsibility, they set themselves to work to ascertain by what means they could secure such a rearrangement of the terms as was reasonable. They did not deceive the people of British Columbia, and tell them they were going to build this road within a number of years; but they said to British Columbia, through their agent, Mr. Edgar, "You, with ourselves, must appreciate the great magnitude of this work, and you must be prepared to make such sacrifices as are necessary for the honour of the Dominion. The Government will proceed with the construction of the road as fast as the means of the country would allow." They all knew the proposals made by Mr. Edgar. One of those proposals was the construction of the Esquimalt and Nanaimo Railway. Here he would make some remarks on the speech of the hon. gentleman, (Mr. Dickey,) who, he regretted, was not in his place now, when he charged the Government with inconsistency with respect to the petitions, the Minutes in Council, and the submission to Lord Carnarvon for arbitration. All these matters were in the blue book, and one who studied them would come to the conclusion that the course of the Government was perfectly consistent from first to last. He would here draw attention to the very noticeable fact that it was probably for the first time discussed in this Chamber. The Government, as their predecessors did, proposed to make Esquimalt the terminus of the Pacific Railway. He mentioned this to show that when they passed the Pacific Railway Act of 1874, they ignored this Order in Council. By the Minute in Council passed on the 7th day of June, 1873, the Government of Sir John Macdonald committed themselves to fixing the terminus of the railway at Esquimalt. Coming to the legislation that followed, honourable gentlemen would see that the present Government entirely ignored any such conclusion. They assumed that that was wholly unwarranted; that the Dominion of Canada in its treaty with British Columbia was bound to build the railway only to the waters of the Pacific, and not to cross to Vancouver Island. In the Act of 1874 reference was made to it in these words:—"A railway to be

called the Canadian Pacific Railway, shall be made from some point near to and south of Lake Nipissing, to some point in British Columbia on the Pacific Ocean, both the said points to be determined and the course and line of the said railway to be approved of by the Governor in Council."

They entirely ignored the proposition that this country was bound to build a railway on Vancouver Island, when the proposition was made to British Columbia, that in view of the long delays that had elapsed, and the disappointments they had experienced, they thought it reasonable to make some concession here by way of building this line from Esquimalt to Nanaimo. With the meagre knowledge they then possessed of the country, it was assumed that it would be of some value to British Columbia; that it would run through a country susceptible of development, rich in minerals and coal, and as some consideration for the disappointment they had naturally experienced in the non-fulfilment of the terms by Canada as had been anticipated. In order to show hon. gentlemen how thoroughly that was borne out in the correspondence he would now advert to the Minute in Council passed in 1874, some months later. It would be found in the copy of the report of the Minute of 17th September, 1874; this was the time when negotiations were passing with the Imperial Government, the result of which was that Lord Carnarvon offered to act as arbitrator. This Minute showed that the Government considered it wholly and entirely as a concession to British Columbia, and as some compensation for their disappointment.

Hon. Mr. CARRALL—Will the Hon. Secretary of State undertake to say what the exact meaning of the Minute in Council was when they made that offer of \$750,000; was it for the relinquishment of the railway?

Hon. Mr. SCOTT—I will tell my hon. friend it was honestly intended as compensation for the defeat of the Esquimalt and Nanaimo Bill in this House.

Hon. Mr. CARRALL—And not for delays which might occur.

Hon. Mr. SCOTT said it was not. The Government would build the road just so soon as the circumstances of the country would warrant it. The hon. gentleman had only to look at the correspondence, and he would see that no other possible conclusion could be arrived at. In the

first place this "Esquimalt & Nanaimo Railway was offered as compensation for the delays in the construction of the Pacific Railway; that being taken away, and the Government feeling that they were in duty bound to make some compensation, then suggested this \$750,000.

Hon. Mr. CARRALL—We could not find it out at the time.

Hon. Mr. SCOTT—Our friends in British Columbia have always been so unfortunate as to draw the most unjust conclusions.

Hon. Mr. CARRALL—Unfortunately, the organ of the Government, the *Toronto Globe*, came to the same conclusion.

Hon. Mr. SCOTT said the *Toronto Globe* did not speak the sentiments of the Government, and the Government did not consult it in passing their Orders in Council. The despatch to Lord Carnarvon, of the 17th September, 1874, says: "It is proper to notice, *seriatim*, the several grounds of complaint as stated in the despatch:—

"1st That nothing is being done by the Dominion Government towards commencing and pushing on a railway from Esquimalt to Nanaimo."

The Dominion has no engagement to build such a railway, and therefore there can be no just complaint that it is not commenced. "The construction of such a railway was offered only as compensation for delay in fulfilling the engagement to build a railway to the "Pacific seaboard." He thought the hon. gentleman would be prepared to say there was no uncertain meaning in that; that it was all in harmony with the speeches and policy of the Government. If they wanted further proof of that it would be found that in the bill of last year, and in that there was no reference to its being part of the Pacific Railway. But the hon. gentleman who sat at the Council Board in the late Government (Mr. Aikins), who gave his sanction to the location of the western terminus at Esquimalt, was the same gentleman who proposed to give the six months hoist to this Bill last year, on the ground that it was simply a local road. On that occasion he had said, "By the provisions of the present Bill, not only was the Canada Pacific to be built, but in order to allay the discontent in British Columbia, in consequence of the Government not completing the bargain with it, they now proposed to build sixty miles of railway on that island, for themselves, forming no part of the Pacific Railway. He for one would not object to the Bill,

but it was not so understood." And the hon. gentleman who put this motion on the paper (Mr. Carrall) also spoke of it as a local work, and the hon. gentleman who spoke first this afternoon used very much the same terms. Under these circumstances he did not see how this Government were justified in putting this heavy expense on the Dominion for what his hon. friend (Mr. Carrall) had called "a local work." He thought it was perfectly clear and consistent from the beginning, and that this House and this country knew precisely what the policy of the Government was with respect to the Esquimalt Railway. Not a word or line was ever written by this Government that would justify the conclusion that it was to form part of the Pacific Railway. A point was attempted to be made out of the fact that this Government had gone on and anticipated—so to speak—the construction of this work. When they found that their predecessors in office had committed themselves to the construction of this road on the island and carry it as far as Esquimalt, when they found British Columbia was anxious for it, and that Lord Carnarvon had made it part of the terms, the Ministry were justified in coming to the conclusion that Parliament would ratify the solemn treaty entered into with British Columbia on the arbitration of the leading Minister of the Imperial Government. They thought, therefore, they were quite safe in making arrangements for the construction of the road, as no one would have believed it possible that those gentlemen who had formerly put their record on paper that this road was to be part of the Pacific Railway, and Esquimalt was to be the terminus, would have been first and foremost in voting down this Bill.

Hon. Mr. MACPHERSON—The Government sent the rails to British Columbia after the Bill was lost.

Hon. Mr. SCOTT said they were ordered before the Bill was lost, and it was the action of this House that prevented their being used.

Hon. Mr. CAMPBELL—It was your own supporters who threw out the Bill.

Hon. Mr. SCOTT said the hon. gentleman (Mr. Campbell) led him to the conclusion that his policy was "party first and British Columbia afterwards." When the proposition was read first on the floor of this House that \$750,000 should be given to British Columbia, that gentleman announced at the outset that

he prepared to vote it down, but still the hon. gentleman from British Columbia would cling to the Opposition from whom they never received one single assurance beyond the mere empty speeches that were made that this line would be carried out. He had pretty clearly established that the course of the Government with reference to the Esquimalt and Nanaimo Railway was tolerably consistent throughout. He did not desire in any way to reflect on the late Government for their apparent inactivity in allowing two years to go over before commencing the construction of this work, because, he believed, after these two years had passed they had just begun to appreciate the magnitude of the work. Before that fine speeches were made of what this country was to be when this railway would be constructed. One would suppose from reading the speeches made in those days that a fairy wand was to touch the country and at once the railway would spring into existence; the stern fact that a railway through 2,700 miles of wilderness had to be made, compassed and travelled, had not been studied. When the solemn compact was entered into with British Columbia there were not five men living who had ever gone over the line of what he hoped would one day form the Pacific Railway. Take the stretch of country south of Lake Nipissing and from thence north of Lakes Huron and Superior, by Lake Nipigon, and who had been over this unknown wilderness but the traders and trappers of the Hudson's Bay Company, who simply saw the country from their canoes as they passed along the streams. Then coming to Fort Edmonton the Rocky Mountains rose with a series of ranges until within thirty miles of the Pacific they found themselves 3,000 feet above the level of the sea. And yet hon. gentlemen would say this Government had not done their duty because they had not rushed blindly into the construction of this road. His hon. friend opposite (Mr. Macpherson), who was a man of large railway experience, thought the Government ought to satisfy the people of British Columbia. They should commence the construction of the road in that Province without delay, and expend some money, and because they had not done so he thought he was justified in his strictures on the Government. One would suppose from the observations of the hon. gentlemen that since the change of Government, and while this discussion

had been going on, the Ministry had been standing still; that when they took office they had folded their arms, locked up the public chests, entirely disregarded the construction of the railway, and indulged in paper bullets between themselves and British Columbia. Had they discontinued the surveys? No; and when he gave the figures of expenditures as they went along they would acquit the Government of any desire to shirk the performance of their duty or postpone the construction of this work. They found that up to the change of Government, although two years had elapsed, after considerably less than one million of dollars had been expended, no line had been located, and no particulars of the country had been given. Since that time surveys had gone steadily forward, and at the present moment the total amount expended for surveys alone was not less than \$2,236,987.

Hon. Mr. CARRALL—For the whole road?

Hon. Mr. SCOTT said yes; for the whole road. British Columbia was only one-fourth of the whole road, but the amount expended in that section exceeded one million of dollars.

Hon. Mr. CARRALL—You give the total expense for surveys since the inception of the Pacific Railway. Does that total embrace the money expended for surveys for the Pembina Branch and other branches?

Hon. Mr. SCOTT said it included the whole. He did not think any money had been expended on the Georgian Bay Branch; the whole amount paid to the contractor was only \$20,000; but in British Columbia they had eight different parties of 35 or 40 men each at work during the past year.

It being six o'clock, a proposition was made informally that the Speaker should leave the chair.

Other members proposed to adjourn.

Hon. Mr. BOTTSFORD moved the adjournment of the House, which was carried.

FRIDAY, March 31.

The PRESIDENT took the chair at 3 p. m.

After routine.

EXAMINATION OF WITNESSES UNDER OATH.

Hon. Mr. WILMOT presented to the House a Bill entitled: "An Act to provide for the examination of witnesses on

oath by Committees of the Senate and House of Commons, in certain cases." The Bill was read for the first time.

WINTER MAIL SERVICE, P. E. I.

Hon. Mr. HOWLAN moved that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House, copies of all correspondence, telegraph messages, tenders, reports, and contracts which may have been entered into or taken place with the Government for the past twelve months relative to the Winter Mail Service at Prince Edward Island. He said it was time the House should have some definite information as to what the Government intended to do in this matter. Not being a supporter of the Government he was not in their confidence, but as far as he could see they had as yet nothing but the same dilly dally policy that had characterized this affair from the first. Some four thousand dollars had been entirely wasted in an abortive attempt to establish this service, but nothing had been accomplished. No time should be lost in this matter if the Government had any real intention of carrying out the terms of Confederation. He could not understand why this matter was put off from time to time until another twelve months had passed away without any decided action being taken. The Government had been imposed upon by the boat that had been sent down there last year, as it was totally unfit for the work, and now the same person who had supplied it was petitioning for the right to build another boat for the purpose. He was sorry to be compelled to bring this matter so frequently before the notice of the House, but time was passing fast, and if the Government intended ever to establish the service there before next winter the contract would have to be given out immediately. He was very much of the opinion that the Government did not intend to carry out their agreement, and Prince Edward Island would have to take the course adopted by British Columbia and appeal to the Imperial Government. He might say in connection with this matter the mail communication in the summer season was also entirely unsatisfactory as it sometimes took seventy-two hours for the mail to reach the island from Halifax. Perhaps the reason this was tolerated was that the President of the company that performed the service was a supporter of the Government, and

held a seat in another Chamber. It was no doubt the same with the winter service if it was to be established at all; it would be held over as a sop for that gentleman also. Why should not tenders be called for this service the same as for ocean and inland mail service? Some persons were of opinion that this winter service could not be maintained, but he was not of that opinion. He believed that the service could be performed satisfactorily except for two or three weeks of the winter during very severe frosts if a proper boat were put on the route.

Hon. Mr. NORTHUP said, coming from Halifax where this question was of considerable importance, he wished to call the attention of the House to the fact, that the mail arrangements with Prince Edward Island last year were very bad; indeed, they were so bad that they had had the effect of diverting a large portion of the Prince Edward Island trade from Halifax to Canada. They all knew very well that once trade was diverted from any place, it was a hard matter to bring it back towards the old channel. They were suffering now in Halifax from this matter; the papers and the press had taken it up, and called the attention of the Government to it, but it seemed the Government had not paid proper attention to it. If they did not give it proper consideration the Government would find when the time arrived, unless they made a change, there would be, perhaps, a change that would affect themselves very seriously. They were sowing the wind, and if he was not mistaken, they would reap the whirlwind.

Hon. Mr. McFARLANE said it was beyond a doubt that the people of Prince Edward Island were entitled to the most energetic and active action on the part of this Government, to determine whether that service could be performed or not. The people were not only subjected to delays in their business at present, but to loss of life for want of a proper means of communication with the mainland during the winter months. A boat had been placed on the route, but it was well-known to every practical man that it was utterly insufficient. Though he was not at all sanguine that the service could be performed during the whole winter season, yet if it were proved that the winter navigation of the Lower St. Lawrence was feasible, it could also be accomplished between Prince Edward Island and the mainland. He did not at all wonder that the people of Prince Edward Island were pressing

this matter on the notice of the Government every year, and he considered the Government would be wanting in their duty to the country, if they did not do all in their power to establish this service at as early a date as possible.

Hon. Mr. LETELLIER DE ST. JUST said he had no objection to the address, although he wished it had been moved for a little earlier in the session. The Government had endeavored to carry out the agreement with Prince Edward Island with regard to this service. The first boat procured proved totally unfit, and after this failure the model of a gentleman living in Quebec was adopted. This arrangement, however, also fell through, and ultimately tenders were solicited from parties living in the Island. Two parties tendered, one at \$15,000 and the other at \$25,000. These firms were considered competent to fulfil the requirements of the service, and the contract was given to the lowest tender. But after a short time had elapsed, the Government were notified that it was impossible for the company to carry out its contract by next season.

Hon. Mr. HOWLAN—Did you advertise for tenders.

Hon. Mr. LETELLIER DE ST. JUST said there was no advertising. The companies were informed that the service was open to tenders, and the firm who received the contract was composed of men of ability. As stated they declared their inability from various circumstances to carry out their agreement in the time specified, and the Government were now trying to procure a boat for next winter. There was every prospect that by that time the service would be secured.

Hon. Mr. HOWLAN said any boat competent to make the winter passage would have to be in frame two years. She would require larger engines than any ocean steamer, which would have to be erected in the yard in which she was constructed, so that they might be properly fastened on board, while the boat was in frame. There was a screw loose somewhere, and he was anxious that the correspondence should come down, in order that they might ascertain where it was.

Hon. Mr. SCOTT said the deviation from the ordinary rule in reference to the contract was simply in the interest of the Island. The firms were well known and respectable, and conversant with the navigation of the Straits, and the Govern-

ment thought the contract would be safe in their hands.

Hon. Mr. HAYTHORNE said the negotiations for the fulfilment of the service were making good progress. He must say, however, the Government had been remiss in this matter, and that the Island ought to be in full enjoyment of this winter communication at the present time.

The motion was then carried.

#### THE CAMPBELL DIVORCE BILL.

The report of the Select Committee on the Campbell Relief Bill, was presented by Hon. Mr. Dickey, and, on motion, its consideration was fixed for Monday next.

#### THE PACIFIC RAILWAY.

On the resumption of the debate on Hon. Mr. Carrall's motion being called,

Hon. Mr. DICKEY proposed an amendment to the amendment proposed by Hon. Mr. Haythorne to the resolution moved by Hon. Mr. Carrall, to leave out all the words after the word "resolved" in the original resolution, and to add instead thereof, "that this House fully recognizes the obligation to secure the construction of the Canada Pacific Railway, with the utmost speed compatible with a due regard to the other financial requirements of the Dominion, and without unduly increasing the rate of taxation, and regrets that the course adopted by the Government, in connection with this matter, has not met the expectations of the people of British Columbia, nor has it been such as to facilitate the development of the Northwest."

Hon. Mr. SCOTT then rose to resume his speech of the previous evening. After stating his position at the adjournment of the House, he said his hon. friend opposite seemed to think that the \$750,000 offered to British Columbia was compensation for future delays. He did not think the spirit of the correspondence warranted any such conclusion. The spirit of the Order in Council was perfectly clear that the object of the Government was to compensate the Province for delays incidental to the construction of the road.

Hon. Mr. CARRALL—Was the money offered for the relinquishment of the Island Railway, or for delays which had or might occur in the construction of the transcontinental road?

Hon. Mr. SCOTT said—In the first place, the offer to build the island road

was in consideration of the delays in the construction of the main line. That offer was made over and above what the Government seemed bound to do. The \$750,000 was offered in lieu of the Island railway.

Hon. Mr. MILLER said he had understood the Order in Council differently, until the Hon. Secretary of State had given this explanation. But if the Esquimalt and Nanaimo Railway were offered for delays on the Mainland, and the \$750,000 were offered for the delays on the Island Railway, it must be as compensation for past and future delays.

Hon. Mr. SCOTT—Certainly.

Hon. Mr. MILLER asked what difference it made to have the word "future" in the despatch.

Hon. Mr. SCOTT said the objection was, that it conveyed an entirely false impression that the construction of the road was to be postponed until an indefinite period. Here were the words of the Minute of the 20th of September, 1875 :—

"The Bill which the Government introduced into the House of Commons to provide for building the railway, evoked a considerable degree of opposition in that House and in the country, and, although passed by the House of Commons, it was afterwards rejected in the Senate, and thus there is imposed upon the Government the duty of considering some other method of meeting all just expectations of the people of British Columbia, whose Government has not suggested to this Government any solution of the difficulty.

"It would seem reasonable that the people of British Columbia should construct this work themselves, or (if they think other local public works more advantageous) should, in lieu of this, themselves undertake such other local public works, and that the compensation to be given them by Canada for any delays which may take place in the construction of the Pacific Railway, should be in the form of a cash bonus to be applied towards the local railway, or such other local works as the Legislature of British Columbia may undertake, Canada also surrendering any claim to lands which may have been reserved in Vancouver Island for railway purposes.

"The sum of \$750,000 would appear to the Committee to be a liberal compensation, and the Committee advise that the Government of British Columbia be informed that this Government is prepared

to propose to Parliament at its next session, the legislation necessary to carry out the views contained in this Minute as to the construction of the Pacific Railway, and the compensation to be given to British Columbia for delays in such construction."

Hon. Mr. CAMPBELL—The words, "for any delays which may take place in the construction of the Pacific Railway" mean the future.

Hon. Mr. VIDAL—And yet the Hon. Secretary of State said a few minutes ago that the \$750,000 was not for delays in the construction of the main line.

Hon. Mr. SCOTT said it might suit hon. gentlemen to draw different conclusions from the Order in Council than the common acceptation of the English language would warrant, and if they did, he could not help it, but he thought it was scarcely fair to put any such construction on it as the language did not bear. The proof that such was not the construction intended by the Government was the fact that they were then actually increasing the expense of and forcing on the surveys, expending more money than at any time since the inception of the scheme. The survey of the Intercolonial Railway, which was only one sixth the length of the Pacific Railway, with large cities at either end and through a settled district, easy of access, occupied five years, three years by Major Robinson and two years by Mr. Sandford Fleming. When it took such a length of time to survey the Intercolonial, hon. gentlemen could draw their own deductions as to the length of time it would take to locate the Pacific Railway, which from Lake Nipissing to the other side of the Rocky Mountains had scarcely one hundred inhabitants along the line. There was no possible parallel in the length of time that it would take to locate it as compared with the Intercolonial.

Hon. Mr. HOWLAN—At the time the \$750,000 was offered to British Columbia, was there not a promise with it to construct the road in fourteen years?

Hon. Mr. SCOTT said the Government accepted the award of Lord Carnarvon, but this was no reference to Lord Carnarvon's award, but simply a substitution for it. It was not necessary to renew an offer that was then in existence; they (the Government) simply accepted it.

Hon. Mr. DICKEY called attention again to the paragraph in the minute in Council above referred to, "for any delays which may take place," etc., and



asked if that did not mean delays in the future.

Hon. Mr. SCOTT again denied such was the policy of the Government. He thought hon gentlemen ought not to be so captious and sceptical; the language was there, and he was sorry it did not suit his hon. friend to draw proper deductions from it. It was another illustration of the truth of the old saying, "Convince a man against his will, and he's of the same opinion still."

Hon. Mr. CORNWALL asked the hon. Secretary of State to explain the fact that when the minute in Council was published, and after the Government had abandoned the construction of the Esquimalt and Nanaimo Railway, during that time and subsequently they had surveyors at work on the line.

Hon. Mr. SCOTT said the hon. gentleman was aware that the Hon. Mr. Mackenzie went over to England early in the year, and in the winter when it was supposed that this road was to be built surveyors were sent across the continent to locate the line. When the Bill was thrown out it was not thought advisable to stop the survey as the work would be valuable if the people thought of building the railway themselves. Would not his hon. friend have been the first to condemn the Government and say it was adding insult to injury after sending out surveyors to locate the line, if they had been stopped by a telegram from Ottawa. Hon. gentlemen were disposed to find fault no matter what action the Government would take. If they had declined to expend the money they would meet with opposition, and if they expended it they met with opposition. He would explain some of the difficulties the Government had to contend against in the surveys in British Columbia. He believed the distance of the three routes that had been surveyed from Edmonton to the coast averaged somewhere in the neighbourhood of 800 miles. The computed distance by Yellow Head Pass and Fort George to Bute Inlet was 800 miles, but the route further north would shorten that distance. In the first thirty miles from the Pacific coast the rise was 3,000 feet. That was where the difficulty came in, as any hon gentleman experienced in railway matters would easily understand.

Hon. Mr. CORNWALL asked why the Government did not adopt the route that was easy from the Rocky Mountains to Victoria.

Hon. Mr. SCOTT said no doubt if the

hon. gentleman had been appointed Chief Engineer it would have been a great service to the Government, but unfortunately for the country, no doubt, these services had not been offered. However, they had obtained what was considered the best engineering talent in the country, a gentleman who had the respect and confidence of all parties, and they believed that gentleman was quite competent to be entrusted with this great work. The money which had been expended was under his directions, and he thought it was judiciously laid out. From the returns from that gentleman's office he found that the expenditures year by year on the east side of the Rocky Mountains were as follows in round numbers:—

To the 30th of June, 1872.....	\$194,000
" " " 1873.....	345,000
" " " 1874.....	199,000
" " " 1875.....	290,000

And for the half year ended 31st, 1875, \$246,000, nearly double what had been expended in any previous six months. The amounts expended on the west side of the Rocky Mountains during the same periods were, in

1872.....	\$295,000
1873.....	215,000
1874.....	111,000
1875.....	183,000

and to the 31st December of 1875, \$204,000. He thought this entirely bore out the statement he had made a few minutes ago that during the time these negotiations were going on with British Columbia the Government were pushing on the surveys more vigorously than ever. The total amount expended in surveys was \$2,286,987. It had been urged yesterday by an hon. gentleman that the Government were not building this road in accordance with the terms of the Act, which provided that it should be constructed by private companies. No doubt such was the intention of the Act, but the Government felt that if they postponed all the work on the road until the whole line was finally located, so that it could be offered to private companies, very serious delays would necessarily arise. The Government thought it better to proceed with the grading of the road at such points as the line had been finally located, and thus give to the country an earnest indication that they were proceeding with this work with all the despatch in their power. The sections between Fort William and Red

River were undertaken in order to open up communication with the Northwest as speedily as possible. They also put under contract the grading of the Pembina Branch and the line some seventy miles east from Selkirk with the idea that when the proper time came, they would be in a position to place the road on the market with the view of inviting capitalists to undertake the work, and this part being done as cheaply as it was possible to do it would be taken by the contractors as part of the main line. That was another proof that the Government were endeavouring to push on this work as rapidly as possible. In addition to this, tenders were invited for the construction of the telegraph line wherever the railway had been located. The contracts that were given out under tenders were rapidly pushed forward, and on the line from Fort William to Selkirk, 414 miles, the amount paid was \$49,000, and from Selkirk to Livingston, 266 miles, they had paid \$56,600. From Livingston to Battle River, he understood, the line was in operation.

Hon. Mr. MILLER asked what the hon. gentleman meant by the line being in operation.

Hon. Mr. SCOTT said the wires were strung.

Hon. Mr. MILLER—Then I am to understand from that that portion of the railway line is located.

Hon. Mr. SCOTT said it was the portions located he had given as from Fort William to Lac des Mille Lac. From there to Rat Portage the line had not yet been located. Several surveys had been made, but the country was intersected with water stretches, and it was found to be very difficult to establish a good line. From Cross Lake to Selkirk, the line was under contract. The whole distance from Fort William to Selkirk was 414 miles; it was assumed that it would not exceed that. From Selkirk west the next point was Livingston, 226 miles, where the line was located. From that point to Edmonton, a distance of 520 miles, the line was also located. From Edmonton to the Pacific, about 800 miles, was where the difficulty came in. Several lines had been surveyed—one by Yellow Head Pass. It was possible that that line might be selected, and if it were, the distance from Edmonton to the entrance of that Pass was 250 miles. From Yellow Head Pass, assuming that that part of the line would be adopted, it would be 250 miles to Fort George, where another serious difficulty arose. From there two

or three different lines had been surveyed. The lower line to Bute Inlet, on the Pacific Coast, was 300 miles. To Gardner Inlet was the other route, of which he was not prepared to give the distance.

Hon. Mr. CARRALL—Then I am to infer from what the hon. Secretary of State has stated that the Government have decided to abandon the Fraser River route from Yellow Head Pass?

Hon. Mr. SCOTT—I have stated that from Edmonton difficulties still existed, but from the information I have received, the route from there by the Yellow Head Pass would be selected, and beyond that it was impossible to say what particular route would be adopted.

Hon. Mr. CARRALL—The hon. gentleman has mentioned in his remarks respecting the distances three different routes, one of which would probably be selected, but in the three routes he had not named the Fraser River, and I therefore inferred that it had been abandoned.

Hon. Mr. SCOTT said he regretted he could not give the hon gentlemen the information, as the line was not yet settled upon beyond Yellow Head Pass, but there were eight different surveying parties in that country, with an average strength of from thirty to forty men, engaged in exploring for a line. The expense of the work already done throughout, down to December 31st, 1875, was as follows:—

Surveys .....	\$2,287,207
Construction.....	360,000
Telegraph account .....	170,000

\$2,817,207

To this amount add the amount for steel rails, \$2,000,000 more, which would make a total of \$4,817,207.

Hon. Mr. MILLER asked how the hon. gentleman included the two millions for rails.

Hon. Mr. SCOTT said because they were purchased for the Pacific Railway, and part for the Intercolonial Railway.

Hon. Mr. CARRALL said there had been only a fraction of the rails sent to Thunder Bay.

Hon. Mr. MACPHERSON—What portion of the work is the two million dollars charged to.

Hon. Mr. SCOTT said it was for the construction on the whole work. The Government felt the responsibility that had been thrown upon them, and they

proposed to carry out the work just as rapidly as the circumstances of the country would warrant them doing, and no faster. He did not think it was in the interest of the Dominion that it should be saddled with an enormous debt and be rendered at the same time incapable of finishing this work. Everybody must know that the project entered into by the late Government in 1871-72 to construct this road by a private company was simply impossible. It was quite evident that any company formed at that time must have broken down, as the scheme was utterly impracticable. The 800 miles in British Columbia could not be built for less than \$60,000 per mile. Was this House prepared to pass a resolution of censure upon the Government because they had not taken out of the coffers of the country \$5,000,000 more than they already done towards the construction of this work. He thought not. He did not think they would place themselves in a false position before the country; they were beyond the popular vote and above the ordinary influences that affected the lower Chamber. They had a higher and more important duty, and it was for them to say whether the Government had not acted fairly and honestly towards British Columbia. He appealed to hon. gentlemen to rise superior to political exigencies and influences. He was quite aware of the position which the Government held in this House, but he had faith in the good sense and sound judgment of hon. gentlemen, that they would not for a matter of mere party triumph let it go forth to the country that the Senate had censured the Government, because they had not expended more than five millions of dollars on the construction of the Pacific Railway, as that would be the only deduction that would be drawn from the motion of the hon. gentleman, if it were carried.

At the request of Hon. Mr. Scott, Hon. Mr. Dickey read his amendment.

Hon. Mr. SCOTT said the natural conclusion to be drawn from the resolution was, that they should not satisfy British Columbia at the expense of the other Provinces, but that the undivided energies of the Government should be devoted to building the road into the Northwest.

Hon. Mr. CARRALL remarked that the terms of union demanded that the road should be commenced at both ends.

Hon. Mr. SCOTT said the resolution accused them of failure of duty, in not developing the Northwest.

Hon. Mr. CARRALL—You have failed everywhere.

Hon. Mr. SCOTT said it was quite impossible to satisfy the hon. gentleman. He thought \$750,000 very fair compensation for 15,000 people, and that they could have made good use of the money. He believed that British Columbia would be the favoured portion of Canada before this century rolled over, but they could not anticipate that period, nor lose sight of their duty towards the rest of the Dominion.

Hon. Mr. GIRARD rose to express his concurrence in the amendment before the House. He regretted that the great scheme to put the Atlantic Ocean in communication with the Pacific had not been consummated. He did not blame the Government for expending too much or too little, but he blamed them for improper expenditure. The first scheme was for the construction of the road by private companies, with the aid of large subsidies of land and money. He approved of that scheme; and was of opinion that the water stretch policy of the present Administration would result in throwing money into the water. Some sections would profit by it; but the loss to the whole Dominion would be great. He was glad that the Hon. Secretary of State had declared it to be the intention of the present Government to build the road, but he would ask what had been done up to the present time, and if British Columbia had not some reason to feel uneasy at the present position of affairs? The Government had certainly not treated the Province with due consideration, and they had just grounds for complaint. From speeches made by members of the Government, a short time ago, they were led to suppose that the Government intended to kill the Pacific Railroad, but so strong was public opinion in its favour, that they wisely relinquished this policy. The rejection of the Esquimalt and Nanaimo Railway Act, in his opinion, was a very wise step. In this matter British Columbia was not the only Province to be satisfied; and that railway could not have conferred much benefit on the rest of the Dominion. He thought British Columbia was perfectly right in refusing that \$750,000, which he regarded as a bribe, or, at all events, a compromise, in order to keep the people quiet. The purpose of the Government was evident, it was to shut the mouth of British Columbia. He thought the objection raised by the people of Manitoba would

have a good result in this Pacific Railway question, but he was not in favour of the Government entering into extravagant expenditure at present. In constructing the road, care should be taken that no extra burdens were thrown upon the people. In reading the speech of the Premier at Sarnia, he was struck with the following passage.—“And I trust that when this road is finally completed it will be one that will conduce largely to the public interests of Canada, to the interests of the Empire, and to the transmission of a portion of the Asiatic trade across our own territory to take shipping again in our own waters to the old land. That this will be the case I have no doubt.” He fully concurred in this view. He advised the friends of British Columbia not to press the construction of the road at all hazards. He hoped their dissatisfaction was not deep rooted; he would be very sorry if the unwise policy of the Government was the cause of serious trouble.

Hon. Mr. CAMPBELL said the construction of the road was not looked upon as a party project at the time of its inception; it was advocated as strongly by one party as the other, and was looked upon by both as a great national work, not only as regarded Canada, but the whole Empire. The construction of the road was considered as an essential feature of the consolidation of Her Majesty's North American Provinces, of the building up of a large population on this continent, to be governed by monarchical institutions in contrast to the institutions that prevailed in the United States. Therefore, great importance was attached to the work, and no one had been or was now disposed to view it from a party light. He sympathised very much with his friends from British Columbia. They had been left in a state of uncertainty and perplexity, and were at a loss to know what to believe in regard to the work. The instructions given to Mr. Edgar were of a character to alarm the people of the Province. These instructions were the first step taken by the present Government in doing anything in the Pacific Railway matter, and they seemed to be framed with a view to intimidating the people of British Columbia, and to treat them as persons having a sinister design on the public purse. The following extract showed the spirit of Mr. Edgar's instructions:—

“You will remember that the Dominion is bound to reach the seaboard of the Pacific

only, not Victoria or Esquimalt, and you will convey an intimation to them that any further extension beyond the waters of Bute Inlet, or whatever other portion of the seawaters may be reached, may depend entirely on the spirit shown by themselves in assenting to a reasonable extension of time, or a modification of the terms originally agreed to.

“You will take special care not to admit in any way that we are bound to build the railway to Esquimalt, or to any other place on the Island, and while you do not at all threaten not to build there, to let them understand that this is wholly and purely a concession, and that its construction must be contingent on a reasonable course being pursued regarding the other parts of the scheme.”

This was the language of intimidation. What right had the Government, if, as they said before this paper was written, they repudiated all liability or agreement made by Parliament to construct the railway on the Island of Vancouver, to say: “If you behave yourselves we will build your Island railway?” Either that road was a part of the Pacific Railway, or it was not. The Government had taken the ground that it was not, and from their stand-point they had no right to hold out this promise to the people; they had no right whatever to instruct Mr. Edgar to make such an offer. Nor, on the other hand, had they the right to threaten that in the contingency of their dissenting from the terms to be proposed by Mr. Edgar the road on the Island should not be built. When the negotiations commenced in that spirit was it to be wondered at that the people of the Province became doubtful of the intentions of the Government? They ought to have been met frankly and reasonably, and every assurance given them that faith would be kept with the Province. If a course of honest fairness had been pursued he ventured to say they would have yielded to the interests of the country at large, and we would have not experienced the present trouble. But all through these negotiations there was an evident attempt to drive them into undefined new terms. The several Minutes of Council seemed to have been framed in the same spirit as Mr. Edgar's instructions, as would be seen from the following passage:

“The Committee must further observe that the tenor of the representations now under consideration would seem to indicate that the object of the Legislature of British Columbia is less to secure the completion of the work as a national undertaking in such a way and on such terms as may best conduce to the welfare of the whole community, than to enforce the immediate and continued expenditure within their own Province, at whatever cost to Canada, of many millions of money, for which they cannot pretend to have given an equivalent.”

It was a most unwise policy to taunt the people of a small Province in this manner; to accuse them in a State paper of entertaining a sinister desire, not for the construction of the road as a great national work in which all the Dominion was interested in, but to secure at any hazard to the country the expenditure of a large amount of money among themselves. He was persuaded that this was doing a great injustice to our fellow subjects in British Columbia, and certainly nothing could be further from the spirit which ought to characterize a State paper than to put forward such an accusation against a whole Province as had been done by the Government in this Minute of Council. It was perfectly clear that British Columbia had just right to complain of the course pursued towards them in the instructions sent over, the Minutes of Council, and the language used by the Government irrespective of the question of the construction of the road altogether. Whether sufficient or insufficient progress had been made in the construction of the road, they had a great right to come to this House and complain of the treatment they had received, of the language that had been used towards them, and the motives attributed to them. This debate had been adjourned three or four times at the instance of the Government until papers that had been asked for should be laid on the table, but when these papers came, and we had them on the table of the House, there was nothing in them that had not already appeared in the public newspapers days ago. There was no information in them that members did not already possess, except the expenses of the telegraph line. He was glad to hear that the road to Fort Edmonton had been located, but the progress made in the actual work of construction was represented by two very small sums indeed. He found no fault with the amount expended in the surveys; he presumed that the Government were guided by the Engineer in Chief, and no doubt the expenditures were thought necessary by that gentleman, who he believed to be a very high authority in such matters. There was no intention on the part of the members of this House to press the Government to go on with the construction of the road without the most thorough and complete surveys. The very best possible line should undoubtedly first be definitely ascertained. They understood from the Hon.

Secretary of State that the line had been located from Fort William to Shebandowan, from Cross Lake to Red River, from Red River to Fort Pelly, and from Fort Pelly to Fort Edmonton, a stretch of 801 miles ready for work, yet the amount, expended on the construction was only \$190,000.

Hon. Mr. SCOTT—\$360,000.

Hon. Mr. CAMPBELL, continuing—Well say \$360,000; but I was taking the figures in the return. That very evidence did not show that the efforts to push on this work were very energetic, and tended to increase the distrust of the British Columbians in the good faith of the Government and in the pledge of the Dominion, that the great railway should be pushed on as rapidly as the general circumstances of the Dominion would admit. There had been a considerable expenditure on the telegraph line; but was not the Secretary of State mistaken in saying that the telegraph line was completed from Fort Pelly to Fort Edmonton, because the distance was 520 miles and the sum paid was only \$56,000. The average cost of constructing the telegraph line would be \$500 a mile, and the whole expenditure up till now was only \$41,000, so that there could not be as much of the line constructed as the Hon. Secretary of State had stated, or the figures given in the returns on the table were incorrect or represented a part state of facts.

Hon. Mr. SCOTT—I said from Livingston to Edmonton the telegraph was finished; from Selkirk to Livingston, I mentioned that \$56,600 had been paid on account of progress, and the line from Livingston to Battle River was in operation.

Hon. Mr. CAMPBELL—From Fort William to Edmonton was some twelve hundred miles and the total amount expended on telegraph account was \$170,300, so that there must have been some mistake in the hon. gentleman's statement. The House was entitled to demand information, but they could not get it either from the papers before the House or from the Secretary of State.

Hon. Mr. SCOTT said the paper from which he had read was from Mr. Fleming's own hand. The telegraph had been erected from Livingston to Battle River a distance of 354 miles, and it was in operation some months ago.

Hon. Mr. CAMPBELL said then this did not correspond with the returns before the House. He was glad his hon. friend

from Amherst had changed the resolution so as to include the whole Pacific Railway as well as the portion in British Columbia within the scope of it. The Northwest had as much ground for complaint as that Province, and the delay in opening up the fertile country of that territory was one of the serious charges to be laid at the door of the Government. That portion of the country was one in which the Dominion was most deeply and immediately concerned. It was of the first importance that it should be opened up as speedily as possible so as to encourage the rapid settlement of the fertile belt, and he was glad to see that his hon. friend from Manitoba had taken part with his friends from British Columbia in complaining of the course which was being pursued by the Government with reference to the whole subject. The amendment gave expression to the views which were entertained by many members of the House who believe that British Columbia had not been fairly treated and had ground for the distrust which they felt in the intentions of the Government, and with them doubted whether vigorous efforts were being put forth to keep the pledge of the Dominion, to construct the great national highway to the Pacific, as rapidly as, in the words of the amendment, the financial necessities of the country would admit. He disclaimed being actuated by party spirit, on behalf of those with whom he had the honour to act and for himself. Their only desire was to see that good faith was kept with British Columbia, and that this great national work, which they considered vital to the life and increase of the Dominion, and to the perpetuation of British institutions on this Continent, should be proceeded with as rapidly as is consistent with the securing of the best practicable line, and with the financial requirements of the Dominion.

Hon. Mr. McCLELAN said, that in whatever way the amendments affected the question in its political or party aspects—he did not consider the final vote in this Chamber so important as a free expression of opinion by hon. members on the abstract question. The resolution of the hon. member from British Columbia referred to a matter of vast importance to the Canadian people, in all sections of the Dominion; and after adverting to his speech in 1871, when the resolution passed which led to the union of British Columbia, involving the construction of this railway within a specified period of

time, and considering the course of events since, he (Mr. McClelan), at least, could congratulate himself on having treated the question consistently, and, as he believed, in a way which was approved of by the country. British Columbia, it must be conceded, was admitted on better terms than any other Province of this Confederation—better as to the number of their representatives, and their financial gains, and apart altogether from the construction of this great work, which traverses the whole Continent. The hon. gentleman (Mr. Campbell) has spoken of the necessity of keeping good faith with the people, and of dealing frankly with the question; but, it must be conceded that, if the fulfilment of such a compact involves ruin and disaster to the Dominion, it would be “more honoured in the breach than in the performance.” The breach of good faith, however, and the want of frankness was more apparent at the outset than at any subsequent period. The impossible conditions of two and ten years for the starting and completion of the gigantic work, should never have been placed in the terms of union. And if they had not been so stated then, the hon. gentlemen who so ably represent that Western Section would not be complaining of the failure to spend sufficient money in their immediate locality; but they would treat the question as alone it ought to be treated, from a broad Canadian stand-point. In short, the people of that Province are as much interested in protecting the credit and limiting the taxation of Canada as are the people of the larger Provinces; for, if financial burthens of a depressing nature be brought upon the political system, the out-lying portions—the extremities—will be more readily affected than larger and more populous centres. He (Mr. McC.) was glad to notice that hon. members on all sides were now willing to look on this railway as a work of the future, without any regard to the mention of a limit of time, and that the section in the law, providing that no increased burthens shall be imposed on the people as a consequence, has been accepted and agreed on. This view, in fact, was expressed and thoroughly understood by the late Sir Geo. Cartier and his supporters in the Commons, when the compact was entered into, and this was concurred in by the delegate then present, since Lieutenant Governor of British Columbia. The question then arises, are the present Government proceeding with the work as rapidly as the financial condi-

tion of the country admits? He (Mr. McC.) was more disposed to censure the Government for proceeding too rapidly than too slowly, and when the Government, acceding to the wishes of Lord Carnarvon, undertook to provide for the construction of a railway from Esquimalt to Nanaimo, involving an expenditure of upwards of \$2,000,000 on Vancouver Island, work in no way a part of the Pacific Railway, they evidently undertook to do somewhat too much. This local work at present was entirely unnecessary, could only be made available from the main land by a further expenditure of an enormous sum of money, and while it might add to the value of the city of Victoria and its vicinity, it would not serve the interests of the more scattered portion of the people of the Province. The reference to Lord Carnarvon, by which the Government of this country became complicated with this undertaking, was unfortunate, and the thanks of the country are due to the Senate for refusing to sanction the Bill of last session, and he hoped the Minutes of Council by the late Administration, providing for this work and the making of Esquimalt the terminus of the Pacific Railway, would have no influence on future action. The problem was sufficiently complicated and difficult of solution without this additional burthen, which certainly could never have been considered a *sine qui non* in arranging the terms of union. He (Mr. McC.) entertained the opinion that in arranging for the admission of British Columbia the Imperial Government should have been urged to give substantial aid towards the Pacific Railway. It is well known that the location of the Intercolonial Road—not in the interests of the Provinces or where it will be of any great commercial importance—was in order to satisfy Imperial notions of a military or defensive nature, and for this comparatively trifling work, we received the guarantee of the British government; and it is not unreasonable to suppose that, to be relieved of the Government of Columbia—consolidate the whole of British America—and chiefly to secure a great trans-continental highway, invaluable in a strategical point of view, were results of such moment to Great Britain as to insure for their realization material aid. Such, however, was not secured, and Canada is now bound to proceed according as the circumstances of the country may admit. He (Mr. McC.) hoped that we would profit by the experience of the United

States—where such a work was only ventured on when the republic contained over thirty millions of people—with an annual influx of nearly half a million of immigrants, and with twenty or thirty large cities scattered along the line. Even this road—the Union Pacific—has failed to be profitable as an investment, and we all know how disastrously has resulted the attempt to construct the Northern Pacific, which, in some respects, has very much more to strengthen and sustain it than our Canadian Pacific can be expected to have for a long time to come, as a through line of communication. Recent improvements in the great channels of trade do not give much encouragement to hope for much overland traffic in eastern products; but while keeping constantly in view the ultimate completion of the work, its construction may, and should be, so utilized so as to facilitate the peopling of the extensive valleys of the Northwest—the Red River, the Saskatchewan, and others—so fertile as to be capable, according to Professor Hynde, who years ago carefully explored the country, to sustain forty millions of people. The policy now being pursued of constructing the Pembina and Fort Garry road, and thence easterly towards Lake Superior, was a correct one, and if the proposed outlay on the Georgian Bay section, of doubtful advantage, could be deferred, and applied to hasten the extension into more valuable regions, it would possibly be more advantageous. In proceeding with the Pacific Railway as fast as possible, commensurate with the resources of the country, it will be impossible to forget wholly the other works of equal utility, and which the Government are equally in honour bound to construct—and one of these is the Baie de Verte Canal. (Hear, hear, by Hon. Mr. Dickey.)

Hon. Mr. MACPHERSON—Was that one of the articles of confederation?

Hon. Mr. McCLELAN said it was so completely understood and agreed on by the delegates, that it was not deemed necessary to place it on paper.

Hon. Mr. MacPHERSON—That canal was only like any other public work of the Dominion.

Hon. Mr. McCLELAN—Not altogether. The Government were in honour bound to build it before even the purchase of the North-West was made. But like the Pacific Railway, it has suffered some delay, though not from the same cause. It cannot, however, be ignored wholly, if

the chief object of the Confederation—the promotion of a free exchange of Provincial products—be fully realized. Reverting to the Georgian Bay Branch and the abandonment of the contract by the mutual consent of Mr. Foster and the Government, he felicitated the Administration on the opportunity now afforded of delaying for some years the further prosecution of this work—and relieved also from all embarrassments as to the Vancouver Island expenditure, greater attention can be paid to the central sections, and the vigorous though careful explorations of the Rocky Mountains and the Pacific slope with a view of determining the very best route through that most difficult section of country, where no less than three lines have already been cursorily examined, and it may be found that still another and more feasible route may yet be secured. In determining the best and cheapest location for a railway of this extent, involving an ultimate expenditure of \$150,000,000, and entailing an annual outlay of \$8,000,000 in the running expenses, the utmost care should be exercised. The experience of the late Government should be a warning for the future, and the prophetic utterances in 1871 of the hon. gentleman now Minister of Agriculture, when he said that like the projectors of the Tower of Babel, the Government would be scattered, would continue to apply to successive Administrations, if the utmost prudence and care be not exercised. He (Mr. McClelan) entertained a favourable opinion of the climate and resources of British Columbia, and had recently listened with interest to the description of that Province by a gentleman connected with the Geological Survey, who accounted for the mildness of the climate by the action of the tidal currents on the coast. This gentleman's perfect acquaintance with all classes of the people there enabled him to say too that they were truly Canadian in feeling and sympathy, and excepting a very few interested grumblers there were no indications of disloyalty whatever, and he was surprised, in 1871 as well as on other occasions, to hear of secessionist tendencies in that Province.

Hon. Mr. CAMPBELL did not think any one had expressed that view.

Hon. Mr. McCLELAN said secession had been mentioned as a probability, and that like Alaska, Columbia might pass into the hands of our Republican neighbours; but he hoped there was no founda-

tion for that statement—in short, he felt that when such aspersions were made the people there suffered from misrepresentation. They surely would not have it understood that their loyalty was to be measured by pecuniary considerations, and if they did feelings of disloyalty would not be engendered when they had received from Canada an amount equal to \$100 for each inhabitant in excess of revenue furnished. In conclusion, he would say that he felt it his duty to support the Government in proceeding with this great work in the interests of the Canadian people and with a correct appreciation of the means and resources of the country.

Hon. Mr. VIDAL said he had listened with great regret to the unjust and unnecessary charge of partizanship preferred against so many members of this House by the Hon. Secretary of State. Nothing in the conduct of the members justified the assertion that they were actuated by improper or unworthy motives.

Hon. Mr. SCOTT—I made no charge.

Hon. Mr. VIDAL said he took down the words of the hon. gentleman at the time, and he said they were "putting party first and the country afterwards." He did not suppose that anything he would say would remove the hon. member's prejudices, and he would not have referred to this charge were it not that the hon. member from Victoria had also made a similar observation, although not in so offensive a manner. That gentleman, carried away by his anxiety to promote the interests of his own Province, and thinking they might be endangered by our action, had said we sacrificed British Columbia to party spirit in voting against the Esquimalt Railway. He repudiated that allegation, not only for himself but other members, for no one in giving the vote to which the hon. member referred, was influenced by the least desire to sacrifice British Columbia or to jeopardise her interests. They claimed on the contrary to be her best friends, and so voted, because they felt that if the Esquimalt & Nanaimo Railway was constructed it would unquestionably postpone the connecting of British Columbia with the Provinces of the east, and it certainly was not needed for local traffic. He was glad this subject had been introduced in this House, where its difficulties could be more satisfactorily dealt with than by appeal to England. He thought it was a mistake on the part of British Columbia to carry their grievance in the first place



to the foot of the throne. Coercion on the part of the Imperial Government would neither be attempted nor submitted to on a question of this kind; it should be left to the good sense and honourable feeling which would undoubtedly characterize the Parliament of Canada. The amendment which had been introduced by Senator Dickey, and which he intended to support, showed that they did not approve the strong language of the original motion, or wish this question to assume a party complexion. He had read the returns brought down very carefully, and he thought there was sufficient ground for British Columbia assuming the position she did. The Minute in Council said:—

“The proposed Railway from Esquimalt to Nanaimo does not form a portion of the Canadian Pacific Railway, as defined by the Act; it was intended to benefit local interests, and was proposed as compensation for the disappointment experienced by the unavoidable delay in constructing the railway across the continent.”

Now what was implied by the idea of compensation? Was it not an acknowledgement that some wrong had been done and it was to make reparation or atonement therefor.

Hon. Mr. SCOTT—The wrong was done by our predecessors.

Hon. Mr. VIDAL—Does the hon. gentleman mean to say that they agreed to construct the Esquimalt and Nanaimo Railway as compensation for the neglect of the trans-continental road?

Hon. Mr. SCOTT—If there was disappointment it arose from the policy of the late Government.

Hon. Mr. VIDAL said he was not talking about the Railway policy of either Government, but endeavouring to establish this particular point, that if no wrong had been done, there was no necessity for compensation. Further down the same Minute proceeded to say:—

“It would seem reasonable that the people of British Columbia should construct this work themselves, or (if they think other local public works more advantageous) should, in lieu of this, themselves undertake such other local public works, and that the compensation to be given them by Canada for any delays which may take place in the construction of the Pacific Railway, should be in the form of a cash bonus.”

When it was first charged that these terms applied to future delays, the Secretary of State denied that it was the real meaning of the Minute, and it was not until the matter was pressed closely that it was acknowledged to mean compensation for delay in the construction of the Pacific Railway. That document might

be laid before any English scholar and it would be almost impossible for him to attach any other meaning to the words than the interpretation placed upon them by the Province, which was that its acceptance of the proposal might defer the construction of the road for an indefinite period, and under such circumstances British Columbia was perfectly justified in refusing the bribe to concur in the delay. The charge made against British Columbia that she only desired the expenditure of money within her own borders was not fair; the people had a right to expect that the terms of union should be honestly carried out, as speedily as possible, and this expectation was justified by public opinion everywhere.

Mr. Dorion, at the general election in 1874, asserted that the policy of the Government with respect to the Pacific Railway would be very much the same as that of their predecessors. This was distinctly and clearly stated, and went over the country as an assurance that this great undertaking would be honestly adopted and energetically carried out. When the Premier broached the scheme of utilizing the water stretches in his speech at Sarnia, the impression made on the minds of his hearers was that he proposed to use the waters of the Lakes Huron and Superior, and also those lying between those lakes and the Rocky Mountains; but it was not then understood to be antagonistic to a future all-rail line. Under the subsequent development of that policy, such as the proposed construction of the Georgian Bay branch and the Thunder Bay Road, it was not to be wondered at that the people of British Columbia did not give the Government credit for any sincere intention of carrying out the work on the main line, especially where the obligations to do so were spoken of as “appalling,” and their fulfilment as an impossibility. That they were serious no one denied, but they did not cause the late Government to stand aghast, for they felt that the completion of the work was necessary to the very existence of the Dominion, and that its abandonment would speedily ruin our prospects. This question has been too much regarded as one affecting the Province of British Columbia and the disappointed people of that country alone; he regarded it as equally affecting the Dominion as a whole, for this road is a national necessity, and many thousands of our people were disappointed, as well as the people of British Columbia, that the

road was not pushed forward. Nobody had found fault with the expenditures which the Government had made in surveys; everybody approved of it; everybody knew and felt that it was a most important thing that the country should be thoroughly explored for the best route, and the money was well expended in seeking to ascertain the shortest and cheapest line to the Pacific coast. If the Government had assumed the proper attitude towards British Columbia, and announced their intention to commence construction as soon as the line could be located, no one could have found fault. If they had said "We are doing our best to construct this railway at the earliest possible moment, and you know the importance of getting the best route. Although we have so many engineers and surveying parties at work, we have not been able to find out a proper location yet, but as soon as we do the road will be commenced." Had the Government taken that position, showing that it was part of their policy to build the road, and that they were only delaying it until they found a good route, British Columbia would have recognized too fully the good feeling of the Dominion towards them to find fault with the Government for not doing what it was impossible to accomplish. But there were avowed intentions and attempts to expend millions of dollars on branch lines which should have been expended on the main line. Why not take the money proposed to be expended on the Esquimalt and Nanaimo Railway and expend it upon the road going east from the Pacific coast; that would have shown that the Government recognized the rights of British Columbia and were sincere in their endeavour to carry out the work. Again, there was an attempt to spend millions of dollars on the Georgian Bay Branch, which under no circumstances could form a part of the main line. More recently there was the proposal to construct a railway connecting Red River with Thunder Bay, Lake Superior. Of the western section of this line he cordially approved, as it would form part of the main line itself from Red River eastward to Rat Portage, and he was glad to learn it was under contract; but of the eastern section he could not approve, particularly that part now under contract from Lac des Mille Lacs to Prince Arthur's Landing, which was not and could not form a portion of the main line without diverging forty or fifty miles out of the proposed route

of the Pacific Railway. There was no good reason for taking that route to go to Red River. As a matter of fact the main Pacific line must pass between Lake Nepigon and Lake Superior, and from thence westward to Rat Portage and on to Red River. That was the line of the Pacific Railway, as defined in the Engineer's report; but what reason there was to start from Thunder Bay westward, and thus necessitate the construction of sixty-four miles additional railway, he could not imagine. Nepigon Bay was as good a harbour as Thunder Bay, and vessels could, with a suggested improvement of the Nepigon River, come up to the main line of the Pacific Railway. It was claimed that Thunder Bay was opened eight days earlier in the spring than Nepigon Bay, but would it be wise to incur the additional expense of the construction and perpetual maintenance of sixty four miles of railway for the sake of eight days of navigation. But they did not secure this small advantage by going to Thunder Bay, as the road is to commence ten miles from Prince Arthur's Landing on the Kaministiquia River, and the ice did not clear from that river any earlier than from Nepigon Bay. He mentioned these facts to show that there were grounds for the belief which prevailed in the minds of many, that it was not the intention of the Government to go on with the early construction of the through rail line. Had the Government assumed a different attitude towards this work; had they energetically taken up the scheme of the railway as left by their predecessors—not bound, of course, to adopt all its details—difficulties which they feel to be so overwhelming would not have presented themselves. A transcontinental railway was not a new and questionable experiment, success in such an enterprise having already been achieved in the United States; but an attempt was made to show that it could not be a commercial success, and that it would not attract any amount of trade from China and the East. It had been stated in this House that the trade on the Union Pacific from the East Indies, China, and Japan, was insignificant; but he held in his hand a statement taken from a newspaper, and not authoritative, but which claimed to have been compiled from official blue books, showing that the trade between these countries and Europe amounted to over seven hundred millions of dollars in value. The Canadian Pacific Railway would shorten the route by one

thousand miles, and the cooler climate of the country through which it ran made it more desirable for the transport of many articles of this eastern trade than the warmer climate on the Union Pacific. He believed if the Pacific Railway were constructed it would prove to be a commercial as well as a national success. If the Government had gone into the English market full of confidence in the desirableness and ultimate success of the great work, and impressed upon the minds of the English people the importance of this road to the empire, both from a military and commercial point of view, they would have enlisted the sympathy and aid of the British Government in the enterprise; it would have been approved and recommended by them, and they would have had no difficulty with the millions of capital in Great Britain always seeking investment in getting plenty of money to build the road. Canada unaided could not be expected to build this road out of her own resources, and the plan of the late Government was to have English capital invested in it as the only way in which the railway could be built within a reasonable time. British Columbia had a perfect right to bring her complaints to the Parliament of Canada, and he believed there was a majority of both Houses who, believing their claims to be good, would do all that lay in their power to secure redress. He was sure the House would generously grant their rights and endeavour to stay the expenditure of money on unnecessary works which should go towards the construction of the great through line which was promised when British Columbia entered Confederation.

Hon. Mr. REESOR said as to the obligation of Canada to build the Pacific Railway as soon as they could without greatly increasing the taxation of the country, he thought there were scarcely two opinions at the present day. The obligation had been entered into, and he had no doubt it would be faithfully fulfilled no matter what Government was in power. But it appeared to him that the resolution was really asking more. The effect of that resolution, if it were adopted, would be to urge upon the Government to unduly prosecute this work and involve the country in a larger amount of expense, and have the line made so hastily without due regard to the adoption of the best route, that this House should pause before adopting a motion that would commit the Government and the country to

such a position. The first part read as follows :—

“That this House fully recognizes the obligation to secure the construction of the Canadian Pacific Railway with the utmost speed compatible with a due regard to the other financial requirements of the Dominion, and without unduly increasing the rate of taxation.”

So far he would support the resolution, but when it goes on to say :—

“And regrets that the course adopted by the Government in connection with this matter has not met the expectations of the people of British Columbia nor has been such as to facilitate the development of the Nor-West,”

It struck him as being calculated to press upon the Government with too much haste, and in carrying it out with too much haste there might be less speed. He believed last year when the vote had been taken that killed the Esquimalt and Nanaimo Bill it relieved the Government from a very heavy responsibility, and left them in a very much better position before the country. Perhaps that was not the intention of the members who voted against the Bill, but no doubt it had that effect. He did not happen to be in the House at the time, but if he had been he would have added one more to the majority against the Bill. He thought in large questions of State this House should rise above mere party feeling and party obligations, in order to do what they believed was for the greatest benefit of the country. He feared if this resolution was carried it would not be in the interests of the Dominion, and he believed it expressed more than the country were willing to sustain. He considered that the Government were doing all the country desired them to do with regard to the construction of this road—more than they could afford to do in the pressed circumstances of the Dominion. One hon. gentleman suggested that the work could be commenced at both ends, but the western end of the line had not yet been determined. Surely it was not desirable under these circumstances that the country be involved in the expenditure of millions and millions of dollars that might utterly ruin the credit of Canada without knowing whether the road were really practicable. He thought it would be only folly on the part of any Government, no matter what their obligations might be, to proceed so hastily. If Parliament pledged itself to the construction of this road in ten years, it was only on the understanding that it could be done in that time without unduly pressing upon the resources of the coun-

try. During the time the Bill was before Parliament there was a representative here from British Columbia, the Lieut.-Gov. of that Province—duly delegated by that Province, and he urged upon the members of this House—he spoke from personal knowledge of the facts—by all means to pass the Bill, to never mind the ten years' limit, it was not obligatory, as it was only intended to express some definite time, to which they were not bound. Inasmuch as a company or firm are bound by the act of their agent, so he considered the Government of a country were also bound by the acts of their agent. He never felt that Canada was bound to go further than the conditions embodied in the resolutions passed at that time by the House of Commons, and by the interpretation of the Act as given by Lieutenant-Governor Trutch. Any one having the slightest conception of the difficulties of the route must have known from the very inception of the scheme that there would be no possibility of locating that road in less than five years.

Hon. Mr. CARRALL said Mr. Trutch simply came over here to turn up some of the archives of the country, and he had no authority to give the assurance he did by the Government of British Columbia.

Hon. Mr. REESOR said he took it that when the accredited agent of a country appeared in another, his utterances, made in an official capacity, were binding on the country which he represented. He did not think, from the statements of the representatives of British Columbia themselves, that they desired the Government of Canada to be placed in such a position as to damage their credit at home and abroad; they did not desire that the expenditure on this railway should be more rapid than the country could reasonably afford. Taking that view of the case he thought they had no reason to complain of the expenditures of the Government up to the present time. He did not rely solely upon the statements of the Government alone, because they could not have had actual practical observation of the work that had been going on that the engineers had, and it was no secret that the Chief Engineer had stated unhesitatingly that the work was being carried on with the utmost care and vigilance, and as rapidly as it was possible to do it without incurring a great deal of useless and unnecessary expenditure. It would not be a very great while until the road was located in British Columbia, but until that line would be located in the best

possible place the contract should not be let. Coming farther this way, between Thunder Bay and Red River a great deal had been said about the water stretches. They had several water stretches that were very valuable, and it was only natural when the Premier was first installed an officer that he should look round to see whether some of the appalling expenses and responsibility could not be saved or averted for a little time by utilizing the water stretches and connecting them with railway sections which would afterwards form portions of the main line. It was contended that the section from Thunder Bay should not have been constructed; that it should have been started from Nepigon Bay. It was well known that the neighbourhood of Nepigon Bay both east and west was an exceedingly rocky country, with immense engineering difficulties that could not be overcome without enormous expenditure of money; it was even yet doubtful whether a route would be secured between Lake Nepigon and Lake Superior that the Government would be warranted in adopting, so that it might yet be possible that they would have to go north of Lake Nepigon. The section from Thunder Bay to Red River was the most important point at present; beyond that to the Rocky Mountains there would be very little difficulty; miles of track could be laid in a single day. He considered that to undertake to build the road at present from Lake Nipissing east over seven hundred miles of barren country utterly unsettled was unnecessary, and it would entail an enormous expenditure of money. He thought if the Government should abandon the Georgian Bay Branch altogether and take time to build that portion north of Lakes Huron and Superior; if they would so far modify their plans they would receive the thanks of the country. The Georgian Bay Branch ought to be delayed at all events until it was determined that the portion of the railway south of Lake Nepigon could be constructed, a fact which he very much doubted at present. He looked forward to the time, though it might not be in his day, when the through line would be in operation from the Atlantic to the Pacific, but in the meantime he thought they should be content with a road from Thunder Bay that would open up communication to the Northwest, and thus bring into reach for settlement the vast and fertile plains of the Red River and Saskatchewan. That work was now being

performed as rapidly as possible, so that in a very few years we would have a continuous line of railway from Thunder Bay to the Rocky Mountains. So much of the work having been completed, we could gradually go on until the continent is spanned from ocean to ocean, bringing with it increased prosperity, and not ruin, upon our fair Dominion.

Hon. Mr. WARK said he had hoped that this resolution, like the two that had preceded it, would have been withdrawn, as a majority of the House would not be found to sustain it. To the first part of the resolution there could be no objection, but where it proceeded to censure the Government, he considered it was unwarranted. He had listened to the discussions on the Georgian Bay Branch question without any remark, as he looked upon it as properly a question between Ontario and Quebec. The hon. member from Montreal threw some light on the subject, when he said the late Sir George Cartier had given a pledge to his Quebec supporters that it was part of the policy of the late Government, and he had no doubt it would have been constructed had they remained in power.

Hon. Mr. AIKINS said it was no portion of the policy of the late Government to build the Georgian Bay Branch.

Hon. Mr. WARK said the policy of the late Government was shaped by two men, and the other members of the Cabinet were left to look after the departments, therefore he did not take the hon. gentleman's statement as being authoritative.

Hon. Mr. MILLER asked if the policy of the present Government was not shaped by two of its members?

Hon. Mr. WARK said he was not referring to the present Government.

Hon. Mr. AIKENS said he considered his word just as good as that of the hon. gentleman.

Hon. Mr. WARK said he had not the slightest objection to the hon. gentleman thinking that he had shaped the policy of the Government himself if he thought fit. Sir George Cartier intended to take care of the interests of Quebec, and it was the intention to make a connection between the railway system of that Province and the Georgian Bay, so that traffic from the west could come by this more direct route to Montreal instead of going by the lakes and the St. Lawrence. He was not prepared to say whether the road was necessary or not, but he looked upon it as a question entirely between the two Provinces. Some censure was applied to the

Government in a former debate, because of the construction of the Pembina Branch, but his impression was that this work was necessary at the time it was undertaken in order to encourage the Northern Pacific Railway Company to extend their line to the frontier, otherwise they could not be expected to do so, and turn out their passengers and freight on the open prairie. With respect to the part of the resolution which said the course of the Government had not been such as to develop the resources of the Northwest, he did not see what other course they could adopt than the one they had taken. They were building the Pembina Branch according to the policy of the late Government, and they were building that portion of the Dawson route on which they had formerly to depend on staging. Where was the delay? The Government were building the sections that would be first required. He believed a great mistake had been made by the Government in their policy towards British Columbia; they would have been quite justified in saying to that Province, "a contract has been entered into with you that is impossible to be carried out, therefore you must be content to wait and allow us to examine the face of the country carefully, whatever time it may take, and then we will commence the construction of the road, but not until then." The experience which the country had in the construction of the Intercolonial Railway was a sufficient warning not to proceed with such work without the most accurate surveys. British Columbia had not been neglected by any means; they had nine different lines of telegraph of an aggregate length of 632 miles which received a subsidy of \$43,000 per annum from this Government. He did not know whether that was part of the compact with British Columbia, but it was an indication that the Government had not neglected their interest, and he thought, therefore, it would be the feeling of this House not to support this resolution.

Hon. Mr. SKEAD said, as seconder of the amendment of the member from Prince Edward Island, he thought it his duty to say a few words at this stage. In the first place it was necessary that he should put himself right in this House. It was well known that when this Island railway was before this House last session he had voted for it, and he believed in doing so he had acted in the interests of the country, and in accordance with the

compact entered into with British Columbia at the time of Confederation. He had voted consistently for the present Government scheme of railways and water-stretches, and he would now be consistent on this occasion. As far as the first part of the resolution was concerned it would meet with his approval, as his sympathies were with the people of British Columbia, but he could not go so far as to censure the Government of the day for the large expenditures that were being made on the Welland and Lachine canals, which was the effect of the latter part of the motion. He would do what he considered was right in this matter, independent of party, and when any question came up as between country and party he would take the side of country. He would go as far as any hon. gentleman on the floor of this House in sticking by his party, but when he came on the floor of this House as far as his humble abilities guided him he was determined to avoid party feeling. If a vote could be carried in this House in condemnation of the general policy of the Government that would be effective, it would have his support, but the way it was picked up piece meal to get up a cry against the Government, he could not join it although he had been twitted because he did not. He was something of a mechanic, and he knew that the first thing to do in building a railway was to get the plans and profiles, then when the contract was given out the contractors would know what to do. Although they had surveyors at work in British Columbia, it would take several months of careful calculation to place the result of their explorations on paper in order to prepare for the giving out of contracts. The country was pledged to the construction of the road and although he did not think it would be built in ten or twelve years, it would be as soon as the resources of the country would permit. An hon. gentleman gave it as his opinion that the railway should go north of Lake Nipissing. He agreed with him, that was where the late Government intended to start it. He thought it would be also wise if the present Government would take advice in time, and improve the navigation of French River by constructing two or three locks and in that way get into Lake Nipissing; then they could start their road from the south east corner of the lake and find a direct route to Pembroke. No doubt British Columbia did right in refusing the \$750,000 that was offered to them in compensation. If he had lived

there he would have done the same thing, much as he would like to assist the Government in what he believed to be right. Gentlemen upon the other side of the House had seldom or never been known to vote against the Government except upon that particular occasion, and indeed he had very grave doubts about the sincerity of the members of the Ministry themselves in that respect. He was informed there were valuable coal mines on Vancouver Island, and if Victoria was to be the great coal depot of the Pacific coast nothing was more wanted than the railway. He had himself always voted consistently upon this question, but he repeated his belief that the Government had taken some of their supporters to a quiet place and given them a hint to vote the Esquimalt and Nanaimo Branch down. The true course to take upon this occasion was to negative the resolution and the amendment to the amendment, and support the amendment of his hon. friend from Prince Edward Island. He, at least, was going to adopt that course.

Hon. Mr. PENNY said he would not have risen upon this occasion except for several observations that had been made respecting himself. For his own part, he had never believed very much in the grand hopes some people entertained with respect to the Pacific Railway. His own impression had been, as was well expressed by hon. gentlemen upon both sides of the House, that the proper way to get the road built, was to obtain the assistance of the British Government. He was neither a prophet nor the son of a prophet, but he would be very much mistaken if the railway were ever constructed until that assistance had been obtained, and obtained in a way very different from that in which the bribe was thrown to us, with respect to the Washington Treaty. It had always been his opinion that it would be a long time before we got to Paradise—that Paradise which had been spoken of in such glowing terms by many hon. gentlemen—if we had to wait to get to it by the Pacific Railway. Nothing except the flush times we experienced when that project was conceived could have enabled the Government to carry it through Parliament. The Imperial authorities had given \$4,000,000 sterling for the purchase of an interest in the Suez Canal, and he saw no reason, if Imperial interests were to be considered, why they should not also come to our assistance with regard to the particular work in question. There was

no mistake about it when we undertook to unite with British Columbia, we also undertook to build this road. But apart from the details of the conditions on which that union was consummated, there was this general prevailing principle of international law which ought not to be forgotten—a law that existed between all countries—that no treaty is binding except so far as it is possible to carry out its terms. It had been arranged that the railway should be begun within a certain time, and finished within a certain time, but there was this contingency attached to the whole transaction—that the taxation of the country should not be increased in consequence. He had heard a great deal about the ambiguity of the actions of the present Government, but he could conceive no conundrum more excruciating than that which was presented by these terms accompanied by such a proviso. The question to be considered was, had the Government really endeavoured to carry out the spirit of the terms He believed, as did the hon. gentleman from Belleville, that the Government had done everything within their power in this regard. He had seen photographs representing forty miles of the country through which it was proposed the road should pass, and he was bound to say it presented some of the most extraordinary features imaginable. Throughout the whole distance there was hardly a place where a log cabin could be placed, and where the surveyors had to project the line they were compelled to erect a staging along the edge of the rock to enable them to make their surveys. He had come to the conclusion that, all things considered, the Government had done everything that could be done. However this might be, the Columbian Government appeared to have been dissatisfied with the very reasonable proposition made to them by the Dominion Government, through Mr. Edgar. They rushed to Downing street, and the Home authorities made a certain arrangement, which in reality was a new start. This House, in its wisdom, when that arrangement was submitted to them, threw it out, and he took his own share of the responsibility of this action. There were some gentlemen in the House, however, whose conduct on that occasion he conceived to be scarcely consistent with their past record, but no doubt it was perfectly consistent with their consciences. These gentlemen had declared, through an Order in Council of the Government of

which they were members, that the road from Nanaimo to Esquimalt should be part of the main line, yet when a proposition was laid before this House to construct that road they voted against it. An hon. gentleman had spoken in a somewhat mysterious manner about the probability of Government influence being used with their supporters to vote down the proposition. So far as he was concerned, if any influence was used or endeavoured to be used upon him upon that occasion it was in order to induce him to vote in the very opposite way in which he did. A gentleman who professed to be, and he believed was, acting in behalf of the Government, urged him to vote for the Bill. He was opposed to it, as were several other gentlemen, and although the pressure to which he had referred was brought to bear—and finally had the effect of making some of those gentlemen vote with the Government—it had no effect upon him. He had exercised, independently, his disposition to serve the country without respect to party. He would be candid enough to say that the action of several hon. gentlemen in this House had done something to strengthen his determination. He referred to the occasion upon which he saw certain hon. gentlemen from British Columbia standing up and voting against the Georgian Bay Branch. When he saw them join upon that occasion with a certain party, it occurred that they had got their idols, and it would be better to leave them alone. It had been contended by some hon. gentlemen that the Government should have re-introduced this Bill. He was not such a stickler for the rights and privileges of the Senate as some hon. gentlemen were, but to take the course which had been suggested, he could scarcely conceive to be respectful to this House. It would simply be an attempt to force the House to retract the vote it had given last year. Suppose the Bill had been re-introduced, he would not have voted for it any more than he did last year, and gentlemen on the other side would also be unlikely to do it. He admitted that British Columbia being a small Province was entitled to every consideration from hon. gentlemen representing the larger Provinces, but he was also bound to say that British Columbia was represented in both Houses of Parliament very greatly out of proportion to its population. It seemed to him, in consequence, that the representatives of that Province should exercise some little modesty when they deemed it

necessary to bring matters up for the consideration of Parliament. With respect to the correspondence between the authorities of the Dominion and British Columbia, he might say that he was not generally disposed to be hypercritical about the language used on the other side, but he could not help remarking that the latter displayed a wonderful want of resources. It was surely an easy thing, if they considered Mr. Edgar had not the proper credentials, to have communicated with Ottawa and ascertained the facts. He might say the same with regard to the Order in Council which had been the cause of so much agitation and was so thoroughly misrepresented in British Columbia. The interpretation there put upon it had never been contemplated by his hon. friends on the Treasury Benches, but the British Columbia members never took the trouble to ask what it really was. He believed that the Bill last year was thrown out upon a party vote, and his belief was that his hon. friends from British Columbia were very anxious that their *confreres* from Ontario should have all the credit of pursuing a policy antagonistic to that Bill, while through the aid of the Ministerial party they should have the advantage of the railway. He had come to the conclusion that if he could help it this should not be the case. The hon. gentleman concluded by stating that a great many engineering faults had been attributed to the Government, but his own impression was that every Administration was bound to take the advice of their chief engineer upon matters of this kind.

Hon. Mr. MACPHERSON said he would not have addressed the House again but for an allusion which had been made to a remark of his by the hon. the Secretary of State—that had a Bill come before this House asking \$750,000 as a sop to British Columbia, he would have voted against it, just as he had voted against the Esquimalt and Nanaimo Railway, and for the same reasons. He would, indeed, vote against everything he believed was intended to postpone the construction of our great Inter-Oceanic Railway, which, he had no hesitation in saying, both these propositions had for their object. Now, the arrangement proposed to British Columbia, as set forth in the Order in Council, clearly showed that the offer was meant to be a compensation for the postponement to an indefinite period of the construction of the main line of the Pacific Railway, and he defied any one

who would read the papers to prove the contrary. With respect to the arrangement proposed by Lord Carnarvon, he held that the Colonial Secretary made a proposition which, with his means of information, he was justified in thinking would be acceptable to the people and Parliament of this country. It was merely so much nonsense to speak of Downing Street dictation in this relation, as an hon. gentleman had done, or to say that the amended terms were made by the Home authorities. No such thing. The terms were proposed by the Government of Canada to British Columbia, through Mr. Edgar, and the Colonial Secretary, surely, was justified in believing that no Cabinet would make a suggestion on the subject which they did not know to be acceptable to the people of Canada and their representatives. But this Government had no reason to suppose that Parliament would consent to the postponement of the Pacific Railway, there was no such desire or intention prevailing in the country, and under the circumstances they did what was quite unjustifiable when they led the Home authorities to believe that any arrangement which would have that effect would be assented to here. It was futile for hon. gentlemen on the Treasury Benches to shield themselves behind the excuse that this arrangement emanated from Downing Street, and had therefore to be assented to. As he had already said, Downing Street simply aided the Canadian Government in accomplishing an arrangement which the latter had represented would be acceptable to the people of Canada. The vote of the Senate last session rejecting the Esquimalt and Nanaimo Railway Bill was a just and patriotic vote, and had the approval of the country, for the all-powerful reason that the people would not consent to postponing indefinitely the construction of the Pacific Railway. If the Government had frankly informed Parliament that they had been engaged earnestly in surveying the country, that notwithstanding so much money had been spent for that purpose yet no satisfactory route had been found, he would have been ready to say that they did what was quite right. He was prepared to support them in making a thorough survey of the country before the work was proceeded with, but such was not the explanation they submitted. They came down last year with a scheme for the construction of a railway from Esquimalt to Nanaimo, which



was neither more nor less than a consideration offered to British Columbia for the abandonment of the main Pacific Railway, and this year, with the same end in view, they made offer to the authorities of that Province of a grant of \$750,000. If, instead of having been promptly and emphatically refused by British Columbia, as that offer was, it had been submitted to the consideration of this House, he had not the slightest doubt it also would be thrown out. He (Mr. Macpherson) was influenced in the course he was pursuing by no party considerations in the sense in which partizanship was generally understood. He denied that such existed to any extent in this House. There were no great political issues before the country just now. The question which really concerned the country was one of administration, the capacity or incapacity of the present Government to administer the public affairs of Canada. Upon that subject he had a very decided opinion, for he thought it had been amply demonstrated by their negotiations with British Columbia, and their disturbing but weak administration generally, that they were not the men to lead this country to the development of her great resources which we had the right to look forward to in the near future. They had been spending large sums of money uselessly, not only in this country, but also in Europe; these latter were nominally to promote emigration, while their whole policy had the effect of discouraging it. There was no room to doubt that this continual wrangling and disputation with British Columbia had had the very worst effect upon the tide of immigration, tending as it did to create distrust and weaken confidence in the good faith of the country. These things were well known on the other side of the Atlantic, and very widely discussed.

Hon. Mr. LETELLIER DE ST. JUST—By the emigrants?

Hon. Mr. MACPHERSON said—Yes, by the emigrants, who were not so ignorant as the hon. gentleman seemed to think. He thought this sneer came with bad grace from the Minister of Agriculture, the head of the Immigration Department. These people believed that Canada, or at least the Government of Canada for the time being, had abandoned the Pacific railway, and thus made impossible the large demand for the labour of emigrants which would otherwise have existed. He was convinced this was the chief reason why

immigration had fallen off so much. The House, he remarked, had been trying to get information from the Ministry all this session upon the subject of the Canadian Pacific Railway, and they had failed to get it. The returns which ought to have been brought down early in the session had not yet made their appearance, and the facts which ought to have been communicated to the House at the earliest possible opportunity had not yet been communicated. If the explanations of hon. gentlemen on the Treasury Benches had only been taken down verbatim, and so read now to the House, it would be impossible to conceive of a jumble more inconsistent and contradictory than they would present. He differed with the Government entirely upon this railway question. It was not a British Columbian question, either solely or chiefly, but a Dominion question. The Secretary of State got up in his place, and informed the House of how liberally the Government had treated British Columbia, and of how anxious they were that the people of that Province should be satisfied and content. It was not for the sole interest of British Columbia that the Pacific Railway was projected, but that the Dominion might have a great Inter-Oceanic highway of her own. He differed with the Government, because they took a narrow, contracted view of the question, and he warned them, even had British Columbia declared herself ready to accept the sop which was held out to her as compensation for the Railway, the great body of the people of this country would not have been satisfied, but on the contrary profoundly dissatisfied and indignant. Of course British Columbia had grave cause to complain on account of the delay in carrying out the agreement with her, especially in view of the haste displayed by the Government in placing under contract the Georgian Bay Branch. Ministers regarded a complete survey as of prime necessity in British Columbia—and in this he agreed with them—but why do they not pursue the same policy with reference to the Georgian Bay Branch Railway? They had actually entered into contract for the construction of that road, not only without a survey, and where it would be utterly useless, but where it was impossible to build it, except at enormous cost. The first twenty-six miles from the mouth of the French River eastward was a bare rock—naked granite—upon which even the most stunted weed would not grow. Why was it not as ne-

cessary to survey this line as thoroughly as that in British Columbia, before putting it under contract? And, moreover, it was not a part of the main line. There was a treaty with British Columbia to build the railway, which might have accounted for, if it would not have excused, some undue haste on the part of the Ministers, had they incurred some risk in proceeding with the work in that Province, but there was no treaty affecting the Georgian Bay Branch. No treaty; no trade, and no part of British Columbia could possibly be less fertile or less populated than the country through which the Georgian Bay Branch would pass, if built, and yet, in the latter case, a contract for its construction had been entered into before the line had been surveyed—a contract, by the way, which the very facts he recited had since compelled the Government to cancel. And now they talked about making the terminus twenty-six miles up the French River, and building a lock to make that river navigable to the Georgian Bay. Did the Government actually believe that propellers from the lakes would be diverted from their course to go even into the mouth of French River, not to speak of twenty-six miles inland? Surely not. It had been charged that this was being made a party question in this House. He denied that he and his friends regarded it from a party point of view in the sense in which that was generally understood. But the difficulty with British Columbia had arisen out of a party question—or more properly speaking out of party defection on the Ministerial side—a party mutiny he might call it. It was a very serious defection, for it was led by a great captain, a member of the other house, whose influence extended to this House, and caused the defeat of the Nanaimo and Esquimalt Railway Bill last session. The Hon. Secretary of State had appealed to the House, and especially to the members of the late Government—with whom he (Mr. Macpherson) had differed on their Railway policy—to support the Government on that occasion, on the ground that an Order in Council had been passed by the late Government, declaring Esquimalt the western terminus of the Pacific Railway. The House had also been told that had these hon. gentlemen and their friends supported the measure, it would have been carried. But Ministers should look for support to those upon whom they had some claim, and it was because their

friends refused to support their Bill that it was defeated. The Government had no claim upon the members of the late Government or their supporters, or upon a gentleman like him, (Mr. Macpherson) who wished to see our great Northern Railway proceeded with, for support for that measure. It was not one for constructing or advancing the construction of the Canadian Pacific Railway, but for obtaining the consent of British Columbia to the abandonment of that railway. That consent was not obtained. He (Mr. Macpherson) would oppose all expenditure in British Columbia except that made in building the main line of the railway, or provided for in the agreement with that Province. The hon. gentleman from Montreal (Mr. Penny) had suggested that it would not be respectful to the House to submit the measure again. No one in the House had a more intimate acquaintance with public affairs than the hon. gentleman, and surely he did not pretend seriously to assert that it was not quite usual to submit measures session after session which were believed by the Government to be for the interest of the country. He gave the Nova Scotia County Court Judges Bill of last session as an example.

Hon. Mr. SCOTT—That Bill was thrown out last year for special reasons.

Hon. Mr. MACPHERSON said every Bill that was thrown out was thrown out for special reasons, and the Esquimalt and Nanaimo railway Bill was no exception to the rule. That it should not be reintroduced was, he had no doubt, one of the conditions upon which the defection had been overcome, and the ranks of the Government party closed up. Why was the decision of Parliament so scrupulously regarded with reference to this particular measure, while it was so openly disregarded when the Georgian Bay Branch was in question? That the Government had a powerful political reason for urgency with the latter—although a reason they dared not make known to Parliament—he had very firmly believed. He also believed they originally intended to reintroduce the Esquimalt and Nanaimo Railway Bill, and it was very safe to presume that it was a party arrangement arrived at during the recess, which was fatal to that railway. The fact that the Government ordered steel rails to be shipped to Vancouver Island after the Bill authorizing the construction of the Esquimalt and Nanaimo Railway had been lost proved that the Government

then intended to renew their endeavour to carry out this arrangement with British Columbia, and expected to apply again to Parliament to do so. Unless they intended to do this, the shipment of rails after the loss of the railway Bill was an act deserving the censure of Parliament. But he believed the truth was the difficulty among their friends had to be appeased, and one of these (Mr. Macmaster) who was most conspicuous for his opposition to the Railway Bill, and contributed to its loss in that House last session, only a few days ago made an ostentatious profession of his renewed allegiance to the Government. But among the conditions on which peace had been restored were, he firmly believed, the sacrifice of British Columbia and the abandonment of the Canadian Pacific Railway, so far as these objects could be accomplished by the present Government. He (Mr. Macpherson) did not regret the loss of the Esquimalt and Nanaimo Railway Bill, for he would have voted against it had the opportunity offered this year, as he did last.

Hon. Mr. PENNY—So would I.

Hon. Mr. MACPHERSON continued that it was a curious circumstance, after the rails for the Esquimalt road were at Victoria, the Government should have abandoned the project, and offered \$750,000 to keep the people of British Columbia quiet. The reason was perfectly apparent. Hon. gentlemen must not suppose that the members of this House were unable to draw their inferences from these circumstances and the others which happened concurrently. However, he believed that all would turn out for the best in the end, like most other things—that a wise Providence would bring out of these occurrences results which would tend to the benefit of this people and country, although the Government deserved no credit for the part they took. What had been done would he believed arouse the country to the short comings of the Government, and would lead to the early prosecution of the Pacific Railway—just as early and as fast as the circumstances of the country would admit. It was very evident that a great change had come over the views of the Government and their supporters upon this question during the debate. In the early part of it—and he remarked a similar tone in the debates in another place—nothing was said about the Pacific Railway except to the discredit of the undertaking; now their tone was entirely changed, and

all the latter speakers in that hon. House admitted that the construction of the Pacific Railway was desirable, and that it ought to be proceeded with steadily, and as rapidly as the circumstances of the country would permit.

Hon. Mr. PENNY—I say of it now what I said before.

Hon. Mr. MACPHERSON—Did I not understand the hon. gentleman to say that he was in favour of the Pacific Railway?

Hon. Mr. PENNY—I said I believed its construction desirable—but impossible with our resources.

Hon. Mr. KAULBACK moved, seconded by Hon. Mr. MILLER, that the debate be adjourned.

Hon. Mr. LETELLIER DE ST. JUST said this matter had been arranged to suit the views of hon. gentlemen opposite, after it had, strictly speaking, fallen to the ground. He protested against the prolongation of the debate under the circumstances.

After some further desultory discussion, the motion for adjournment of the debate was carried.

#### NORTH-WEST TERRITORIES.

On the order for the third reading of the Northwest Territories Bill,

Hon. Mr. LETELLIER DE ST. JUST moved that it be amended by the introduction of a new section (13), to enable the present stipendiary magistrates of the Northwest Territories to act within the new Territory, when their services are required.

The motion was agreed to.

It was then ordered that the Bill be read the third time on Monday.

#### PRIVATE BILLS.

The Clifton Suspension Bridge Amendment Bill was read the second and third times and passed.

The Canadian Gas Light Company Amendment Bill and Rodden's Improved Capped Ferule Bill were read the second time.

#### PUBLIC BILLS.

The House went into Committee on the Insolvent Incorporated Banks Bill—Hon. Mr. Bureau in the chair. The Committee rose and reported the Bill without amendment, and it was read the third time and passed.

The House went into Committee again on the Inspection of Staple Articles Law Extension Bill, and the Crossing of Navigable Waters by Railway Bill—Hon. Mr. Aikins in the chair. The Committee rose

and reported the Bills, which were read the third time and passed.

#### TRANSPORTATION OF CATTLE BY RAIL.

Hon. Mr. PENNY, in moving the second reading of this Bill, said it contained two amendments of the present law, one of little consequence, but the other of much importance. He wanted to assure the House that he felt a compromise was made last year with this Bill; and he also did not feel like pressing the present measure upon their attention. If the House would have the Bill read the second time, in order that it might go before Committee, it would be well; but he felt that he could not move the second reading without having made this explanation.

After a short discussion, the motion was negatived.

#### CHRISTIAN BROTHERS' SCHOOLS.

Hon. Mr. BELLEROSE moved concurrence in the amendments of the Standing Committee on the Christian Brothers' Schools Incorporation Bill.

Hon. Mr. ODELL said he had come to the conclusion that this was a matter for local legislation. He intended to have objected to the Bill when it was before the Committee, but he was unavoidably absent at that time. He begged to move "That the House do not now concur in the amendments made by the Committee; but that the Bill be referred to the Judges of the Supreme Court for their opinion as to whether it is not a measure which falls within the class of subjects allotted to the Provincial Legislature under section 92, sub-section 11, of the British North America Act of 1867, relating to Provincial objects, and section 93, relating to education."

Hon. Mr. MILLAR thought the hon. gentleman had not acted with his usual fairness in placing one motion on the paper and moving another. He had taken the House somewhat by surprise; and he (Mr. Millar) would suggest, under the circumstances, that the question should be postponed until there was a fuller attendance. When the Bill was before the Committee, very general interest was taken in it; and every amendment suggested was cheerfully acquiesced in. It was clearly shown that the Bill was similar in character to one granted to the Wesleyan body last year, which excited no extraordinary interest. He was quite well aware that the object of this Bill might be attained through local legisla-

tion; but there was nothing whatever in the British North America Act, in his opinion, to prevent Parliament granting the powers asked for.

Hon. Mr. BOTSFORD suggested that the motion should stand over until Monday.

Hon. Mr. ODELL said he had no intention to take the House by surprise, nor of doing anything that was not fair and above board. He pointed out that the course he suggested was consistent with the rules of the House.

Hon. Mr. BELLEROSE said it would not be Parliamentary to impute motives or he might be able to state what had actuated the mover of the amendment on this occasion. He was quite surprised at the objection raised to the Bill, especially in view of the fact that twelve months ago a similar measure was passed without opposition. The powers asked by the Bill were perfectly within Dominion legislation, and he was confident there was no real constitutional objection to it. He did not ask more in the passage of this measure than had been granted in previous Bills, and he thought everyone who came before Parliament should be placed on the same footing. He thought there was sufficient reason for the hon. gentleman withdrawing his amendment.

Hon. Mr. PENNY thought the strictures of the hon. gentleman were out of place. He was going to vote for the Bill, but he could not agree with the hon. gentleman in imputing motives to the mover of the amendment.

Hon. Mr. BELLEROSE said the hon. gentleman might vote as he pleased. He (Mr. B.) had had fifteen years experience in legislation, and did not want any suggestions as to his course of action.

Hon. Mr. TRUDEL said it had been suggested that the parties had letter go to the Local Legislatures. According to the rules of this institution, the whole management of the Christian Brothers belonged to the Board for Canada, so that the House would see the inconvenience of having as many charters as there were Provinces, and each charter would require a separate Board.

Hon. Mr. ODELL said this would not relieve the Christian Brothers, because there were local Acts that could not be got over. His objection to the bill was solely and entirely upon the principle that it was an incorporation for local purposes, for holding lands, and these lands and the moneys accruing from them had to be held and managed under

local Acts. These were his objections, and he was quite willing that the House should now or at any time decide upon it.

Hon. Mr. SCOTT said the suggestion as to the jurisdiction of this Parliament had somewhat startled him, but on reflection he believed the objection was well founded. They would, by passing this Bill, put on the statute book a law that by no possibility could be enforced. Take the Province of Ontario, for instance. He had taken part himself in the preparation of the law which incorporated the Christian Brothers there. This bill, then, would prove to be an annoyance in Ontario unless the Legislature chose to repeal that Act; and he objected to this House placing themselves in a false position by enacting a law that could not be enforced. He would prefer if his hon. friend would allow the Bill to stand a little longer, in order that they could have the opinion of the Judges, as to its constitutionality. He felt it his duty to explain his doubts on this point.

Hon. Mr. BELLEROSE said last year another Corporation, which had been incorporated in Quebec, had come up to this Parliament and obtained another Act.

Hon. Mr. MACPHERSON said he had made up his mind to vote against the amendment of the hon. member for Fredericton, but while the Hon. Secretary of State had doubts as to the constitutionality of the Bill, he would ask that it be withdrawn until Monday.

Hon. Mr. DICKEY considered that the Secretary of State had taken a very proper and independent position with respect to this matter, and it was his duty to take such a course. He considered the House had no power to legislate on this bill, for if there was one question more than another that was purely local in its nature it was that of education, and this House might just as well undertake to incorporate a company to build a local road in any of the Provinces as to deal with this Bill. He held in his hand an Act passed in the Nova Scotia Legislature in 1874, incorporating this very Association of Christian Brothers, and it struck him that it would be exceedingly unfortunate if there should be two conflicting Acts on the same subject. It had been suggested that these local Acts might be repealed, but he considered it would be much better to have them repealed first, and then get the constitutional right for this House to pass a Dominion Act. This was the

first session they had the power to refer such matters to the Supreme Court Judges for decisions on constitutional points, and it would cause very much less delay to have this Bill referred to them for such a decision than by any other course that could be taken.

Hon. Mr. BELLEROSE consented to allow the Bill to stand over until Monday.

#### SECOND READINGS.

The following Bills were read the second time :

An Act to amend the Act thirty-fifth Victoria, chapter one hundred and eleven, intituled: "An Act to incorporate the *Mail Printing and Publishing Company.*"

An Act to extend the time for the commencement and completion of the Great Western and Lake Ontario Shore Junction Railway, and for other purposes.

An Act to amend the Act to incorporate the Commercial Traveller's Association of Canada, was read the second time.

The House adjourned at 12:30 a. m.

MONDAY, April 3.

The PRESIDENT took the chair at 3 p.m.

After routine,

#### RULES OF THE HOUSE.

Hon. Mr. WILMOT asked what was the rule for members of this House voting on Bills in which they were personally interested.

Hon. Mr. CAMPBELL said he did not think there was a rule on the subject; it was the practice of Parliament that every member should decide according to the dictates of his own conscience. He thought when the question was an amendment to the charter of a company or bank in which a member was personally interested, that the member should abstain from voting. But it was a matter for a member himself to consider how far the subject before the House affected him personally; if it only affected him in conjunction with all other subjects of Her Majesty, he should not abstain from voting. He had never heard the vote of an hon. member challenged in this House on any question of this kind.

Hon. Mr. WILMOT said he wanted to know what the rule was.

Mr. SPEAKER said there was no rule of the Senate, but as decided last session

in the case of Mr. Ryan, it was left to his own discretion.

### THIRD READINGS.

The following bills were read the third time and passed :—

“An Act to amend the thirty-eighth Victoria, chapter ninety-three, intituled, ‘An Act to incorporate the Canadian Gas Lighting Company.’”

“An Act to amend the Act to incorporate the Commercial Travellers Association of Canada.”

“An Act to enable the Welland Vale Manufacturing Company to obtain extension of a patent known as ‘Rodden’s Improved Capped Ferrule or Socket.’”

### GOVERNMENT RAILWAY FREIGHTS.

Hon. Mr. McLELAN moved that an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, a return showing the number of tons of freight carried over the Government Railways in the Maritime Provinces in the quarter ending December 31st, 1875, distinguishing between that carried by special rates and that under regular tariff rates. Also the average per ton per mile in each case. He said the question embraced in this resolution was of the deepest importance to the people of the Maritime Provinces. Some years ago Nova Scotia and New Brunswick and more recently the people of Prince Edward Island pledged their resources in the construction of railways, creating the several debts with which they entered confederation. The great object they had in view was to facilitate intercourse, the movement of the products of the soil, the mine and the factory, and thus cultivate and develop the great natural resources with which these Provinces are blessed. In this sense it was a strictly commercial undertaking, not in expected profits from the working of the roads themselves, but profits from the various industries that would start into life along the line of road if judiciously worked. These anticipations were being steadily realized, not perhaps in so marked a degree as followed the construction of railways on the Western prairies of our neighbours, where towns and cities sprang into existence almost as if by magic, forming a great inland empire owing its existence to the railways which connect it and make it one with the empire beside the sea. Still their effect on the several

Provinces was beneficial beyond computation. Manufactories grew up along the lines, the soil was more largely cultivated, new mines were opened, and in a few years, the general trade of the Provinces was doubled. In this respect as a commercial undertaking it was eminently successful; whilst the road itself showed a steady increase of earnings. From the opening of the first line of railway down to December, 1874, when this Government put their policy in operation there was a steady gain in earnings. The year

1871	showed an increase over 1870	of \$ 94,408
1872	“ “ “	1871 of 57,187
1873	“ “ “	1872 of 80,555
1874	“ “ “	1873 of 189,971

On the first of December, 1874, a change was made, increasing the rates for freight over 20 per cent. This change has been very severely commented upon by the press of the Lower Provinces, and the General Superintendent censured, very unjustly, as he thought, as Mr. Brydges was only carrying out the long avowed policy of members of the present Government to increase the rates, and on the Government alone should rest the responsibility and censure for the change. Down to the 30th of June, 1874, the annual returns show a steady increase of business; that increase continued up to the 1st December, when the new rates came into operation, and were immediately followed by an alarming loss of traffic. In the discussion had on this matter last year, we had the testimony of a number of gentlemen familiar with the trade along the lines to show how largely traffic had been driven from the road to the old method employed before its construction. Taking the returns of the year to June 30th, 1875, we find that in the first five months there was an increase over the corresponding months of the previous year of \$24,218. On the first of December the rates were raised, and instead of the increase continuing, the end of the year showed a total decrease of \$31,836.74; or, if you take the increase in passenger traffic for seven months, under the new tariff, \$91,784.01. This is the measure of direct loss to the road itself, but the loss to the country in this interruption of traffic is incalculable. It is, moreover, a violation of the implied compact that these works shall be fairly used for the benefit of the people, and no Government would have dared to take such action in one of the larger Provinces as to drive traffic from its accustomed

channels. It might be asked if those who used these roads paid before the increase a reasonable sum for the service performed under the circumstances. He, Mr. McLelan, felt the importance of this question, and he was in a position to show that, without taking into account the fact that these roads were built by the people's money, for the people's benefit, yet at the time the change was made, the return for the work performed was more than up to the average for the same work by the railways of this Continent. When the roads were in operation the tariff rates were purposely fixed low, so as to create traffic, but the rates on all other railways on this Continent, and in Europe, had gradually tended downwards, so that at the time the Government gave the order to raise the rates in the mistaken hope to wring a few more dollars out of the people of the Maritime Provinces, the average of the receipts or charges for the same work was actually very nearly double the average charge on the Grand Trunk. The returns for the year ending June 30th, 1874, showed the average charge for the year for carrying a ton of goods a mile on the Intercolonial was 2.49, whilst on the Grand Trunk it was only 1.31, only a fraction over one half. Was it surprising that the people of the Maritime Provinces paying on the average so much more than the people of Western Canada for the transportation of their goods by railways and canals constructed largely by Government aid, should feel aggrieved and indignant when the Government increased their rates so largely. The tariff rates on the Grand Trunk change so frequently that comparison can only be made with the result of the year's operations, and the year 1874 showed an average on the Intercolonial almost double. Grand Trunk ordinary freight is divided into four classes. The average distance carried gives the following rates for one hundred pounds fifty miles:

	1st Class,	2nd Class,	3rd Class,	4th Class,	Average.	Av. per car load.	Av. rate per ton a mile,	Av. of old and new.
Old Tariff								
In N. B.	18	14	12	10	13	\$28	51-5	51
Do in N. S.	19	16	13	10	14	29	54-3	
New Tariff,	23	19	15	11	17	34	64-5	64-5

Specific rates on lumber, coal and special articles largely reduce the average charges for the year, but the charge for ordinary traffic, under the old tariff, on the Intercolonial, for carrying a ton a mile, was

5½ cents. The new tariff makes it 64-5 cents. The railway companies of Wisconsin, in a recent memorial to their State Legislature for a change in the law fixing rates, cited a number of rates in America and Europe. Naturally, to strengthen their case, they took the highest, but none of them equal the rate our Government has imposed:—

"In Connecticut the average is 6½ cents per ton per mile; Maine, 4½ cents; Massachusetts, 4½; seven Pennsylvania roads, 5 cents; twenty-three Ohio roads, 8½ cents; and New York roads, including New York Central, 3½ cents per ton per mile."

These prices are, of course, greenbacks, and subject to discount.

"In Europe the average rates per ton per mile are, in Belgium, 2½ cents; France 3 cents; England, 3½ cents, and Germany, 4 cents."

From these figures it will be seen that the old tariff in operation, up to December, 1874, was higher than most of the railways held by companies anxious to make interest as well as cover expenses, and still our Government was not satisfied; another turn of the screw was given, and 20 per cent. added. The result, however, has been that less money was received than under the old tariff, in consequence of traffic being driven from the road. The folly, to say nothing of the injustice to the people, is manifest, not only in the result, but in contrast with the policy pursued by the whole railway world, this Government alone excepted. That policy drawn from experience has been to reduce rates, and give cheap transportation to increase the volume of business, and eventually the earnings of the road. It will be remembered that Mr. Brydges, in his evidence a few days ago before a Parliamentary Committee, stated that the tendency of railway rates in the Dominion had been for some years downward, though not to the same extent as in the United States. The last report of the Grand Trunk shows this reduction: "In the half year ending June 30th, 1872, the average rate received per ton per mile was 1.42; June, 1873, it was 1.49; June, 1874 1.31, and June, 1875, it was 1.07. The remuneration therefore for doing the same work, moving a ton of freight a mile, was in 1874, twelve per cent. less than in 1873, and 28 per cent. less in 1875 than in 1873, and 18 per cent. less than in 1874." This was a larger reduction, through competition, than was, perhaps, desirable in the interest of the road, but the operations of the year show an increase in the traffic of over 200,000

tons. The Michigan Central shows the same downward tendency in rates.

In 1865 the average charge for carrying a ton a mile was.	
1866	3.06
1867	2.60
1870	2.09
1871	1.98
1872	1.56
1874	1.30
1875	1.16

In the last six months the tonnage carried increased 64,184 tons. The New York Central and Hudson River road reduced their rates from 1.37 in 1874 to 1.27 in 1875. The Boston and Maine Railroad largely reduced their rates and increased their business 94,452 tons. The Ohio railroads reduced rates and increased business 145,725 tons. The Philadelphia, Wilmington and Baltimore Railroad shows reduced rates and increased business. The directors in their report say:—"The annual and large increase in the area of land devoted to fruit culture near our roads and the feeders while promising well for the future proves the correctness of our course in the past, in moving fertilizers to the peninsula at about cost, and in transporting perishable produce to market with great care and despatch, and at the same time at rates low enough to encourage the producer." The strawberry crop, which prior to 1871 never exceeded five car loads per day, in 1875 at times amounted to over 720 tons per day, requiring more than ninety cars to move it. "The importance of fostering the local traffic of our own road and its immediate feeders, to which your Board has for many years been keenly alive, was never before more plainly manifested." The Pennsylvania Railroad Company, in their report of the roads controlled by them, say of the Philadelphia & Erie Railroad, that the average earnings on the main line and branches, including through tonnage as well as local, was a fraction over a cent a ton a mile, or less than eleven mills. The cost of carrying it was slightly over six mills, leaving a profit of over four and a half mills. This low average was brought about by two causes: first, by competition with other roads, and "second, it was deemed necessary that your company should do what lay in its power to aid our manufacturing interests by moderate temporary reductions in its rates of freight. This policy your Board believed to be wise and judicious, and that without it a large number of important branches of business would undoubtedly have been suspended. The result is the lowest average earnings

per ton per mile that has perhaps ever been received by any line of like magnitude; to meet this result and earn a reasonable profit, the most rigid economy consistent with thorough maintenance of the road and equipment has been enforced in every department, and a cost of movement attained per ton per mile certainly much below that of any similar road in this country, if not in the world." "The contests through which your road has passed, and the thorough economy in its management, have demonstrated its ability under the most favourable circumstances to take care of all of its obligations, keep the property of the company to the highest standard, pay its shareholders eight per cent. per annum clear of all taxes, and add a fair balance to its reserve fund." Again they say:—"With moderate charges on local traffic in proportion to the value of the service rendered, the railway property of the country will become more valuable to its owners and the public." He would not trouble the House by continuing these references to the enlightened policy pursued on other roads; a policy evolved from experience, and one which the Government should have the wisdom to imitate. One road he had referred to, in order to develop a traffic in fruit, carried the fertilizers required at cost, "and the return produce at low rates." Government has a double interest in pursuing a similar course. Every additional man who finds employment in the country, every additional acre cultivated, apart from the traffic added to the road, contributes to the general revenues and the wealth and prosperity of our Dominion. In another case cited the Company reduced their rates to meet the depression in business, aid manufacturing and mining interests along the line, without which they say "a large number of important branches of business would, undoubtedly, have been suspended." In the Maritime Provinces our coal, lumber and manufacturing industries of all kinds have suffered from this depression, and yet the Government of the Dominion, that should have had an interest in the welfare of these industries deeper far than any railway company can have, never moved a finger to keep them from bankruptcy. A railway company, looking only for traffic to their road, is keenly alive to the importance of preventing industries from suspending; but a Government, that should have a double interest in keeping business in operation, seems not to care



if every industry from one end of the line to the other breaks down. He, Mr. McLelan, had heard of several cases in which a business started on the faith of the old rates, had gone into insolvency, alleging as one of the main causes, the increased charges by the Government in transporting their material and produce. It is difficult to estimate the loss, not alone to the road, but to the country, in the failure of a single industry. Once it breaks down, the chances are that it may never be revived. And the Government whose policy tends to this result, or that will not yield to the changed condition of the country to avert this, fails lamentably in its duty to the people. The Government has a double motive in aiding struggling industries, because it owns both the country to be developed and the road to be employed; but the policy pursued has been alike destructive to both. Traffic, and necessarily production, have fallen off in consequence of the increase of rates. Private companies, with more wisdom, have been taught by experience that a reduction of rates increases the volume of business and earnings without proportionately increasing expenses. Six of the leading railways of England are empowered to charge as high as six cents a ton a mile. Of these rates a Parliamentary Committee said:—"They are always fixed so high that it becomes sooner or later the interest of the companies to carry at lower rates." Several of the roads in this country to which he had referred, it would be seen had made during the past year a very low average charge, only a fraction over a cent a ton per mile, and in the case of the Philadelphia and Erie road the actual cost of doing that work was, say six-tenths of one cent, leaving a profit of four-tenths. Of course this result could only be reached by having a large volume of business, but as he had shown the policy of the directors had been to build up a traffic, and if the Government pursued the same course, even at a loss for a few years, it would eventually be advantageous to the road itself, to say nothing of the general profit to the country. There was no reason why the same work could not be done as cheaply on the Intercolonial as on the Grand Trunk. The road and its equipments are better than the Grand Trunk, and coal for fuel can be had on the line central to the operations for about \$2 per ton, whilst on the Grand Trunk it costs from \$4.50 to \$5. On the Grand Trunk and many of the American

roads running to the west, the bulk of the traffic is in one direction, causing much double work in the return of empty cars. On the Intercolonial the traffic east and west is by the returns shown to be very nearly balanced. It is true half laden cars are to be seen on every train, but he believed that it was largely in consequence of the excessive rate for ordinary traffic. Some modifications of the general and specific rates had been made in favour of certain companies and individuals, but it had led to all manner of inconsistencies, and showed more plainly the folly and gross injustice to the general public of the tariff charges. Besides, it was in violation of the principle laid down by the Government, in their Common Carriers bill, introduced by them this session. By that they declare that it is improper and unjust to charge one man more than another for the same service, under the same circumstances. This principle is clearly expressed in the law just enacted by the Wisconsin Legislature, and is found in the acts of all countries regulating the transportation of goods. But this Government disregards the principle, which they say must apply to private carriers granting special rates to some and withholding from others. This is not given directly in the name of the individual, but a person having material to move from a certain station to another, and being in favour, goes to the Government, and procures a special rate to move that material from the one station to the other, whilst for others to move it from the same point, and land at any other than the one named in the special rate, costs full tariff prices. He would not detain the House to refer at length to the propriety of placing rates so high as to compel all who wished freight moved at reasonable rates to approach the Government hat in hand to beg for justice; but to illustrate the inconsistencies into which their practice led, he would name a case that came within his own knowledge. At one of the way stations in Colchester 900 tons of ship timber had been placed last winter. A ship building company was negotiating for the purchase of 300 tons of it. They applied to the officer at Moncton to know what rates would be given for carrying the quantity to a station twenty-one miles west, stating that at least the company hoped to get it at the twenty-mile rate, the one mile over adding a dollar a car to the tariff rates. The officer very courteously replied that he had no power to do the work except at tariff rates. The

negotiation for the purchase of the timber ended; there was not time to apply to the Government for a modification of rates. A few weeks after, in some correspondence in the press, it turned out that for some time that there had been a special rate granted to carry timber by this way station in the other direction eastward, a special rate so favourable that parties shipping at the next station some four miles east, stated that it paid to truck timber to this way station and ship it there under the special rate. A special rate has been given to the Steel Company of Canada on all freights shipped by them to and from Londonderry station of  $1\frac{1}{2}$  cents a ton per mile, the rate allowed to some of the coal companies. He mentioned this not by any means as complaining that it is too low; on the contrary, he had shown the House by the returns of the Grand Trunk and the American roads that there is a large profit in it, but the case illustrates the excessive charges made to others for the same work. A gentleman connected with a shipbuilding company had written him (Mr. McLelan), since the commencement of the session, that they had a large quantity of lumber at a point six miles from the Londonderry station, on which they were charged \$5 a car. The company having the special rate were shipping lumber from the same point, on which the charge at  $1\frac{1}{2}$  cents a ton per mile would be ninety cents for six miles under the same circumstances, each party loading and unloading their lumber; but one company is charged for the twenty cars \$100, and the other \$18, a difference of \$82 against the shipbuilders. His argument was, that if it paid to carry under any circumstances at  $1\frac{1}{2}$  cents a ton per mile, and he had shown that it did pay at very much less, then there can be no reason, in justice, why others should pay four or five times as much. By reference to the returns it will be seen that a large proportion of the traffic is local, and comes under the general average charge of \$4-5 cents a ton per mile, and mainly affects our agricultural population, who feel keenly the unjust policy of this Government in endeavouring to drag the last possible dollar from those compelled to use the road. He desired to urge this question upon the attention of the Government in the hope that they would adopt a more liberal and enlightened policy towards the people who had built those roads, and who would, under a re-

duced moderate tariff, give increased business and better net returns. Such a moderate tariff, he contended, would not only tend to the relief of the general depression of business, but would lead to the establishment of new industries, affording employment to a larger population and a consequent increase of revenue from customs and excise, whilst the general property of the country would be promoted, and a just cause of complaint by the people of the Maritime Provinces removed.

Hon. Mr. SCOTT in reply said it was impossible to alter the policy in this regard, and if time permitted he thought he could give to his hon. friend an answer, satisfactory to himself (Hon. Mr. McLelan), and perhaps to the House. This was a matter of a very peculiar character, and it had been left to a certain extent to the judgment of the superintendent. He did not pretend that the responsibility for the administration of the line did not lie with the Government, for it undoubtedly did so lie; but he must say they had chosen an able man as superintendent, and good reason existed why, before changing their policy, they should take full time to ascertain whether it was not favourable to the country. Some increase had been made in the rates on the road, in New Brunswick, and Nova Scotia, but he did not think that the hon. gentleman was right when he affirmed that they were double those of the Grand Trunk Railway; on the contrary, they were as nearly as possible the same as those of the latter line, at the time the change was effected. He could understand how American lines from 1,500 to 2,000 miles in length could charge lower rates than short lines, especially when a very large amount of traffic was conveyed over them, the country through which they ran being thickly settled; but in the case of the Intercolonial Railway it was different. He quite agreed with his hon. friend that this railway should not be managed solely with the view of making it a paying concern, but to secure the general interests of the country; but at the same time the prices should not be reduced so low as to make the conveyance of goods unprofitable. This line had besides to contend with many disadvantages, from which American roads were free. We had our winters—the greatest drawback, particularly in the Lower Provinces. During the last year, in point of fact, this road had been blocked up with

snow during a considerable period in Nova Scotia, and when it was opened throughout its full length this difficulty would be increased. The Grand Trunk, for instance, had not for some days been running trains over the River du Loup Branch. Personally, he thought that the cheaper they could make the transportation of travellers and of freight, the better it would be for the country. This had always been his opinion. No opposition would be offered to the motion, and he hoped that when the papers came down they would be in a better condition to see whether the results had been so bad as had been represented by his hon. friend. He must admit that he was ignorant of the results of the policy which had been pursued. This was a special branch, which did not belong to his department.

Hon. Mr. DICKEY thought that his hon. friend misapprehended the scope of the motion. His hon. friend said that their policy within the last twelve months in this relation had not been changed; but this was the very cause of the objection raised. The attention of the Government had been directed to this matter a year ago, and though they had been told what the results would be, it was most unfortunate that no change had been made, and he hoped that after the present experience of some fifteen or sixteen months, this would now be effected.

Hon. Mr. HOWLAN stated that the increase in the rates had been very prejudicial to the interests of the manufacturing establishments situated along the line. It had been supposed in the Lower Provinces that after a year's experience such a change would be made in the policy as would tend to increase the traffic. It was clear that raw material should be transported in the Maritime Provinces, from place to place, as cheaply as in the New England States. He would remark that the tariff on the Narrow Gauge Railway of Prince Edward's Island was as high as on the broad gauge line in Nova Scotia and New Brunswick, and on the former, moreover, second class travel was entirely ignored. He was glad to observe that the mover of the motion had taken such great pains to collect information regarding the cost of traffic on the various railways of the world, both in cheap and dear countries, also showing the proper tariff that would at all events meet the views of those who used this railway, for all of which the Government should feel indebted to the hon. gentleman. Under

different arrangements elsewhere, receipts of railways had increased, and the height of the rates in question was a standing grievance among the people of the Lower Provinces, and there was no valid reason why the residents of Ontario and Quebec should not sympathise with them. The charges should certainly not be higher on this line than on roads owned by private companies. This matter affected the interests of 400 000 people in the Dominion; and he was confident that if a different course was pursued, both the country and Treasury would in consequence be benefited.

Hon. Mr. MACFARLANE hoped that that the tariff would be revised, when the entire railway was opened; and remarked that a capital opportunity for doing so was presented to the Government.

Hon. Mr. McCLELLAN explained that he had taken his figures from the result of the year's (1874) operations on the Grand Trunk and Intercolonial, and they stood 2.50 vs. 1.31.

Hon. Mr. LETELLIER DE ST. JUST stated that at present 25 cents were charged for the transport of 100 lbs. of freight for 75 miles on the Grand Trunk, while it was 27 cents on the Intercolonial, showing a difference of only two cents.

Hon. Mr. FERGIER stated that the rates on the Grand Trunk had been very considerably increased since the time to which the mover of the motion referred. The Grand Trunk was then carrying freight at ruinously low prices in consequence of excessive competition from American lines. They had been advanced since December last. He regretted, however, to add that the Company was returning to the former tariff in consequence of the competition it encountered.

Hon. Mr. SCOTT, for the information of his hon. friend from Prince Edward Island, explained that the expenditure had been startling on the railway on the Island; in January or February it had exceeded the receipts by \$18,000.

Hon. Mr. HOWLAN did not think it right to select any particular month in the year for making such a statement. In January, these roads were most troubled with obstructions from snow. The average for the whole year should instead be given.

The motion was carried.

## THE WASHINGTON TREATY.

Hon. Mr. BOTSFORD thought that no subject more important than the one he intended to introduce with reference to the Washington Treaty, could at any time engage the attention of Parliament in the best interests of the country. Nearly five years had elapsed since the Treaty was ratified, and they were informed by His Excellency the Governor General, in the speech from the Throne, that every effort had been made to secure an early settlement of Canada's claims from the United States Government, in connection with our fisheries. Her Majesty's Government early last summer had appointed their arbitrator, His Excellency had informed them, but the American Government had not as yet appointed an arbitrator, and no progress had been made. It would be seen by this that the latter had not taken the first step to carry out the provisions of the Treaty, as bound in good faith to do, and this refusal had impressed upon the minds of the people of the Maritime Provinces a deep sense of the wrong and injustice inflicted upon the Dominion of Canada. He trusted that though the inhabitants of Ontario and Quebec were not so directly interested in this question, they sympathized with their countrymen by the sea. The feeling he had mentioned was intensified in New Brunswick, owing to the unfortunate results which attended the ratification of the Ashburton Treaty, the State of Maine having thereby been thrust between it and Quebec, and transferred the upper part of the magnificent river St. John and its tributaries to the State of Maine. It was a matter of history, that when the American Senate manifested a strong inclination to reject that treaty, Daniel Webster, the Secretary of State, had been obliged to lay before the Senate a map kept in the secret archives at Washington, showing that not only had the United States obtained their just rights, but also a large portion of the Province of New Brunswick, which was never contemplated by the Commissioners who had negotiated the Treaty of Ghent, and the line had been traced on it by Benjamin Franklin, with his own hands, in red ink the boundary agreed upon by the Commissioners, viz, from Mars Hill along the height of land dividing the waters which flowed into the river St. John from those which flowed into the Penobscot and Kennebec Rivers. The Senate at once gave their concurrence to the treaty. Under

the Washington Treaty, the right of fishing in Canadian waters had been ceded to American fishermen, and compensation was to be granted to the Dominion for the increased value of its fisheries, compared with those of the United States to be participated in by British subjects. One of the principal provisions of the Treaty is, that the products of our own fishermen should be admitted into the markets of the United States free of duty, and notwithstanding the fishermen of that country have been permitted to have access to the inshore fisheries of the Dominion of Canada for the past five years, the United States Government has vexatiously, and in violation of these express articles of the Treaty of Washington, levied a tax upon Canadian fish imported into that country in the shape of a duty on fish cans. This unjustifiable proceeding forms a striking contrast to the conduct of the British Government in carrying out its treaty obligations. After the ratification of the Treaty it proceeded without delay to appoint arbitrators to whom were to be submitted the Alabama claims, and when the award was made, promptly paid over to the United States Government \$15,000,000. It is worthy of notice that under the existing laws of nations at the time the depredations were committed by the Alabama and other cruisers, the British Government, as was ably contended by Lord John Russell, could not be made liable for such claims, and that it was only under the terms of the three new rules of international law, agreed upon and inserted in the Treaty by the contracting parties, and which rules were at first only intended to be enforced in future, but in the progress of the negotiation the American Commissioners pertinaciously insisted that these new rules should apply to the adjudication of the Alabama claims, which was finally most unwisely conceded by the British Government, which resulted in the excessive award of \$15,000,000! A humiliating feature of this one-sided transaction is, that the United States Government after a close investigation extending over three years, can only find claimants to the extent of \$5,000,000, showing conclusively that the severely taxed people of the Mother Country have been negotiated out of \$10,000,000, most unjustly. Not only have the American fishermen been permitted to participate in our in-shore fisheries undisturbed for five years, without paying compensation therefor, but the

United States Government has actually imposed duties indirectly on fish imported into their markets by British subjects, and it has also failed to carry out its engagement to secure to the subjects of Her Britannic Majesty the use of the several State canals connected with the navigation of the Lakes or rivers traversed by or contiguous to the boundary line between the possessions of the high contracting parties on terms of equality with the inhabitants of the United States. Of course the Senate is aware that any steps towards the enforcement of the provisions of this treaty must be left to the Imperial Government. But it is equally obvious that the honour and prestige of the British Nation is involved in the non-fulfilment of these articles of the Treaty of Washington, which so deeply affect the rights and privileges of the whole people of British North America. The importance of this question demands the serious consideration of the Dominion Government, and it would justify it in urging in the strongest terms upon Her Majesty's Government the just claims of Her Majesty's faithful subjects of this Dominion to have the Treaty of Washington carried out in good faith. He concluding by inquiring:

1st. Whether any further progress has been made to obtain a settlement of the claims of Canada for compensation for the use of the fisheries by the citizens of the United States, since the opening of Parliament?

2nd. What steps the Dominion Government have taken, or propose to take, to urge upon Her Majesty's Government the importance of having this question submitted to arbitration without further delay, in accordance with the articles of the Treaty of Washington?

Hon. Mr. SCOTT replied—That no further progress than had been announced had been made in this connection since the opening of Parliament of which he was aware or could speak; as the hon. gentleman who had just spoken had mentioned, action touching this matter rested entirely with the Imperial Government. He quite concurred in many of the views to which the hon. gentleman had given expression, with reference to the conduct respectively of the United States and of Great Britain. Various duties had been imposed on both countries by the Treaty of Washington. The one had acted in accordance with the law that prevailed between nations, honourably discharging its responsibilities; but the other, he regretted to say, had shown the most masterly inactivity. An effort had been made to bring matters to a conclusion. The Canadian Commissioner had been ap-

pointed, and the Government had done everything which was in their power, but they had met with very serious and unpleasant difficulties. They had again and again brought the question under the notice of the American authorities, but he regretted to say that very little progress had been effected.

Hon. Mr. HOWLAN observed that during the past month the British Government had brought the question of appointing a Commissioner before the American Government, when Secretary Fish informed Sir Edward Thornton that certain conditions of the Treaty had not been complied with, but whether on the part of the Dominion or Imperial Administration was not mentioned, and that in consequence they were not prepared to appoint an Arbitrator. He would not enter into consideration of the negotiation of the Treaty, for in the past he had expressed his opinions fully with reference to this matter. Canada had given away more than it had received. It was of great importance to the whole Dominion that this question should be settled at once, and for a variety of reasons. The greater value of our fisheries in comparison with those of the States was disputed, and he believed that the Government had, during the past year at all events, endeavoured to collect all possible information regarding this matter to be submitted to the arbitrators when they met at Halifax. Our fisheries, however, might be said to be in their infancy, and they were undoubtedly extremely valuable; and they were important to an extreme degree, not only because they furnished a cheap article of food, but also because they supplied a most valuable school for the formation of seamen to be used in our commercial, and, if necessary, naval marine; and it was to be remembered that our flag at present moved on almost every sea. The example of France, which held with such tenacity to the islands of St. Pierre and Miquelon for similar reasons, was not to be disregarded. He believed that for Imperial considerations, the British Government had not urged the fulfilment of the provisions of the Treaty on the United States Government, as probably at no remote period Newfoundland might enter into Confederation. It would be remembered that previous to the entrance of Prince Edward Island into Confederation, a great deal of excitement had been shown in New Brunswick and Cape Breton,

owing to the seizure of American fishing vessels, which had intruded into Canadian waters; then these Americans obtained supplies on the Island, and it had been agreed between Secretary Fish and Sir Edward Thornton, that fish coming into the United States from Newfoundland and Prince Edward Island would be allowed to enter free of duty, provided the Americans had the use of the ports in these two Colonies. Correspondence had taken place between Secretary Fish and Minister Thornton to the effect that fish coming into the United States from the Dominion would be received under protest. Previous to 1854 there was a great difficulty in the Gulf, and several American fishing vessels had been seized and confiscated by Her Majesty's cruisers for trespassing on our fishing grounds. At that time the reciprocity treaty was under discussion, and it was stated that if the fisheries of the Dominion were thrown open to the United States, all the duties imposed on Canadian fish would be refunded. That did take place, and every Canadian shipper of fish paid the duty to the United States under protest. During the season of 1853-54 these duties were refunded. In 1862, after the abrogation of the treaty, American vessels were again seized and confiscated for trespassing on our fisheries. But Prince Edward Island not being a Province of the confederation at that time, permitted the American vessels to come in free, and they shipped their fish from Charlottetown to Boston, and other American ports. At the same time Prince Edward Island shippers were led to believe they would receive refund duties. Under these circumstances a formal protest was sent by the Local Government, and served on the Customs Department at Washington and the Collector at Boston. Prince Edward Island had every expectation that when Congress met they would receive this refund to about \$50,000. At the time Congress met there had been a good deal of angry feeling aroused against the policy of the Dominion from the fact that a number of American fishing vessels had been seized, and the Island Government were told by Sir E. Thornton that they would not receive the refund because the Dominion had not complied with the conditions of the note. When confederation took place, however, as one of the delegates to this Government from Prince Edward Island, he had brought this matter to their notice, and one of the conditions of

confederation was, that whatever sum was allowed in consideration of the fisheries of the Maritime Provinces, Prince Edward Island should receive her share, and that should the arbitrators meet to decide the fisheries award, this \$50,000 refund would be a proper subject to be submitted to them. It required a good deal of capital, pluck and enterprise to engage in the Newfoundland fisheries, and the whole of a fishing fleet never returned at the close of the season. The American inshore fisheries had been depleted in consequence of poachers destroying the fish in the spawning season along the shores of the New England States. He mentioned this because it was stated in the United States that their fisheries were more valuable than those of the Dominion. The United States had a perfect system of gathering statistics which they had not in the Dominion, and Canada would have to come well prepared before the arbitration, or they would find that the Americans would come prepared with a big array of figures, and we would be manoeuvred out of getting any compensation.

Hon. Mr. KAULBACH said he regretted that this arbitration had been so long delayed, as he believed the longer it hung in abeyance the less chance we would have to obtain what was due to us. He considered that the Government had been lax in their duty in not having this matter pressed to a settlement before now.

#### PACIFIC RAILWAY.

Hon. Mr. KAULBACH, resuming the adjourned debate on the Hon. Mr. Dick-ey's amendment to the amendment of the Hon. Mr. Haythorne, to the motion of the Hon. Mr. Carrall—to resolve:—That the construction of the Pacific Railway having formed the principal condition upon which British Columbia entered the Canadian Confederation, every reasonable effort should have been made by the Government of the Dominion to satisfy the people of that Province that faith would be kept with them; but this House regrets to find that while incurring, or ready to incur immediately expenditures of several millions of dollars not needed or of doubtful utility, the Government has failed to proceed vigorously with the construction of our great national interoceanic railway, which is so essential to the material advancement of all the Provinces of the Dominion as well as to the early consolidation of political and

social union among the whole people. He said, after the many and very able speeches he had the pleasure of listening to on the resolution before the House, he felt great diffidence in soliciting his hon. friends to give him their attention, even on the promise he now gave to condense and shorten his remarks as much as possible. Since the time that the union of British North America under one Parliament and one constitution became the fixed and determined policy of its statesmen and these Provinces became united; since the time the hon. gentlemen from the Atlantic to the Pacific, who now heard him, first met here in Parliament, there never had been a subject before them of such magnitude and importance as that of the Pacific Railway. Viewing it, no matter how they each might, yet every hon. gentleman to whose remarks he had listened had not failed to view it as a federal work of Imperial and national importance. He might except, perhaps, his hon. friend from Montreal, not now in his seat, who seemed to have no faith in it, but yet that hon. gentleman did not venture on repudiation, well knowing as he must that to break faith with any—even the smallest of the Provinces—to say to it “we have no need of you,” would be to loosen the cord that united us, and impair hopes of our future to which we cling. We must not forget, that as yet we were as a bundle of sticks loosely tied together, that we could not permit repudiation, which means disintegration, that as a Dominion the hopes of our future greatly depend upon the development of the resources of our great West and British Columbia, which could only be accomplished by the construction of this great Inter-oceanic railway on the full faith, not only in the ability but also in the integrity of the country, to accomplish this great work upon which we had entered. He would not occupy the time of the House in remarking upon the great value of British Columbia as a part of this Dominion, occupying as it did the same importance on the Pacific as Nova Scotia did on the Atlantic; neither would he dwell on the importance to this Dominion of its mines of coal, iron and gold, or its great fisheries as yet undeveloped, but would pass on to the question now before the House. They were first asked to resolve that the construction of the Pacific Railway formed the principal condition upon which British Columbia entered this Confederation. They certainly could not

have any hesitation in coming to that resolution; it had not been gainsaid that there was a distinct and specific agreement with that Province on the faith of which it entered the union, that a railway should be constructed from a point on the Pacific sea board, to be fixed by the Governor in Council, through British territory to eastern Canada, to be built as a federal work by the Dominion. (Hear, hear.) The telegrams from British Columbia at that time declared that “no real union could exist without speedy communication,” and they must have all seen that the union without such a reasonable and proper communication would be neither desirable nor proper. (Hear, hear.) The treaty was entered into between British Columbia and Canada in 1870, to which the Imperial Government was a party, and loaned the Dominion £2,500,000 in aid of uniting and welding together all the British North American Provinces from sea to sea. The term, ten years, fixed to complete the railway, was understood simply as a guarantee that the Government were in earnest and determined that the road should be completed as speedily as possible, but not to advance the work faster than our resources would admit or the engineering difficulties could be overcome. It was well known that the railway was to be constructed through a *terra incognita*, and that it would have been the extreme of madness and ruin to all parties to determine on any positive time for its completion. (Hear, hear.) He would invite the attention of the House to a short extract from the speech of the hon. the mover of the resolution in 1871, providing for the admission of British Columbia into the union, in confirmation of this position. He had said: “It was not intended that we should proceed in the face of insuperable obstacles or jeopardize or endanger the resources of the country. It must be remembered that the people of British Columbia will stand in precisely the same position as we ourselves; their representatives will be here and in the other branch equally interested in the prosperity and economical administration of public affairs. We mention the time of ten years as a guarantee that we were in earnest and the intention has always been the same, the construction of the road by private enterprise and such aid as we could give without injuriously burthening the resources of Canada. The present Government

could not say that their predecessors made the ten years limit imperative. He felt quite confident that no hon. gentleman on either side of the House would dissent from that part of the motion of his hon. friend from Amherst which would have them affirm that this House fully recognized the obligations of the Dominion to secure the construction of the Canada Pacific Railway with the utmost speed compatible with a due regard to the other financial requirements of the Dominion, and without unduly increasing the rate of taxation. The Government of Sir John Macdonald should be commended for the resolution they passed in 1871, shortly after the terms of union were agreed upon. It was in effect that the Pacific Railway should be constructed and worked by a company subsidized by liberal grants of land, money, or other aid not increasing the existing rate of taxation. By this resolve Canada had been saved from any exorbitant or ruinous demand, should British Columbia ever desire to have the railway pushed forward to the injury of the Dominion, of which she was to form a part. Hon. gentlemen were all aware of the favourable contract that had been entered into by Sir Hugh Allan, by which we were pledged to the extent of \$30,000,000 in money, and it could not be gainsaid that Sir John honestly endeavoured by every means to carry out the project. It was now a matter of history the manner in which that contract failed. All political parties were bound to the completion of the railway, yet it was a notorious fact that the present Government rode into power by scheming and intriguing to crush that great undertaking, and it came with bad grace from the Hon. Secretary of State the other day, when he said the present Opposition put party first and country afterwards. He would now endeavour to show the ruinous policy, the inconsistency and incapacity of the Government in grappling with this work, the completion of which was so essential to our existence as a Dominion and our growth as a happy and prosperous people. In the Minute of Council of the 30th of March, the Government referred to the terms of union with British Columbia as "those ruinous terms," and it would be remembered that the contract for the building of the railway was based on those terms, yet the Minister of Agriculture the other day, in addressing this honourable body, stated that the land scheme did not offer sufficient inducements, while it was well known that this

Government not only defeated the scheme but undertook, as a Government, to build the railway as a Government work, increasing therefor the taxation of the country some three millions of dollars, and also passed an Act to add forty millions of dollars to the public debt; and in addition agreeing to build a local railway on Vancouver's Island, to cost this country some unknown number of millions of dollars more, and complete the Pacific Railway in fourteen years. Yet they would now tell the House that the railway was to be built on the express condition that the taxation of the country should not be increased. (Hear, hear.) Hon. gentlemen would agree with him that the Government were only bound when they took office to prosecute the construction of the Pacific Railway with vigour and speed consistent with the difficulties to be encountered, and they were not bound to have the railway completed in ten years; yet they found the Government insidiously endeavouring to make the country believe that the road could not be built, while, as he had shown, they had added immensely to the burthens of our debts and the taxation of the country. What further did the reports and papers before the House show? They had first a letter from the Prime Minister to Mr. Edgar, dated 19th February, 1874, instructing him to proceed to British Columbia and let the people of Vancouver's Island understand that the Government were not bound to build the railway on that Island, and further to seek to obtain by any and all means any terms. Then we have Mr. Edgar's letter addressed to the Attorney General of British Columbia, dated the 8th of May following, in which he offered, on behalf of this Government, to instantly build a local railroad on the Island which would cost about five millions of dollars, and in addition to spend \$1,500,000 every year in British Columbia on the Pacific Railway, also to construct a telegraph and wagon road, provided that British Columbia did not hold them to the ten years limit. The following was one of the clauses in that letter:—"The 11th article of the terms of union embodies the bold proposition that the railway shall be commenced in two and completed in ten years from the date of union, to connect the sea board of British Columbia with the railway system of Canada. Feeling the impossibility of complying with this time limit for completion, the Government are prepared to make new stipu-



lations and enter into additional obligations of a definite character for the benefit of the Province. They propose to commence the construction of the road from Esquimalt to Nanaimo immediately, and to push that portion of the Railway on to completion with the utmost vigour, and in the shortest practicable time." The British Columbia Government declined to consider this offer unless the Agent showed his official authority to contract for the Dominion. What was the next devious course of the Government? Instead of seeking from this Parliament support and advice, they found the Ministry referring the whole matter to the arbitration of Lord Carnarvon, who, on the 17th November, 1874, awarded that the Railway from Esquimalt to Nanaimo should be commenced as soon as possible and completed with all practicable despatch; that a waggon road and telegraph line should be immediately constructed; that two million dollars a year should be the minimum expenditure on the Pacific Railway within British Columbia, and, lastly, that on or before the 31st December, 1890, the Railway should be completed and open for traffic from the Pacific seaboard to a point at the western end of Lake Superior. And now, to crown all, what did the country find? That this Government, on the 8th of December, 1874, by Minute of Council, approved of the award, and it would suffice to read the two clauses: "The conclusion at which His Lordship has arrived, upholds, as he remarks, in the main, and subject only to some modifications of detail, the policy dictated by the Government on this most embarrassing question. The Committee of the Council respectfully request that your Excellency would be pleased to convey to Lord Carnarvon their warm appreciation of the kindness which led His Lordship to render his good offices to effect a settlement of the matter in dispute, and also to assure His Lordship that every effort will be made to secure the realization of what is expected." Comment on this would be unnecessary. If ever any set of men attempted to hurl a country into bankruptcy and ruin, this Government, by this transaction, did it; and, but for the action of the Senate last session, this Dominion would have been irrevocably bound to construct the Pacific Railway in fifteen years, no matter what difficulties, physical or otherwise, might stand in the way. They would have to construct the Esquimalt and Nanaimo Railway immediately at a

cost of nobody knew how much, but say \$5,000,000, which the Government in the Minute of Council of September, 1875, declared did not form a portion of the Pacific Railway, but was essentially a local work. They were also to construct a waggon road and telegraph line, besides expending not less than two millions of dollars every year on the Pacific Railway in British Columbia. How could the Government now dare to hedge themselves under the plea of no additional taxation? As he had said before they had saved the country in this Senate from untold burthen and enormous taxation. It was too late now for this Government to hedge themselves by declaring that they were controlled by the terms of the resolution of 1871. He had already shown that they by their action had ignored that resolution by offering new terms to British Columbia, imposed additional obligations, and increased taxation in the Dominion. The preamble to the Pacific Railway Act of 1874 declared that this Government had increased our taxation three millions of dollars to make provision for the constructing of the Pacific Railway as rapidly as possible, and the Act passed the same year authorized a loan of forty millions of dollars, and recited the terms of union as its chief reason for borrowing that money. This money was borrowed on the Imperial guarantee, and was obtained exclusively for the Pacific Railway. Even that money had been diverted from the objects for which it was intended, and devoted partly to paying Dominion debts and building canals, and a large quantity was squandered in the steel rails job. (Hear, hear). He felt free to state that he did not consider the Government were very anxious that their Bill to construct the local railway from Esquimalt to Nanaimo should pass the Senate last year. Hon. gentlemen well knew the action of the Government supporters in this House on that Bill, and could form their own conclusions. It was evident that the great Aurora's speech had something to do with the matter. The action of the Government, on the other hand, showed not only political incapacity and want of security, but a blunder of a kind of which sane men would scarcely be guilty, and he felt that the members of the Government in this House ought to join at least in that part of the resolution of his hon. friend from Amherst which expressed regret that the course adopted by the Government in connection with this matter had not met the expectations.

of the people of British Columbia. They now came to the last part of the resolution, which was "that the course adopted by the Government in connection with this matter had not been such as to facilitate the development of the Northwest." Although it was essential that British Columbia should have this railway, and the faith of the Dominion was pledged to its construction in a reasonable time, yet it ought not to be looked at in a sectional way, but as essential to the development and consolidation of the Dominion. Therefore, from a Canadian point of view, it would be admitted that the Government had not paid that attention to pushing on the railway from Manitoba to the Northwest that its importance deserved, and it was a wonder that the settlers in that region continued to quietly suffer so long. It was our great field for immigration and population, and from which the Dominion expected to derive the first fruits of the railway construction. It could not be questioned, if the Government had proper confidence in themselves to honestly commence the work and realize the vast importance of the whole Dominion, the early settlement of the Red River and the great prairie country, and pursue a cautious, and yet a vigorous and determined policy; to grapple with the difficulties that confronted them instead of wasting all their energies in attempting to subsidise branch railways and to buy out British Columbia; they would not now be compelled in justice to the Northwest to declare this censure on the Government. There was yet one act of the Government which could not be passed over in silence, it was the bribe of \$750,000 lately offered to British Columbia in compensation for the indefinite postponement, not of the Vancouver Island Railway, but of the Pacific Railway. These were the words of the Minute in Council of September last: "That the compensation given then by Canada for any delays which may take place in the construction of the Pacific Railway." It was now they could look with feelings of pride to the large hearted patriotism of British Columbia, who spurned this bribe, and who could not be purchased with money to the amount of three quarters of a million of dollars, but in their reply they said that "disappointment, discouragement, and distress had taken possession of them by reason of the repeated violations by the Government of Canada of their engagements." Here were the words of the British Columbia

representatives of the people, through their Speaker, to Her Gracious Majesty, on the 29th of November last:—"A feeling of distrust has taken the place of the confident anticipations of commercial and political advantages to be derived from the speedy construction of the railway which should practically unite the Atlantic and Pacific shores of Your Majesty's Dominion on the continent of North America." These were the words of the people, burning with patriotism, who sought to maintain their connection with us and their treaty obligations, who said to us, as far as the Atlantic shores:—"We wish to be one with you in all the relations and advantages which the country possess; we wish to preserve our British connection here, and reap our share of the happiness and prosperity of that connection, and, if needs be, to share in the defence of the integrity of the country." He regarded the Government policy of utilising the water stretches as a scheme that could not be successful, for the route would be long and tedious, and even as a temporary policy must occasion a large expenditure of money to make connections with navigable waters or roads, which must ultimately be useless after the construction of a continuous rail route. Besides this, no possible way had been shown as to how the water sections could be used in winter—nearly six months in the year. The hon. member for Hopewell had pointed to the American Pacific Railway as a precaution to us, and stated that it went through a settled country, and it had other great advantages. His belief was that that railway ran through a country which, for soil and climate, could not favourably compare with the line which we could construct, and that the engineering difficulties that the U. P. Railway had to overcome were infinitely greater than ours; yet that road had been a success. Settlements had been made, towns had sprung up along the route. As an instance of the beneficial effect of the construction of the railway, Chicago had doubled its population since the railway had been built. The country through which it passed was nothing to compare with our great West, and when we reached Victoria we would be a thousand miles nearer to China and Japan than the people of San Francisco. He had endeavoured in his poor way to make it plain that this country was never absolutely pledged to build the Pacific Railway within ten years; that the country only expected the Govern-

ment should do everything that was reasonable and in their power to perform their engagements with British Columbia; that the present Government had never shown any faith in themselves, nor had they endeavoured to inspire the people of British Columbia with confidence that the Ministry were sincere and earnest in their work, but on the contrary, by every means in their power contrived to induce British Columbia to release them from their responsibility, and had wasted money on works in the name of the Pacific Railway that had nothing to do with it; that instead of diligently carrying on the explorations to determine on some objective points at which to commence the work they had sought to fix upon the Dominion greater obligations than had been bequeathed to them, and now endeavoured to make the country believe it was all owing to the faults and follies of their predecessors.

Hon. Mr. WILMOT stated that he only wished he could believe all that his hon. friend from Nova Scotia had said. He thought that it would be very unwise to pass any resolution in connection with this matter. On the Statute Book was a law by which the faith of the Dominion was pledged to build this railway, and it was on all sides agreed that this should be done without increasing taxation, but no one could think that such a culmination was within the bounds of possibility. He could not vote for any of the resolutions which had been submitted to the House, and a large number of the representatives in the other branch of the legislature, who were directly responsible to the tax-payers, had decided to make use of the navigable waters with reference to this great work. Undoubtedly we had a great territory in the North-west and had expended large sums to induce immigrants to settle in it, and now we were called upon to pay large sums of money to support them. If that country was worth anything at all it had agricultural resources, but if it could not provide food for its people, he did not think that it was necessary to build this railway. When confederation was accomplished in 1867, our debt was \$93,046,051, and last year it had attained the figure of \$151,663,401.

Hon. Mr. MILLER—Does not that include the debts of British Columbia, of Prince Edward Island, and of Manitoba; also the several millions taken from the Provinces of Quebec and Ontario, proportionate sums being allowed the other old

Provinces, as well as the debt contracted since confederation?

Hon. Mr. WILMOT replied that the fact remained, that our present debt amounted to \$151,663,401. He would mention that up to the end of last year, the sum of \$4,800,000 had been expended on the railways. We could not expect that it would be remunerative. He thought it would be hardly worth while for this branch of the Legislature, which did not represent the tax-payers, to pass a vote of censure on the Government for not having made more progress in this relation. He felt that it was unwise to run into debt by borrowing money in England. His hon. friend from Lunenburg had referred to what the Americans had done in a similar connection, but this had been done under the greenback system, which made a great deal of difference. We occupied the same position as the United States in 1837, when Rev. Sydney Smith wrote a letter with regard to the repudiation by Pennsylvania of its engagements. He hoped that the Dominion would never be compelled to follow this example.

Hon. Mr. CAMPBELL—But my hon. friend forgets how that State triumphed over its difficulties, and how prosperous it is now.

Hon. Mr. WILMOT did not desire to ever see the stigma of repudiation attached to this country. He did not believe in borrowing money, save to the extent we could ourselves provide. In 1861 our realisable property amounted to four hundred millions; and since then it must have largely increased in value. British Columbia could furnish the gold that might be required. This Province was very valuable to the Dominion; its climatic advantages were much greater than our own; it possessed a great variety of resources, and it was nearer to China and Japan than this section of the Dominion. A commercial crisis at present prevailed; and it was not wise to pass a resolution directly contrary to the verdict of the people at the last general elections. It was almost the height of absurdity to suppose that this railway could have been completed within ten years. He hoped that his hon. friend would withdraw his resolution.

Hon. Mr. LETELLIER DE ST. JUST stated that this question ought to be considered from two points of view; the first was that which related to the obligation existing, owing to the engagement to build this railway, entered into with Bri-

tish Columbia; and the second that which compelled those who were opposed to this engagement to remain faithful to the solemn resolution of a majority of Parliament. At the time the proposition was made to annex British Columbia to the Dominion, every one was aware that both in this and the other House a strong opposition was offered to the conditions in question. This obligation, however, contracted, only one thing remained to be done: to fulfil the terms, and this was a duty. What were the conditions? That the road should be built within the space of ten years. Afterwards a resolution passed both Houses, declaring that the prosecution of this work should not involve any increase of taxation. He maintained that this agreement had been faithfully observed by both the late and present Governments. The late Cabinet had resolved to build the line by means of a company; one was organised, but it failed to raise a loan for the purpose. In the meantime, explorers had been sent out to locate the route. Then another event occurred; the Government, of which his hon. friend from Kingston was a member, in order to conciliate the irritated spirit of British Columbia, and as a sort of equivalent for the delays that had taken place, passed an order in Council providing for the construction of the Nanaimo and Esquimalt Railway. Seven months, in addition to the two years, during which time the railway was to have been commenced, had expired, when the change of Government took place. The present Administration considered that under the circumstances it was necessary to adopt a line of conduct which would not involve useless expenditure, while, on the other hand, they felt that it was their duty to provide the most easy means of communication with the North-West Territory, in order to promote its settlement, and this object was always kept in view, and every one knew how desirable this was. At the general election which followed the accession of the Premier to power, the latter announced that the water-stretches would be utilised in connection with this project. He asked the House whether the policy inaugurated by the present Administration was not wise and advantageous and less costly than that of the late Government? At present certain hon. gentlemen seemed to wish to ridicule it, and to imply that those who did so had not at heart the well being of the coun-

try, and the due observance of economy in the administration of public affairs. One would imagine, from the expressions of its representatives, that the Province of Manitoba had been badly treated in this connection, but he believed that if any part of the country had been generously treated it was this very Province, and the Government deserved more consideration from its representatives. Another matter should also be considered by these hon. gentlemen—the agreement to construct the railway from Pembina to Fort Garry, providing new means of entering the North-West Territory. What right, therefore, had they to complain? They reproached the Government with taking advantage of foreign lines to send emigrants into that country; but how did the Administration endeavour to prevent the Americans obtaining the settlers, was it not to the advantage of that Province? Those who chose to shut their eyes to these facts might do so, but he regretted his hon. friends from Manitoba had taken such a position. The first step taken to open a line of communication with the Pacific had been most favourable to that Province, and next year all the means to reach it would be provided. It might be said that this route could only be used during the season of navigation, but at what other time could emigrants reach that country, leaving here as they generally did between the end of May and the end of September. They could be sent by rail and water to Prince Arthur's Landing, and thence by similar means to Manitoba. This route was 200 miles shorter for reaching not only that Province, but the country beyond. If the Government had not intended to locate and build this railway, it would not have expended the money it had upon explorations, etc. There was another point which had formed the subject of many ill-founded comments he had let pass in silence. It was alleged that the policy of the Government was prejudicial to the interests of Lower Canada and the Maritime Provinces, but this was not the case. It was also held that the Georgian Bay Branch was not a section of the Pacific Railway proper, and this he admitted, but a law had been passed directing that this line should be built on certain conditions. What was the object of this legislation? To establish the possibility of building this road between Lake Nipissing and the Eastern lines, and in what condition would central Canada and Quebec be

placed if it was not built, becoming one of the links connecting these portions of the country with the Pacific Ocean? He asked the representatives of Quebec and of the Lower Provinces whether this policy militated against their interests. Without the Georgian Bay Railway the sacrifices which Quebec at present was making would be of no avail. It was extremely desirable that the hon. gentlemen who lived in that Province and Central Canada should understand the importance of the resolutions before the House. Those who wished to support the policy of the Opposition against the Government would seal the fate of the North Shore Railway. Should we ruin the future of Canada for the sole benefit of British Columbia? We should honestly fulfil our engagements with that Province, but in seeking to do so, we should not so affect our credit as to render that fulfilment impossible. Under these circumstances, we should act with prudence, and within our means. The hon. gentlemen for British Columbia should act in harmony with those who are endeavouring to give them the means of succeeding and accomplishing the object they had in view. His hon. friend from Toronto had stated, the other day, that it was absurd to think of building the Georgian Bay Branch, when no exploration of the line had been made; but to this he would reply, that the hon. gentleman had formerly supported the scheme for constructing the whole Pacific Railway when not a single inch of the route had been surveyed. What were such arguments worth? Nothing; it would have been better if the hon. gentleman had not used them.

Hon. Mr. MACPHERSON—I never said that.

Hon. Mr. LETELLIER DE ST. JUST—If the hon. gentleman says so, very well.

Hon. Mr. MACPHERSON—I said that an entirely different policy had been pursued in British Columbia to that with respect to the Georgian Bay Branch. With regard to the former, the hon. gentleman and the Administration said that nothing could be done until a thorough survey had taken place, of which I quite approved, but they did not follow the same course with the Georgian Bay Branch. The contract was given when not a foot of the line had been surveyed, and was afterwards cancelled.

Hon. Mr. LETELLIER DE ST. JUST asked how was the hon. gentleman willing, under the circumstances, to have the contract awarded before any exploration

was made? The objection the hon. gentleman raised applied with greater force to this than to the other case. The Government had spent nearly \$2,000,000 on the railway and \$800,000 last year in surveys over the Rocky Mountains; and in presence of these exertions to keep good faith, how could it be reasonably said that they did not desire to fulfil their obligations? The portion of the road near the Pacific shore had not yet been decided upon; these regions were comparatively unknown, and an error in engineering might entail the cost of an additional \$8,000,000 or \$10,000,000. The country, if the opportunity was given it, would declare that no useless expenditure should be incurred.

Hon. Mr. CAMPBELL—We are all of the same opinion on this point.

Hon. Mr. LETELLIER DE ST. JUST could not then understand why the hon. gentleman could not perceive that the present Government was doing all it could in this connection. The Ministry could not perform impossibilities. The responsibility of originating the Esquimalt and Nanaimo Railway scheme had been thrown on the Government. This was most unjust. Great discontent had prevailed in British Columbia owing to the delays that had taken place with reference to the commencement of this railway, and what had the Ministry done? They passed an Order in Council declaring that a railway on the other side of the Narrows, between Esquimalt and Nanaimo, would be built as part of the Pacific line, though the law did not authorize them to incur an obligation which would necessitate the expenditure of at least a further \$5,000,000. The present Premier, after taking office, was called upon by British Columbia to build this railway, owing to the promises made by his predecessors. The Cabinet replied that no such obligation existed. And what was the answer? That it was promised as compensation for the delays mentioned. It was the duty of the Government to conciliate as far as possible the people of that Province. Mr. Edgar was sent out there with this end in view, and nothing save the construction of this railway would satisfy them. Later Lord Carnarvon included it in the conditions in the way of compensation, and it would have been very difficult to refuse the intervention of the noble lord. The Government accordingly considered it their duty to introduce the Esquimalt and Nanaimo Railway Bill, which passed through the House of Commons with the

aid of the Opposition. They knew what the fate of the Bill was in that House. It was alleged that the Government had urged their friends there to vote against it; but this was not the case, and the hon. gentleman from Montreal, one of their friends, who so voted, had announced in the Chamber that he had been solicited by a member of the Administration to support the measure. The hon. gentleman had not said by whom he had been so requested, but he would add that this was himself. The Government had made every effort to secure the passage of the Bill. A friend of the late Administration in the House of Commons had recently stated that, after consenting to support it in the Chamber, he came there with the consent of Sir John Macdonald to induce their friends to vote against the Bill. Could it then be said that the Government desired its rejection? Censure, in this relation, fell on the Opposition. The declaration, to which he alluded, had been made on Friday last in the House of Commons, by the hon. member for Cumberland, and it must certainly edify the hon. gentlemen from British Columbia.

Hon. Mr. CAMPBELL—The hon. gentleman is quite mistaken. Sir John Macdonald, as far as I know, requested no one to vote against the Bill, neither did the hon. member for Cumberland; nor do I know that either did anything whatever in this connection.

Hon. Mr. LETELLIER DE ST. JUST—I did not say that Sir John Macdonald suggested it; but the Hon. Mr. Tupper, in reply to Hon. Mr. Blake, said that, though he aided to pass this Bill before that House, he came here to suggest, with the approval of Sir John Macdonald, who was sitting at his side when he made this statement—that it should be thrown out.

Hon. Mr. CAMPBELL—Was that said by the hon. gentleman himself?

Hon. Mr. LETELLIER DE ST. JUST replied—Yes, in presence of Sir John Macdonald—Political feeling was betrayed in the motion before the House, which, if carried, would be a vote of want of confidence. This it was useless to try to conceal; and if the vote was hostile, it would be declared that the Government had been censured in the Senate with regard to its Pacific Railway policy. The hon. gentlemen from British Columbia should exhibit a proper degree of patience, seeing that the Government was endeavouring to carry to a successful completion this great national

work, but he did not think that they would desire this at the risk of bringing ruin upon the Dominion. A few years ago, when in opposition, he had made every effort to defeat the Pacific Railway scheme; but to day he held that it was his duty to assist in observing the solemn engagement existing between the Dominion and the Province of British Columbia. It was not intended that this House should pass votes of want of confidence on administrations; and when, as might happen, the political complexion of the majority might be reversed, and the Cabinet being changed, the majority of that body placed in opposition, they might follow the bad example which might now be set them. The present majority should be careful as to the attitude they assumed. He could not refrain from believing that to party spirit was due the resolutions under consideration, and he hoped that the motions would be withdrawn, hon. gentlemen having been furnished with an opportunity for expressing their opinions in this regard. If the motion was carried, it would imply a vote of want of confidence, and its result would be to embarrass the Government.

Hon. Mr. GIRARD, as the Minister of Agriculture alluded to his expressions of opinion, requested the indulgence of the House, in order to give him the opportunity of making a reply. The hon. gentleman dwelt upon favours extended to the Province of Manitoba, but he would remind the hon. gentleman that he represented, not only that Province, but also the Dominion. It was consequently his duty to take the general interests of the country into consideration. Despite what the hon. gentleman might say, he was not influenced by party feeling in taking the position he did. He always regretted to express views in opposition to the policy of the Government; but nevertheless he was in duty bound, as well as others, to make known his opinions to the Administration, in order that occasion might be given for reforming an improper policy or rendering more justice to the country. He had stated the other day, and he did not then hesitate to repeat that the policy of the Ministry, with reference to the construction of the Pacific Railway, was tortuous, expensive, and unwise. Their first step had been to resolve to utilise the water stretches, but the result would be that the money spent in this relation might as well be thrown into the sea. The country required a direct line from the

Pacific to the Atlantic Ocean, extending our commerce, and giving us access to the riches of the East. When the Government had been requested to locate the route so as to pass close to Fort Garry and to the south of Lake Manitoba, what was the reply given to the various delegates? "You have no right to it; this is not your road but the railway of the Dominion."

Hon. Mr. LETELLIER DE ST JUST—Hear, hear.

Hon. Mr. GIRARD—The hon. gentleman exclaimed "hear, hear," but in this he heartily agreed with the Ministry—the road was not for Manitoba but for the Dominion, in virtue of the resolution adopted in the year 1871. If a change had not taken place in the Cabinet, a portion of the line at the present time would undoubtedly have been built, and the route at least surveyed throughout. A resolution in existence stated that it should be built without rendering any increase of taxation necessary, and what had in reality given umbrage to the people of British Columbia had been the hesitation shown by the Government to give them justice. The Administration, when they determined upon the construction of the Nanaimo and Esquimalt Railway, adopted an unsound policy, and when the Bill was rejected a great service was done the country. The intention of the Ministry, as far as he could see, had been, had that Bill passed, to postpone for a long time the construction of this railway. They did not wish to involve the country in enormous liabilities. He regretted the position in which he found himself; and he protested strongly against the insinuations thrown out from time to time to the effect that he and others, members of that body, were inspired by political motives. He, for his part, could not see how party spirit could exist in this Chamber. He would give his opinions frankly. He conceived that it was his duty to follow the policy of the Government with the greatest interest; and he would have much rather preferred to have felicitated than condemned—as he was obliged to do—the course taken in this relation by the Administration.

¶ Hon. Mr. CAMPBELL said the hon. gentleman (Mr. Letellier) had stated that Sir John Macdonald had said in the other House that after voting for the Esquimalt and Nanaimo Bill, he advised his friends in the Senate to vote against it. He (Mr. Campbell) had written to the

hon. member for Cumberland, asking him if such was the case, and his reply was:— "No, what I said was, 'as the Government had voted down my resolution requiring them to submit contracts to this House, I said that if Sir John and I voted against the third reading, and our friends in the Senate voted against the Bill, there would be nothing inconsistent in it.'"

Hon. Mr. LETELLIER DE ST. JUST said he had not stated positively that the hon. gentleman had said that he had asked his friends in this House to vote against the Bill, but he had suggested it.

Hon. Mr. CAMPBELL said the denial was complete on that point.

Hon. Mr. CARRALL—To whom did he make that suggestion? Not to me.

Hon. Mr. LETELLIER DE ST. JUST said, in reply to Mr. Blake, the hon. gentleman had stated that he had suggested to his friends in the Senate to vote against the Bill.

Hon. Mr. PRICE said he understood Mr. Blake had asked his own friends to do the same thing.

Hon. Mr. SUTHERLAND, after reviewing some historical points in connection with the entry of the North-West into the Confederation, said that if Canada had not been so hasty in taking hold of the Province the people would have had it in their own hands to-day, without it costing the country a single cent. The Hudson Bay Company and their officials had begun to find out, previous to the transfer, that it was impossible to govern the territory. The Governor told him so himself frequently, and they would have had to give it up. It was a sore question with the people of Manitoba, and with many other people; he believed it would have been better to leave it to oblivion. The settlers were also very much dissatisfied with the land policy of the Government; it was not that the policy was not good enough in itself but it had not been carried out. He had always been of the opinion that the building of the railway had been a mistake; the Thunder Bay Branch could not be utilized as a portion of the main line without making a detour of some sixty miles. He feared that the Government had over-estimated the advantages of the water-stretches, as when the Pembina Branch was constructed it would take the business, and the other railway would be closed five or six months out of the year. Then the line from Rat Portage had been run to the north east corner

of the Province the most worthless part of it, and the immigrants coming to Winnipeg by that route would have to travel twenty-three miles up Red River to get to Winnipeg, and none of the lands in that section of the Province would be located until all the lands in the Saskatchewan were taken up.

Hon. Mr. PRICE called attention to the remark of the Minister of Agriculture that the Opposition themselves in that House were actuated by a party, factious spirit, although the members were not responsible to the people. He disclaimed all such motives on his part, and said he felt that he was there in the position of a judge and not as a party man. He was one of those who had supported the Pacific scheme of the late Government and if it had been carried out as proposed by them, they would now have had a railway built half way to British Columbia. The present Government should have adopted that policy instead of spending the money in taking a gentleman out of this House to give him a job.

Hon. gentlemen—Oh, Oh, Oh !

Hon. Mr. PRICE—Yes, a job ; a man who was the principal cause of the fall of the late Government, and they gave him this contract as a bribe.

Hon. gentlemen—Oh, Oh !

Hon. Mr. PRICE said—He would state it again ; if it had not been for that man, and the jealousies of a rival railway, the Pacific Road would have been now built half way to the Rocky Mountains. He was satisfied that the explorations that were now being made were more with a view to defeat the railway than anything else.

Hon. Mr. FABRE—I regret that the movers of the motion and amendment submitted to our consideration have not followed the good example given them by my hon. friend from La Valliere, and withdrawn them. It seems to me that any useful purpose or legitimate object they might have in view has been obtained, as full opportunity has been afforded to the representatives of British Columbia in this House to lay before the Senate and the country the views entertained in their own Province on the policy of the Government in relation to the Pacific Railway. The case has been ably and fully laid before us. We now ignore nothing that we ought to know on the subject. We first heard our hon-

ourable colleague for Cariboo (Hon. Mr. Carrall). He spoke with such earnestness and conviction that he must have made an impression even on the minds of those who are very far from entertaining the same views as himself. He went so far as to deny to himself the pleasure of making, and to deprive us of the pleasure of hearing, some of these witty remarks of which he is so fond, and for the first time since I have had the honour of occupying a seat in this House, I saw him looking as grave as a Senator. He has been ably supported by his two colleagues from British Columbia, and the question has been fully ventilated. But if the hon. gentlemen are decided to force a vote upon us on this question, I beg to tell them, respectfully but frankly, that I think they are wrong. Columbia has nothing to gain by following that course, and it seems to me that the Senate has something to lose by it. I may be wrong, and in this case the more experienced and wiser men I see around me will pardon me ; but I conceive that it is not the part assigned by the spirit, if not by the letter, of the constitution to this honourable body, to throw itself into the political arena with the ardour of youth, and the hasty spirit that animates the popular branch, and to try to wrest the power from those who have received it from the hands of the people, and to thwart the policy which has obtained the support of the other House. Our duty, our part, I humbly submit, is not to vote non-confidence in the Government, to defeat it on its general policy ; but to control legislation, and correct measures as they come before us. We must avoid coming into conflict with the other House on what must seem to every one its special privilege. Now, honourable gentlemen, let us ask ourselves what will be the consequence if we adopt the Hon. Mr. Carrall's resolution as amended by the Hon. Mr. Dickey ? Why ? it will place us in direct opposition to the House of Commons, whose sentiment appeared clearly enough when the same question was discussed the other day in that House, we know with what result ; and I am very much mistaken if it is to the course proposed to us that the country would give its sanction. The prevailing sentiment in the other House, and certainly in my own Province, is just now that it would have been better if, after the fall of the conservative ministry, the idea of constructing the Pacific had been at once abandoned.

Hon. Mr. CARRALL—I contest that.



Hon. Mr. FABRE—I claim that I must know a little more about my own Province than a member from British Columbia. I repeat that the Liberal government would have found more favour among its friends, and more favour among the people, if it had on all subjects adopted a more radical policy, broken at once and decidedly with the engagements and line of policy of its predecessor. Certainly, a great number of us felt disappointed when we heard the Ministry announce that in so many things they would adhere to the policy of the Conservative Ministry. In relation to the Pacific Railway specially, we would have wished that the Government would have taken a more decided attitude, and told at once to British Columbia that, though very desirous of keeping her in the bonds of Confederation, we could not afford to keep her at the cost of constructing the Pacific Railway.

Hon. Mr. MACPHERSON—Is that the opinion of your present Leader, the Hon. President of the Council?

Hon. Mr. FABRE—I express my own opinions, not those of others. But, hon. gentlemen, if this radical course has not been followed, is it for the members of the Conservative party, is it for British Columbia to complain? If a milder course has been adopted; if since two years with a seal and a patience, before threats, that everyone ought to admire, the Government has tried its utmost to conciliate the interest of Columbia with that of the country at large, has applied itself to find a proper solution to the difficulty, and has succeeded so far as to obtain from a large number of members of the Liberal party, who do not believe in the scheme, their support for measures which you call insufficient, but which to many of us appear very hard to concede, I say, ought you not at least to accord the Government justice for manly and loyal efforts? Certainly, if we take into consideration the relative state of opinion in the Liberal and in the Conservative party, it is but justice to say that the present Government has shown as much sympathy for British Columbia as its predecessors. It has worked hard in her favour against the current of public opinion, which would have gladly seen the whole Pacific scheme carried away in the Allan scandal, and in the downfall of the Macdonald Government. Please recall to your memory the events and sentiments of two years ago, and see if, at that time, the repudiation of all obligations towards British Columbia

would not have been met with a nearly universal approval? The Conservative party was too weak then to be of any use to British Columbia. It had by its bad management, by its corrupt bargain with Sir Hugh Allan's agent rendered her cause unpopular; her case hopeless. If British Columbia had not been then assisted by the men in power, by the leaders of the Liberal party in power, it would to-day be out of Confederation, if her threats are sincere; or deprived of any hope of ever having anything to alleviate the sorrow she seemed to have felt in the trying hour she decided to join us. With due regard to the majority of this House, it appears to me that this great question has been approached with more rashness than fairness. I fail to find in many of the declarations I have heard that wisdom, prudence, and foresight which ought to characterize all the utterances of a body of men of so large an experience and so high a character. I have had to listen with amazement to some of the speeches made in this House. Why, some of us speak of this gigantic scheme as if it was a matter of course the easiest thing in the world, a kind of a branch railway between two not distant points. Are they really serious, or simply applying for support from British Columbia in the present very great need of the Conservative party? If they really felt as much interest for British Columbia as they pretend, they would not treat such a subject so lightly, with so little regard for obstacles that must appear to every reflecting mind frightful, tremendous. The fact is that to carry the gigantic work through, must take years and years; it is only with great caution that we can proceed in the interest of the enterprise itself, because any grave mistake would be a death-blow to the scheme. If ever, by the fault of a scheme so distasteful to many, the country falls into embarrassment,—as would be inevitably the case if the Government followed the advice given them by some of the speakers,—it will be done with the whole thing, and British Columbia will have to mourn the irreparable loss of the enterprise. The leaders of the Conservative party felt this when they had the responsibility of office. We have been informed, by the best authorities, that it was never thought of to adhere to the term of ten years fixed for the completion of the work. It was only put there to defy public opinion, I suppose, and to show that nothing was beyond the reach

of our statesmen. It was a *bravado*, something like an immense puff, to give to outsiders a lofty idea of our public mind. But, then, if it was never intended to build the Pacific in ten years; if it was never dreamt of; if the thing is now confessed to be absurd; on what ground can it be a reproach to the present Government not to adhere in any way to terms so foolish? Unlike its predecessor, the present Government is not disposed to take engagements it knows it can't carry; it asks Columbia to place implicit confidence in us, and to strive in friendship with us to attain the object we must have both at heart, the interest of the Dominion first, the interest of British Columbia second. British Columbia knowing that the preceding Government never intended to carry out the scheme in ten years, has no right to ask the present Government to bind itself to any specific terms. It ought to be enough for her to know that she will be dealt with with due regard for the common interest of the people of the Dominion. It has been said and repeated that we must be loyal to British Columbia; but in turn is it too much to ask British Columbia to be loyal to Canada, faithful to the interest of Canada as much as if it was her own? Has she really made such a sacrifice in coming into Confederation, that nothing short of blind sacrifice on our part will satisfy her? I don't believe so; she appreciates too highly the advantage of being united with us under a common rule, of participating in all the advantages of a common state; she knows too well that now that she is one with us, ruin for us would also mean ruin for her.

Hon. Mr. TRUDEL said he would not follow his hon. friend in the remarks he had made on the old Pacific scheme. Although not his intention to do so, he had shown to whom was due the misfortune and want of success. The hon. Minister of Agriculture had endeavoured to impress on this House that the passing of this resolution would be equivalent to a motion of want of confidence, and that such motions should not be brought before this Chamber; the hon. gentleman knew very well it that was the significance of such votes in the past, he would not have continued to occupy a seat on that side of the House, as many votes adverse to the Administration had been passed. He considered that when the other House could not condemn a measure of the Government without condemning the Government, that this House had the same

right to express their opinion of the Government measures, especially when it had not the effect of putting difficulties in the way of the Government. They were here to judge of the measures of the Government on their merits without any regard to the consequences their vote would have on the Administration. The resolution proposed that this House should declare that the policy of the Government in this matter of the Pacific Railway did not meet with the approval of the House. He thought they could not approve more of the policy of the Government than the Government themselves. A few days ago they had heard the Secretary of State declare that they had abandoned part of the scheme, which the Government proposed themselves to follow last year—the Georgian Bay Branch.

Hon. Mr. LETELLIER DE ST. JUST denied that the Georgian Bay Branch had been abandoned. The contract with Mr. Foster had been cancelled.

Hon. Mr. TRUDEL said, as he had stated before, the people of Quebec were not satisfied with the Georgian Bay Branch, as they considered it was not the best route to connect their railway system with the Pacific Railway; and now he would suggest that as the contract had been cancelled, it should be allowed to stand until it was ascertained that the North Shore was not a better route. He had to recognize the fact that the Minister of Agriculture had never before gone so far as he had done to-day. It was the first time they had had a frank declaration from him that he desired to build the Pacific Railway, and that he would do his utmost to bring the road to completion. This was not sufficient, however, for the House to declare that the past policy of the Government had been good. With reference to the threats of the Hon. Minister of Agriculture that the members of this House from Quebec who would not support the Government in this matter would find that it would have the effect of depriving that Province forever of the benefit of the Pacific Railway, he thought the hon. gentleman must have taken them for children.

Hon. Mr. LETELLIER DE ST. JUST said the hon. gentleman had misinterpreted him; what he had said was, if the members for Central and Lower Canada voted for this motion, it would make them lose the link which was to unite the Pacific Railway with the railroads of Quebec. Although this vote of censure, if carried, would not

necessarily be fatal to the Government, as such a vote would be if carried in the other House, it was of great importance. This was the reason why he had said that this House had the right to explain their views and place them before the public, but it would be better not to pass such a vote of censure when, by doing so, it would not place the Opposition in any better position.

Hon. Mr. CARRALL—Then vote with us.

Hon. Mr. LETELLIER DE ST. JUST said the Government had shown by their pushing on the construction of the different links of the railroad; by their continuous exertions to make the location of the main line through and beyond the Rocky Mountains, and by the construction of the Pembina Branch their desire to fulfil to the best of their ability their obligation to British Columbia.

Hon. Mr. MACDONALD said he had to oppose both the amendments. Supposing the Government should be disposed not to proceed with this work as fast as they ought, they could fall back on this resolution, and say, "We have done what you told us, we have gone to work, having a due regard to the other financial requirements of the country, and could do no more." The object sought to be attained by the motion before the House had, in his opinion, been attained. An expression of opinion, embracing both sides of this question, had been had, and that was all that was necessary.

Hon. Mr. CARRALL said before the question was put he claimed the right to make a few remarks. He felt the gravity of this subject; he felt that during this session, so singularly barren of any important legislation, this resolution was the most important motion that had been brought before the House, not only this session, but since Confederation. He believed that the majority of this House would agree with him that the policy of the Government, or the no policy of the Government with respect to the Pacific Railway from its inception down to the present hour, had not given satisfaction to the people of Canada. Their object was first to defeat the scheme of the late Government, which was, he considered, a national calamity. It was a difficult thing at the present day to have any of their political acts judged fairly, and they had only to look to the future for a proper verdict. As at present, he ventured to state, however forbearing or considerate their actions might be, it would be attri-

buted to party warfare. Every hon. gentleman must have been convinced that from the time the late Government were overthrown the policy of the present Administration had been the most marvellous mass of incongruities and contradictions that ever any Ministry stood god-father to, and he ventured to assert that it must discredit them in the eyes of every right thinking man in the Dominion. He was sorry to hear the allusions made to the position of British Columbia representatives in this Parliament, but he ventured to assert that if they did not numerically, they did financially represent as important constituencies as any other six members in the Commons and three in the Senate. He did not deny that British Columbians would like to have money expended in their Province, and he did not think that any other gentlemen would dislike to have money expended in their Provinces also. He thought it should have been beneath the dignity of the Hon. Minister of Agriculture to have brought down a statement, showing the amount of revenue from British Columbia, and the amount of public money expended there, as an argument against them. He would have looked for such a thing from a Lower Town grocer, but not from a Dominion statesman. If he thought the vote for his resolution would have the effect of overthrowing the Government he would hesitate to press it, as he did not think the country was quite ready for the change that was coming. But that the country was misrepresented he had not the slightest doubt, and he would point, as a proof, to the result of nearly every new election since the general election, which showed a rapid growth of absolute want of confidence in the Administration of the day. He thought this debate had elicited a great deal of information on the subject, and when the outside public read the reports, it would, perhaps, have the effect of maturing public opinion, and forming some sound policy upon which the railway scheme could be based that would be acceptable to the entire Dominion.

Hon. Mr. DICKEY said in his opinion the Government had failed entirely to defend themselves and their vacillating course in this matter, or to grapple with the great question of the Pacific Railway.

The vote was then taken on the amendment, which was carried on the following division:—

CONTENTS—The Honourable Messieurs

Aikins, Alexander, Allan, Armand, Belle-rose, Benson, Botsford, Bourinot, Campbell, Carrall, Chapais, Clinic, Cochrane, Cornwall, Dever, Dickey, Dickson, Ferrier, Girard, Hamilton (Kingston), Kaulbach, McLelan (Londonderry), Macpherson, Miller, Montgomery, Muirhead, Odell, Price, Ryan, Shaw, Smith, Sutherland, Trudel, Vidal—34.

NON-CONTENTS—The Honourable Messieurs Archibald, Baillargeon, Bureau, Chaffers, Christie (Speaker), Cormier, Fabre, Ferguson, Guevremont, Haythorne, Leonard, Letellier de St. Just, McClelan (Hopewell), McMaster, Macdonald (Victoria), Paquet, Reesor, Scott, Seymour, Simpson, Skead, Stevens, Wark, Wilmot—24.

Hon. Mr. DICKEY called attention to the fact that Mr. Archibald had voted, although he had paired with Mr. Northup.

Hon. Mr. ARCHIBALD said the pair only held good for Friday night.

Hon. Mr. MILLER said he understood from Mr. Northup that he would not have gone away until after the vote, only for having paired with Mr. Archibald.

#### THE KEEWATIN BILL.

Hon. LETELLIER DE ST. JUST moved the third reading of the North-West Territories Separation Bill, as amended.

Hon. Mr. AIKINS said it struck him as being an extraordinary Bill, inasmuch as an arrangement having been come to between Dominion and Local Governments, no legislation had been adopted by Ontario. It might be found that after having passed this Bill, the law would be inoperative, as a part of Keewatin might be in Ontario.

Hon. Mr. LETELLIER DE ST. JUST said it would be operative in Keewatin wherever the boundary of the territory might be.

Hon. Mr. MILLER called attention to the fact that the Bill contained no provision for separate schools in Keewatin. He could not understand how, if the principle was to apply to the North-West Territories, Keewatin should be made an exception. He did not know whether pressure had been brought to bear on the Government to change their liberal policy.

Hon. Mr. SCOTT—No, no.

Hon. Mr. MILLER said he could easily see how the Government might in the future point to the fact that in organizing the first Government in that region they saw and remedied their mistake in the legislation of last session.

Hon. Mr. LETELLIER DE ST. JUST denied that the Government had receded from their policy of last year, but in omitting this provision, it was with the intention of adding the portion which would remain of that territory, after settling the boundary question, to Manitoba—that was to say, the part which would not belong to Ontario would be attached to Manitoba, and the separate school system was in force in both of those Provinces.

Hon. Mr. SUTHERLAND said the people of Manitoba were very anxious to obtain a port on Lake Superior.

Hon. Mr. MILLER said if he were disposed to go further, he might question the sincerity of the Government on this separate school matter. The Bill of last year had been carried through the House of Commons to gratify a number of Roman Catholics, but the moment it came to this House, the head of the party, Hon. George Brown, opposed and did his best to defeat the measure. It was an understood thing that it should pass in the Commons to please the Roman Catholics, and afterwards be killed in the Senate, and then it would be accepted as a matter of course. If it were not for the generous support of the leaders of the Opposition and their friends, the Bill would never have passed through this House.

The Bill was read the third time.

#### WITNESSES BEFORE PARLIAMENTARY COMMITTEES.

Hon. Mr. WILMOT moved the second reading of the Bill respecting the examination of witnesses under oath by Committees of Parliament. He said this was an exact transcript of the other Bill which had passed through the Commons a few years ago, granting the privileges to the Parliament that they now had in the House of Commons of England, which had not existed at the time of Confederation. The same law existed in the Maritime Provinces.

Hon. Mr. SCOTT said the Bill might be widened, so that it would be operative in cases where the House should direct.

Hon. Mr. DICKEY objected to any such provision, as it would be very easy to get an order of the House at any time.

#### THE CAMPBELL DIVORCE BILL.

The Order of the Day being read for the consideration of the report of the Select Committee, to whom was referred the Bill intituled "An Act for the relief of Robert Campbell."

Hon. Mr. DICKEY said there were three points in the report; first, that the preamble of the Bill was not proven; second, that the Committee desired to receive instructions from the Senate as to what they should do with the petition of Mrs. Campbell; third, that in the event of nothing being done with the Bill the evidence be continued on the records of the House and the Bill be suspended until next Session. He said if the question came up again next session by any action of either parties, it would save the trouble of taking such a mass of evidence over again. He had been looking into the precedents on this question, and from them he believed the evidence could be continued over until next session.

The matter was allowed to stand over until to-morrow.

#### THE SUPREME COURT.

Hon. Mr. SCOTT moved the second reading of the Bill respecting the Supreme and Exchequer Courts. He said it was simply to make some amendments to the provisions for taking evidence in the Court, and to permit, for convenience sake, that evidence should be taken under oath at a distance.

Hon. Mr. DICKEY asked if the Government had taken into consideration the propriety of assigning to the Supreme Court jurisdiction in the trial of divorce cases arising in Provinces where there were no existing divorce laws. The present system was most inconvenient.

Hon. Mr. SCOTT said it was a new and prominent point, and it occurred to him there was something in the Confederation Act respecting marriage and divorce.

Hon. Mr. MILLER said such matters should be left to the Local Legislatures. He would oppose any such movement as had been suggested by Mr. Dickey.

Hon. Mr. SCOTT said the matter was worthy of consideration. Certainly the existing tribunal was a most inconvenient one.

Hon. Mr. MILLER—Do I understand my hon. friend to favour the establishment of a Divorce Court?

Hon. Mr. SCOTT—No. The hon. gentleman knows my views on that point very well.

The Bill was read the second time.

#### CHRISTIAN BROTHERS SCHOOLS.

The Order of the Day being read for the consideration of Bill intituled: "An Act to incorporate the Brothers of the Christian Schools in Canada," as proposed

to be amended by the Committee on Standing Orders and Private Bills.

Hon. Mr. BELLEROSE said the Hon. Secretary of State should have made some further attempt to pass this Bill through; only for his remarks on Friday evening, it would have passed the third reading. The Secretary of State had suggested no constitutional objections to the Bill when it was before Committee, but he reserved them until the last moment to kill the Bill, as he looked upon it now as killed.

Hon. Mr. SCOTT said that he was as much surprised as any one in the Chamber when the motion was made by his hon. friend on his right, and he was not prepared to discuss it without having the opinion of his colleagues.

The matter was postponed until to-morrow, and the House adjourned until 11:50.

At 11:50 the House resumed and several bills were read the third time.

The House adjourned at midnight.

TUESDAY, April 4.

After routine,

#### PRIVATE BILLS.

Hon. Mr. LEONARD moved that the amendments made by the Committee of Banking to the Bill incorporating the Canada Fire and Marine Insurance Company, be taken into consideration to-morrow.

The motion was seconded by the Hon. Mr. AIKINS, and agreed to.

On the motion of Hon. Mr. McMASTER, the Bill extending the time for the commencement and completion of the Great Western and Lake Ontario Shore Railway was read the third time and passed.

On motion of the Hon. Mr. SMITH, the Bill incorporating the Mutual Mining and Plumbago Company was read the third time.

#### RAILWAY BETWEEN RAT PORTAGE AND CROSS LAKE.

Hon. Mr. MACPHERSON moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of all tenders for the construction of the railway between Rat Portage and Cross Lake. In making this motion, he said he had been informed, on what he was convinced was reliable authority, that the portion of the line in question had not yet been located, and if that should turn out to be the case, he hoped the Government would be able to

give good and sufficient reasons to the House for the course they thought fit to pursue in the circumstances, for he understood that the section was exceedingly difficult of construction. The road west of Cross Lake to Red River had been located, and is under contract. The matter now stood in this way. The Government having let the contract for a section having its eastern terminus at Cross Lake, in their operations eastward they must start at that point. Notwithstanding the line was not located, however, he had been informed, as already stated, that tenders were called for, and sent in a good many months ago, and that the prices were very high. If he had been misinformed, he had done the Government good service by giving them an opportunity of correcting an impression which had been very general. He was further informed, in regard to the tenders, that the lowest offer was from \$80,000 to \$100,000 per mile. At that rate the 37 miles between Cross Lake and Rat Portage would cost between three and four millions of dollars. The very idea was appalling. The Prime Minister had stated in another place that there was about an equal distance east of Rat Portage also very difficult of construction, so that there would actually be about 74 or 75 miles of this exceedingly rough country through which it would be necessary to build the road. Surely under such circumstances it would have been prudent to have had the section thoroughly surveyed, and the line located before the Government bound themselves to such a gigantic undertaking as the construction of the road through that part of the country appears to be. Or at any rate, they ought to have consulted Parliament on the subject. The matter was under consideration in another place on the 6th March last, when the Premier was reported to have said that "the Government simply proposed while the road was being constructed, to utilize a large portion of the water communication available for the passage of boats; as for instance, when the road touched, as it would according to the survey now nearly completed, the northwest angle of Lac de Mille Lacs, they would have continued navigation, with some portages, doubtless, to the Northwest end of Lake of the Woods; and until the line was finished between the Lac de Mille Lacs and the west side of Winnipeg River, they would use this navigation as long as it would be re-

quired. If they found it impossible from the circumstances of the country to continue the building of the road between those two points for some years to come (the House would take particular notice of this phrase), they would have some 64 miles of railway from Lake Superior to the north-west corner of the Lac de Mille Lacs, similar communication being opened between Red River and Rat Portage from the western extremity, so that they would be enabled to bring the two ends of the Province within comparatively short distances from each other." These words—"for some years to come"—had a very ominous sound, and when the head of the Government thought it necessary to make use of such expressions, a little solicitude on the part of members of this House was more than justified. The Premier continued:—"The only rough portion consisted of about 37 miles west of Rat Portage, and about an equal distance on the east side of it. The Government's intention was simply to use this water communication, and they could reach the end of Lac de Mille Lacs by railway by the end of next summer very easily."

It was to be hoped the Government would afford some information regarding the number and character of the portages which formed so prominent a feature of their policy of "water-stretches." He was informed that the number between the head of Lake Superior and Red River could not possibly be less than seven or eight, so long as that policy was adhered to, and that to reduce them even to that number, would require a very heavy expenditure. If there should continue to be such a number of portages over a rough and rocky country, rapidity of transport would be rendered impossible, and comfortable transport very difficult. It was impossible that trade could be attracted to such a route, for so long as our Canadian road continued to be such as he described it, and such as he believed it was the intention of the present Government it should be, both passengers and freight would naturally go by way of Duluth and the Northern Pacific, especially after the branch was open from Pembina, forming, as it would, an unbroken connection from the head of Lake Superior on the American side to Fort Garry, or whatever point the Pembina road was to be constructed to. With all these facts staring us in the face, he could not help coming to the conclusion that our enormous expenditures west of Lake Superior would be found to be bar-

ren and fruitless. Besides, at the very best, so long as we were dependent upon the "water-stretches," the communication would only last five months in the year, if as long. We had been assured that the Pacific Railway would be carried out as far as possible without increasing the taxation of the country; but if the cost of the section in reference to which he now moved for papers were to be anything like what he apprehended, he was very much afraid he should have to submit to a very serious addition to our own burdens on that account alone, and reap but very little compensation for our outlay.

Hon. Mr. SCOTT said there was no objection to the address passing. The hon. gentleman was right in one particular: the section of road to which he referred was one very difficult of construction. It was also true that tenders were called for, and when received they were found to range from \$977,000 up to \$3,000,000. The Government did not feel justified in accepting any of them, and preferred to wait and ascertain whether the cost could not be reduced by choosing either a more southerly or more northerly route, even if thereby the length of the line should be somewhat increased. The hon. gentleman was, no doubt, aware that both the sections he had referred to were in the direct line to the Northwest, and it certainly could not be urged that they did not form part of the main road. His hon. friend did not surely contend that the Government must adhere to the water lines where they could build railways.

Hon. Mr. MACPHERSON said the Secretary of State had not touched the vital point in this discussion at all. What he (Mr. Macpherson) had contended, was that until the line between Cross Lake and Rat Portage was thoroughly surveyed, and the best route selected, it would not be prudent to locate and put under contract the road west of that point, because to make the eastern connection at the point most advantageous might, considering the great difficulties which had presented themselves so far, necessitate a change of route to the west.

Hon. Mr. SCOTT said it was a mere matter of greater length or more expense. The papers would be brought down.

Hon. Mr. AIKENS was pleased to learn that the Government had come to the determination not to use the "water stretches" longer than was necessary to make the communication complete by land. He thought it highly important that this section of the road should be

pressed through as rapidly as possible, in consequence of the abandonment of the Dawson route. The Government had put the service by that road into the hands of contractors, who had done their work in the most extraordinary way, and the trade had been thrown into American channels. The sooner the section in question was built, the sooner we would be likely to reap some advantage from the expenditures which were being made upon railways in that section.

Hon. Mr. SCOTT said his hon. friend should have stated that putting the Dawson route into the hands of a contractor had reduced its expenses about one-third. His hon. friend also knew that in the very best days of the Dawson Road many emigrants went by the United States.

Hon. Mr. AIKENS said the expenses of the road under Government management were not entirely for the carrying of passengers, but were very largely for the improvement of the road.

The motion was then agreed to.

#### PRINCE EDWARD ISLAND RAILWAY.

Hon. Mr. HOWLAN moved that an address be presented to the His Excellency the Governor General, praying that he will be pleased to lay before this House, copies of all disbursements paid on account of the Prince Edward Island railway up to January, 1876, together with a statement of the earnings of the road up to that time. In making the motion, he remarked upon the appearance in the estimates of an appropriation of \$200,000 in connection with the Prince Edward Island railway, which he considered deserving of thorough explanation. The Government had sent down to examine the road an Engineer, for whose services it appeared from the public accounts they paid a handsome sum. In fact, the expenses of that Commissioner were almost as great in proportion as those undertaken by the Imperial Government in connection with the visit of the Prince of Wales to India. There was not the slightest necessity for this outlay, and he regarded the report made by Mr. Swinyard upon the condition of the railway as quite unjustified by the facts. On the contrary, they had the opinion of Mr. Shanly, an eminent and highly qualified engineer, to the effect that the location of the road, with which the Government's Commissioner found so much fault, had been carefully made, and that the road itself, as to the manner in which it was built, would bear favourable comparison with any other narrow gauge

railway in America. In any case it was unjust and unfair to charge the expenditure incurred by sending an engineer down to inspect the road to the railway itself. He complained bitterly of the manner in which the Government were managing the road, of the absence of second class carriages, and of the fact that the tariff was just as high as if the railway were a broad, instead of a narrow gauge. The effect of this was simply to drive traffic away, at an immense inconvenience to the public, at whose cost and for whose use the work was constructed. In this connection, he read a long extract from a Prince Edward Island newspaper, in proof of his assertion that the people of the Province felt very keenly and strongly resented the policy pursued by the Government in that regard. The population of the Island was more compact than that of either Nova Scotia or New Brunswick, and the intention of building the railway was that it should accommodate the farmers, as well as facilitate the movement of lumber from the east to the west end of the Province. If the tariff were only lowered to a reasonable and respectable amount, a great many of the farmers would avail themselves of it, but under present arrangements, and with the ruinously high rates now imposed it was out of the question. He also denounced the plan upon which appointments had been made to positions upon the road, declaring that the selections were made entirely from political considerations, and without one thought as to the efficiency of the service. He made no complaint of an appointment, no matter if made on political grounds, so long as the appointee was competent to discharge the duties of his office, but the people of Prince Edward Island had just grounds for dissatisfaction when the nominees of the Government did not know one solitary thing about their work and were apparently incapable of learning. The item upon the estimates he regarded as one calling for explanation, as the expenditures made by the Government in connection with, but not to the benefit of the work, were most extraordinary and unjustifiable. The Ministry would also be expected to explain whether the requisite supplies were to be given out to friends, or whether they were to be advertised for public competition.

Hon. Mr. LEFELLIER DE ST. JUST said it was true there were large expenditures in connection with this road, but

unfortunately they were absolutely necessary. The condition in which the Government found it when handed over to them was very unsatisfactory, and they were compelled to send an able, experienced, and eminent engineer to report upon its condition. As to the remuneration claimed by Mr. Swinyard for his services, he thought it exceedingly fair and reasonable. He was glad the hon. gentleman (Mr. Howlan) was so well satisfied with the condition of the road when handed over to this Government. As to the appointment of the officers of the road, these officers were selected entirely apart from political considerations. A number of them were previously employed in that connection, and he was not aware that any particular partizanship had been displayed in selecting the new hands. If a friend of the Government were placed in a position when a vacancy occurred, he did not know there was anything very wrong about it.

Hon. Mr. HAYTHORNE said he had taken an opportunity during the present session to express his opinion that the income of the road would be greatly enhanced by better management, the improvement and increase of the rolling stock, and the working of trains to suit the convenience of the inhabitants. Whenever it was the case that the distance between any two given points was 10 miles by road and 15 by rail, very few he thought would be found who would not choose to travel by the road. The circuitous route of the Prince Edward Island Road was the great mistake which had been made, and he was convinced it would have been better to have made a straighter road, and to have paid a higher price for it. With regard to the amount paid to the gentleman sent down to inspect the road, he could not undertake to say whether it was extravagant or not, but he knew that the gentleman employed—a man of high character and excellent reputation—was detained at the work an unnecessarily long time. It would be advisable to put second class carriages upon the road, a new set of engines, those now employed being quite unfit for the work; and a very large expenditure would be necessary generally in the near future to put the work in good working condition. He believed it was for this purpose that the appropriation of \$200,000 was put upon the estimates. He did not desire the House to suppose the hon. gentleman (Mr. Howlan) was justified in all his complaints.



Hon. Mr. MILLER—Does the hon. gentleman (Mr. Howlan) complain that the Government propose to spend or have spent too much?

Hon. Mr. HOWLAN said he did not complain of the amount of money spent, but what he did complain of was that it had been spent unwisely. It was not correct, as had been stated by the hon. gentleman, (Mr. Haythorne) that 15 miles were necessary to be traversed by the railway to 10 by the road. The curvatures in the speaker's own county only amounted to about 3 miles in 50. \$200,000 expended upon the road, as the Government proposed to do, amounted to about \$1,000 per mile, and was a very large sum, and he had so far seen no tenders called for. As to the condition of the rolling stock, and the desirability of having it replaced, he would simply refer the hon. gentleman to the opinion of Mr. Shanly, who had some experience of railways, and who he thought was entitled to some respect when he offered an opinion one way or another. True, if the line had been constructed at a cost of \$60,000 per mile, it would have been a better road; but when hon. gentlemen remembered that it was built for \$14,000 per mile, they could not but see that it was a cheap railway, and in all respects fully equal to the expectations of those who undertook it. Mr. Shanly stood high in his profession, and he (Mr. Howlan) took that gentleman's statement with regard to the condition and character of the road to be reliable and trustworthy. If the \$200,000 were to be properly expended, he would have raised no objection, but he believed it would be uselessly expended.

Hon. Mr. MILLER enquired upon what was the money to be expended of which the hon. gentleman complained.

Hon. Mr. HOWLAN—That is just what I want to know.

The motion was carried.

#### RETURNS PRESENTED.

Hon. Mr. SCOTT presented returns to addresses calling for papers respecting the Georgian Bay Branch of the Pacific Railway; respecting the work performed by the Government steam dredge Canadian; and showing the amount expended upon the decoration of the Parliament grounds, construction of the new library, &c.

#### CHRISTIAN BROTHERS' BILL.

Hon. Mr. BELLEROSE moved concurrence in amendments made in com-

mittee to the Bill incorporating the Christian Brothers.

Hon. Mr. SCOTT said the Minister of Justice had grave doubts as to the constitutionality of the Federal Parliament dealing with this subject. A bill of a kindred nature came before the other branch of the Legislature during the present session—he referred to the measure for the incorporation of the Church of England Synod of Rupert's Land—in regard to which the Minister of Justice had expressed a similar opinion, and Mr. John Hillyard Cameron, who had charge of the Bill, had withdrawn it in consequence of these representations. The Minister of Justice had upon that occasion stated that during the recess he would give his very best attention to the subject, possibly consulting the Supreme Court, and if this legislation could be had through the Federal Parliament, the best plan would be to introduce a general law under which all bodies seeking these powers might be incorporated.

Hon. Mr. BELLEROSE said it was a chance, of which the Minister of Justice was only too anxious to avail himself, that there happened to be a bill before the other House somewhat similar to that now under consideration, for otherwise there would have been no opportunity taken to object to this one. He felt this to be the case and stated so because he had the proof of it before him. It was true there were doubts about the constitutionality of the Federal Parliament dealing in legislation of this nature, but why was the exception taken at this stage and in regard to this particular measure? He could mention a Bill which passed this House the other day in regard to which there was just as much doubt whether it was within the powers of the Federal Parliament as this. He referred to the Act respecting the *Mail Printing and Publishing Company*.

Hon. Mr. SCOTT said that was a purely commercial measure.

Hon. Mr. BELLEROSE said if the *Mail* company had the powers which they could get from the Local Legislature, they had all they required, and could distribute their journal not only over the Dominion but over the whole world. Why did the Minister of Justice allow that Bill to pass, and yet object to the Christian Brothers' Bill? The hon. gentleman had found conveniently a Bill of the Bishop of Rupert's Land, and made it an excuse for objecting to the Brothers' Bill. He (Mr. Bellerose) demanded good

reasons for submitting to such arbitrary decisions. The Minister of Justice was in the House when the Methodist Bill was passed, and yet he took no exception to it. The speaker claimed that he had himself opposed in the past the passing of some measures which were evidently beyond the jurisdiction of this Parliament, and he mentioned particularly several cases in the session of 1874, but the answer of the Government invariably was—"Never mind, let it go." It was only when the Brothers of the Christian School came before the Senate that this kind of legislation must be put a stop to. Another instance of this *ultra vires* legislation and the way in which the Government hitherto treated it was to be found in 1875 in regard to the bridge over the river Assomption, to which exception was taken by himself and the hon. member for Kingston; and indeed one-twentieth of the Bills passed by this Parliament since Confederation were evidently and clearly purely local in all respects. Considering there were so many cases in which measures of this nature had been passed, he held this one, like the others, should have been permitted to go unopposed, and if the courts decided they could have no corporate powers under it, they could pay the expenses and apply to the Local Legislature. He had the opinion of one who stands high in this Dominion--Sir John A. Macdonald—who stated in 1872, when the Methodist Bill was before the House of Commons, that a corporation incorporated in a Local Parliament had no right to possess real estate, except in the Province where the incorporating Act was obtained; and, in the second place, if such a corporation desired to be able to hold real estate throughout the Dominion, they must come to this Parliament. Yet in the face of that opinion the promoters of this Bill were told they must wait twelve months before they could know whether they could have the necessary legislation or not. The hon. gentleman who seconded the motion in opposition to the Bill now before the House was the same who had charge of the St. Croix Bill, which properly came under the purview of the Legislature of New Brunswick. All things considered, he felt very keenly the position in which he was placed, but the Government having taken the stand they did, he supposed there was no course left open for him but accept it. He accepted forcibly, however. He would not withdraw his motion, and it would be

open to hon. gentlemen to move an amendment. He would not be doing his duty if he submitted otherwise. If the Supreme Court were to be consulted in this matter, let it be consulted by reference from this House. The Minister of Justice had no right to submit the case to the Supreme Court unless it were given into his hands, and it would be better to make the reference directly. If it were decided that this Bill was improper legislation for this Parliament, it was at least comforting to know that the object could be gained by going to the various Local Legislatures.

Hon. Mr. CAMPBELL hoped the hon. gentleman would reconsider his determination to force a division upon this question. It would be better to accept the suggestion of the Secretary of State, and have the matter submitted to the Judges. It was quite true the Minister of Justice had no special right to take charge of the Bill, and have it so submitted, but it was perhaps well that the Minister of Justice should be the person to do so, nevertheless. It would be unfortunate should the hon. gentleman insist on pressing the House to a division. He (Mr. Campbell) was quite prepared to vote for the Bill, but as we now had a tribunal whose decision would guide Parliament on questions of constitutionality, and reference to that tribunal was proposed in this instance, the better plan would be to withdraw the measure and await the decision. He differed with his hon. friend (Mr. Odell), when he made the statement that the Bill was one affecting education. The fact that the individuals seeking incorporation happened to be engaged in teaching schools did not invest their proposition to hold real estate with anything of an educational character. However, there were hon. gentlemen who took the other view, and it would be better to allow the suggestion of the Secretary of State to be carried out.

Hon. Mr. BELLEROSE was sorry he had been misunderstood. The hon. member for Halifax proposed to move the reference of the Bill to the Supreme Court. He (Mr. Bellerose) would simply ask that the motion be carried on division, and he would also move an amendment to the amendment, asking that the Methodist Bill also be referred to the learned Judges, for their opinion upon its constitutionality.

Hon. Mr. CAMPBELL--That Bill has passed already.

Hon. Mr. MILLER said the question of the constitutionality of the Bill referred to by his hon. friend (Mr. Bellerose) might be raised if any cause arising out of or involving the powers it conferred were to come before the Court, but he doubted very much whether their Lordships would offer any opinion upon a supposed case.

Hon. Mr. DICKEY understood the purport of the proposition made by the Minister of Justice to be that the Wesleyan Missionary Society Bill, along with other Bills involving the same Constitutional point, would be submitted to the Supreme Court. It would be better to adopt the course proposed by the Government. If these matters were not within the purview of this House, the Missionary Society would of necessity have to seek local Legislation. This House had no power to submit to the Court a Bill which is already upon the statute book.

Hon. Mr. BOTSFORD quoted the section of the Supreme Court Act, which gave the Judges power to pronounce upon the constitutionality of Bills in regard to which Parliament was in doubt. But the Act gave them no power to offer an opinion upon any law of the land except on a cause coming regularly before them in the usual course. They were to give, according to the Act, a decision under certain circumstances, and, of course, they would give an opinion upon nothing else.

Hon. Mr. BELLEROSE said he now felt more strongly than ever that he was weak in submitting to hon. gentlemen in the past who said, when he raised the question of the power of this Parliament to deal with these subjects: "let these things go." It was a duty which Parliament owed to these seeking acts of incorporation to let them know whether these were constitutional or otherwise. He thought the Wesleyan Missionary Society's Bill should be referred to the Supreme Court, as well as that now before the House.

Hon. Mr. MILLER said he did not feel the same difficulty in regard to private bill legislation as did the hon. gentleman (Mr. Bellerose), for he agreed with another hon. gentleman who had expressed the opinion that this and kindred measures were within the scope of the legislation of this House. The position in which matters now stood was this: The report of the Committee was before the House for adoption,

and the hon. member for Halifax had moved the reference of the Bill to the Supreme Court. Circumstances had arisen which induced a large number of members to desire that this latter course should be adopted. Were the original motion moved, he would be bound to vote for it; but whilst he did not take any responsibility in advising his hon. friend what course to pursue, he thought there was nothing to be gained by the amendment to the amendment, because this Parliament had not the power to refer to the Supreme Court for its opinion any law which was already upon the Statute Book. The Supreme Court Act expressly confined such reference to bills in their early stages. The opinion of the Judges with regard to the Wesleyan Missionary Society Incorporation Act might be obtained indirectly, but he believed if the decision of the Court were adverse to the constitutionality of the measures which were likely to be brought before them in proper form, the Wesleyan body would admit the application of the same principle to their Act of Incorporation, and for their own safety would have the error rectified by legislation in the Provinces. He could not vote for the amendment to the amendment, as he conceived the only way in which the Supreme Court could be called upon to decide upon the constitutionality of what was a law of the land, would be in connection with some action involving that question. In one respect it would be a great advantage to all if it were decided what the powers of this Parliament actually are with regard to measures of this character, for we cannot shut our eyes to the fact that this is a species of legislation upon which members were liable to display more than usual feeling. He hoped his hon. friend would not press the amendment to the amendment.

Hon. Mr. ODELL said he brought this question up on purely constitutional grounds, and he assured the hon. gentleman (Mr. Bellerose) that the fact of its being a Christian Brothers' Bill did not have the slightest influence upon the course he pursued. He had always lived on terms of friendship with his Roman Catholic fellow-citizens, and it was from no feeling of the kind suggested that he moved a reference to the Supreme Court, but from a settled conviction that the legislation proposed was *ultra vires*. The Bill was purely local, inasmuch as it referred to the subject of education.

Similar bills for the incorporation of this Society have passed in some of the Local Legislatures since Confederation, and it was impossible that this Parliament could legislate upon the same subject concurrently. He was convinced that it was in the real interests of the parties themselves seeking power, as they were to hold and manage real estate, that the issue now raised should be fairly settled before any practical difficulty presented itself. It would be very inconvenient and very embarrassing were a question as to the legality of their title to land to arise, and they should find the law which they believed to be their safeguard to be unconstitutional and inoperative.

Mr. BELLEROSE inquired whether it was understood, while the Wesleyan Bill could not be referred officially to the Supreme Court, it would be referred unofficially.

Hon. Mr. SCOTT said since reference could not be had directly, it was of course impossible that it could be referred at all. The point, however, would be settled by inference.

The amendment of Mr. Odell was then declared carried on a division.

#### CHANGE OF NAME.

On motion of Hon. Mr. BENSON, the Bill to change the name of the St. Catharines Permanent Building and Savings Society was read the second time.

#### SCOTTISH CANADIAN LOAN COMPANY.

Hon. Mr. AIKINS moved the second reading of the Bill to incorporate the Scottish Loan Company.

Hon. Mr. DICKEY remarked that some of these Bills took very large powers of borrowing and lending money at unlimited interest. If this kind of legislation were within the powers of this Parliament those powers might be exercised in such a way as not to interfere with the civil rights of individuals. It was proposed that this company should have the power to borrow and lend money at any rate of interest they chose to fix, but this right was denied to private individuals. Why this difference? These companies ought to be confined to the legal rate of interest of the several Provinces in which their operations were to be carried on. He gave notice that he would offer this suggestion to the Committee on Banking and Commerce, when the Bill came before that body for consideration.

Hon. Mr. RYAN said a close scrutiny and investigation were carried out with

regard to several bills of this nature, which came from the House of Commons last session and the session before, and the amount they were permitted to borrow was limited to the amount of the paid-up capital of each company. He believed that to be a wise restriction, and although it appeared somewhat hard upon the companies then seeking incorporation—several incorporated before having had much greater powers conferred upon them—yet a great many of them accepted the limitation and commenced business under the charter then granted. This session, again, a cloud of bills of incorporation came before Parliament, permitting the borrowing of money to the full amount of the nominal capital upon ten per cent. thereof being paid up. It was unjust and unfair to legalize these powers unless the same rights were extended to the companies incorporated two sessions ago. The *Globe* newspaper took this view of the matter, and he quoted the article which appeared in that journal on the subject *in extenso*. It was with the view of preventing the disasters which would follow the failure of any of these companies that he desired their paid-up capital to be made the basis of their borrowing powers. If the House would not consent to this limitation, equal privileges should be extended to companies already incorporated.

Hon. Mr. WILMOT agreed with his hon. friend from Montreal. He felt very strongly that Parliament ought to require these companies to give proper security when they enter into that kind of business, and also afford the public some assurance that in dealing with them they would not be making their property liable to confiscation. He had endeavoured to get the interest chargeable on farming lands limited to ten per cent. Sometimes a poor man was driven to borrow money, and he thought there ought to be some consideration shown to the borrowers—some provision to prevent these companies from taking advantage of a man's necessities by charging him an unreasonable rate of interest.

Hon. Mr. McMASTER hoped the Banking Committee would look carefully into this question, for it did appear to him the House was passing Bills of which the probable consequence would be widespread disaster.

Hon. Mr. AIKINS said two years ago he introduced a Bill, regarding which precisely the same arguments were used, and restrictions of a stringent character were

then enforced in all cases where these companies came seeking incorporation. The result was that only one company organized under the charters then granted. He had not the slightest doubt the members of the Banking Committee would look carefully into the provisions of this Bill. He thought all companies should be placed on the same footing.

Hon. Mr. DICKEY said if we have done wrong heretofore, that was no reason why we should continue to do so. He found it proposed in this Bill to give unlimited power of borrowing and loaning on mortgages, bank stocks, and all other kinds of security upon such terms as to the Company might seem satisfactory or expedient; but in the very next bill—the Investment Company of Canada Bill—the limit he suggested was proposed. There was a very sound reason for limiting the rate of interest, for otherwise these companies would have advantages which no other person or corporation could exercise. This, in turn, would have the effect of generally raising the rate of interest, for if parties having money to invest found they could get a higher rate of interest from companies of this description, they would not invest it where the rate was limited.

Hon. Mr. BELLEROSE, while he believed these institutions should be looked into, felt that the Government ought to come before Parliament with a general law in order to afford those interested more security. In many of our cities we had companies which nobody knew whether they were responsible or not.

The Bill was read the second time, and referred to the Standing Committee on Banking, Commerce, and Railways.

#### WITNESSES AT CRIMINAL TRIALS.

Hon. Mr. SCOTT moved the second reading of the Bill respecting the attendance of witnesses at criminal trials. He explained that the object of the Bill was to enable the court or judge to issue a warrant where it appeared the party was not in attendance and his evidence was material.

The Bill was read the second and third time and passed.

#### UPPER OTTAWA IMPROVEMENT CO.

On the motion of the Hon. Mr. SKEAD, the Upper Ottawa Improvement Company's Extension Bill was read the second time and referred to the Committee on Banking and Commerce.

#### COURT OF ERROR AND APPEAL.

On motion of Hon. Mr. SCOTT, the Bill respecting retiring allowances to Judges of the Court of Error and Appeal, was read the second and third time and passed.

#### CANADA AND DETROIT RIVER BRIDGE CO.

On motion of Hon. Mr. McMASTER, the Bill respecting the Canada and Detroit River Bridge Company's was read the second time, and referred to the Private Bills Committee.

#### MECHANICS BANK.

Hon. Mr. CAMPBELL (for Hon. Mr. Allan) moved the second reading of the Mechanics Bank Bill. He explained that the measure was simply for the purpose of enabling the Company to reduce their capital from 100 to 60 per cent. There were several instances where companies had resorted to this mode of meeting their difficulties, and he saw no reason why there should be any opposition to this proposal. Two-thirds of the shareholders were agreed, and he saw no danger that was likely to threaten anybody's interests. In fact, there was no other course open to them. Those who were interested and had 60 per cent to save would probably take preference stock. The measure had the approbation of the Finance Minister and the members of the Government in the other House, and of the Commons Committee on Banking and Commerce. No doubt his hon. friend from New Brunswick would consent to the second reading, so that it might go before the Committee on Banking.

Hon. Mr. WILMOT—Had the capital of this Company been paid up?

Hon. Mr. CAMPBELL.—I will have full statements laid before the Committee.

Hon. Mr. WILMOT said there was a legal principle involved in the Bill which ought to be discussed on the second reading. It was well known and generally admitted that people invested their money in bank stocks not only on their own account, but especially on behalf of their children, and the investment was generally considered a safe one. It was quite true that this was the mode in which some companies occasionally met their difficulties, especially railway companies, but he must ask hon. gentlemen whether they would ever think of investing in railway stock on behalf of their children? He did not consider it desirable or right in a matter of banking that we should place an Act on the statute book authorizing

the issue of preferential stock, which goes to the rich shareholders, and the result would be that no body except these would get any return for the money they had expended. If it was desirable to depreciate bank securities as an investment, they could do nothing which would more effectually accomplish the object than this.

Hon. Mr. DICKEY confessed that in his estimation the principle involved in this Bill was questionable, to say the least of it. His hon. friend from Kingston, had spoken of the course which was proposed in this case as that which was pursued in similar circumstances by other companies, but he (Mr. Dickey) regarded the two matters as entirely different. The familiar mode of increasing capital in ordinary companies was indeed to issue preferential stock, and this might be done without any injury to the public. With respect to banking, it was altogether different. Banking institutions were not merely investments for those who had money to spare; they were the repositories of public money, and we ought to look to them with the greatest possible jealousy, especially when they proposed to take a course like this. If legislation like this could be had with respect to one bank, it could be had with regard to others. Parliament would find itself pressed by applications from other Banks, and manipulators bringing about results such as those with which the House was now dealing for their own benefit. Was it not better, in the interests of the public and of the banks generally, if this institution was in a position necessitating the issue of preferential stock, that it should be allowed to die? Why did it not follow the example of other banks, which had got into a similar condition—amalgamate with a stronger bank, and consolidate their capital? He hoped the Bill would be considered well before being allowed to become law.

Hon. M BELLEBOSE remarked that before the Bill could come into operation, two-thirds of the shareholders present at the meeting held to consider the subject must approve of it. He would ask that the wording be approved by two-thirds of all the shareholders—that is to say, should it be decided that the principle of issuing preferential stock was a good one.

Hon. Mr. MILLER said the whole question was purely one of principle. That question was whether it was wise to allow

banks to issue preferential stock under such circumstances. This was the time, and the only time, the principle could be objected to. He therefore hoped, believing the principle to be an unsound one, that his hon. friend on the other side, (Hon. Mr. Wilmot), would not allow it to pass without taking the voice of the House.

Hon. Mr. FERRIER said the preferential stock was here limited to five years at eight per cent, and it should merge into common stock in five years.

Hon. Mr. WARK asked if \$60 of this preferential stock would be worth \$100 of the original stock.

Hon. Mr. CAMPBELL said the old stock was worth 60 cents on the dollar, but the new stock would be worth dollar for dollar.

Hon. Mr. McMASTER said he did not see anything unfair in that.

Hon. Mr. WILMOT said as banks were not altogether private institutions, but the means by which the trade of the country was conducted, the House should look a little further than the interests of a few private individuals, who formed a portion of the stockholders of this Bank. This would be another case of the big fish eating the little fish; the wealthy men would soon secure all the stock, and the small stockholders would be crowded out. He moved the three months' hoist.

Hon Mr. CAMPBELL considered that it would hardly be fair to throw the Bill out on the second reading, without allowing it to go to Committee. The principal persons interested in it were a number of mechanics and small stockholders, and it would be a great misfortune if the Bill were thrown out. The bills of bank would be no less safe by the passage of this bill; the bank itself, or its directors, or manager, would be no less liable, and claims against the directors or individuals were still retained. He did not think that in the pursuit of a theory for the prospect of distant danger, his hon. friend would like to have this Bill thrown out. He thought it would be better to let it go to committee.

Hon. Mr. DICKEY said the Bill had been very properly challenged, but he thought it would be better to go to committee.

Hon. Mr. WILMOT withdrew his motion, and the Bill was read the second time.

## SECOND READING BILLS.

The following Bills were read the second time, and referred to committee:—

Ottawa Gas Company's Amendment Bill—Hon. Mr. Skead.

London and Ontario Investment Company's Bill—Hon. Mr. Alexander.

Investment Company of Canada Incorporation Bill—Hon. Mr. Ryan.

National Exchange Company Incorporation Bill—Hon. Mr. Leonard.

National Trust and Investment Company Bill—Hon. Mr. Aikins.

The House adjourned at 6 o'clock.

WEDNESDAY, April 5.

The PRESIDENT took the chair at 3 p.m.

After routine,

HON. MR. MACDOUGALL.

Hon. Mr. REESOR moved that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House copies of all commissions, instructions and telegrams to the Hon. William McDougall in 1873 and 1874, concerning the Fisheries, and of all correspondence between the Government or any member or Department thereof and the Hon. Wm. McDougall on the subject of his services in England on behalf of the Government, or as agent for, or as representing the Department of Marine and Fisheries; also copies of any letters from the late Ministers of Marine and Fisheries and of Agriculture and Immigration in reference to those services. Carried.

## PUBLIC PRINTING.

Hon. Mr. HOWLAN moved that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House, copies of all accounts paid for public printing of Prince Edward Island.—Carried.

## STATISTICS.

Hon. Mr. RYAN enquired whether the Government have made or intend to make any arrangements by which authentic statistical information relative to the resources and yearly products of this Dominion may be obtained and published at earlier dates than at present. He said it would be remembered that the subject of statistics had been discussed at some length before this House last

session, and on motion of Mr. Reesor a committee was appointed to enquire and report as to the best mode of improving the system of obtaining and publishing statistical information throughout the Dominion. From the constitution of the committee at that time, the Minister of Agriculture being a member of it, he had been in great hopes that something would have been done, and that some scheme would have been adopted, but unfortunately the session ended without any definite report from the committee. The gentleman who was chairman of the committee had it in view to continue during recess investigations into the subject, as to how a complete system of obtaining the statistics of the Dominion annually could be arranged, but as the hon. gentleman was now absent they had not had the advantage of his labours during the recess. His (Mr. Ryan's) attention had been directed to his question again by receiving the other day a copy of the agricultural returns of Great Britain with abstract returns for the United Kingdom, British possessions, and foreign countries for 1875. From this return he was very sorry to see that Canada was so backward as regards furnishing returns. Page 19 of the report says:—"The usual tables to show the state of agriculture in the various British possessions have been compiled from the official returns of the several colonies publishing agricultural statistics. The most complete and regular returns of this description are those of the several Australian colonies (which come down to 1874-75.) Some particulars relating to the agriculture of Canada were collected when the census of the Dominion was taken in 1871." Considering the very much nearer position of Canada to Great Britain compared with the Australian colonies, he thought it was rather discreditable to Canada to find they had been five years without sending in statistical returns of the products of the Dominion, while other colonies were four years ahead of us. This was a very valuable return, showing the progress that each of the colonies had made from the previous year, while that of Canada could only be based on the returns of 1871. The crop of that year had been an exceptionally poor one, and until the next decennial census we would have to labour under the disadvantage of our position being placed before the British Empire by this book. If there were a proper system of collecting statistics, he believed that Canada

would appear in a much better position than was shown by the returns of '71. The Minister of Agriculture might be able to send in approximate returns, so that the Board of Trade in England, in publishing the statistics of the Empire, would be able to prove that Canada was making greater progress than was shown by the report which he now held in his hand. He might mention, that besides the action of Parliament during last session, our commercial men had been moving in this direction, and recommending the establishment of a Bureau of Statistics, to be connected with the Government. He hoped, the attention of the Minister of Agriculture being called to it, that some movement in the direction which he had indicated would be taken. He here quoted from the report of the fifth annual meeting of the Dominion Board of Trade, from a paper read by the Secretary, Mr. W. J. Patterson, the reasons advanced for the establishment of a Dominion Bureau of Commerce and the publication of statistics, as follows:—"In the matter of printing and publishing the census tables of the Dominion while, possibly, the Minister of Commerce (had there been one) might not have preferred that the agricultural, industrial and shipping statistics, should be issued in advance of the vital statistics, there can hardly be a doubt but that the whole work could have been printed before so many years had elapsed after the census-taking. Ere the third census volume is circulated the middle of the next census decade will not be far off, and the question will then be not so much—what of the past? as what of the future?"

Hon. Mr. LETELLIER DE ST. JUST said this question had been under the consideration of the Government, but after examining into the matter it was found that to get valuable statistical information for the Dominion annually, it would cost \$250,000 a year. The yearly returns obtained by the United States were not reliable, as any one could find by comparing them. Another difficulty in the way of organizing such a bureau at present was the scarcity of funds. The Government were alive, however, to the necessity of such information, and as soon as the finances would permit, they would endeavour to give the public such reliable information as it was possible to obtain on the growth and progress of the Dominion. Up to that time they thought that by holding out inducements to the Provinces they would undertake to furnish statistical information for

the sake of showing the progress they were making. He was happy to say that in Quebec as well as in Ontario, Acts had been passed during the past session for collecting statistics; it was true they did not extend as far as his hon. friend would desire, but it was hoped that by degrees the Local Governments would see it was to their interest to assist the Federal Government in this matter as much as possible. The hon. gentleman who had been referred to (Mr. Brown) had had an interview with the Prime Minister on the subject since last session, and it was subsequently discussed by the Government, so that the matter had not been lost sight of.

Hon. Mr. RYAN—Does the \$250,000 include simply agricultural statistics or statistics generally?

Hon. Mr. LETELLIER DE ST. JUST said both industrial and agricultural statistics.

Hon. Mr. RYAN asked what had been the expense of collecting the information for the census.

Hon. Mr. LETELLIER DE ST. JUST said he was not prepared to say, but he thought it was somewhere about \$50,000.

#### THE OATHS BILL.

Hon. Mr. WILMOT moved the House into Committee of the Whole on the Bill to provide for the examination of Witnesses, under oath, by Committees of Parliament. Hon. Mr. Alexander in the chair.

Hon. Mr. SCOTT suggested that it might be well to give Committees absolute power to examine witnesses under oath, without reference to the House.

Hon. Mr. WILMOT said this Bill was an exact transcript of the British Act, and Mr. Todd was of opinion that it covered the whole case.

Hon. Mr. LETELLIER DE ST. JUST said he had nothing against the Bill. It had been urged, however, that it should have been a Government measure, but it would be remembered they had a precedent for it in the case of Mr. Hillyard Cameron, who had in 1871 introduced the Oaths Bill in the Commons, and it had been supported by the Administration of the day.

The Bill was read the third time and passed.

#### THE CAMPBELL DIVORCE CASE.

Hon. Mr. DICKEY moved the adoption of the report of the Select Committee on the Bill for the relief of Mr. Robert Campbell. He



said the report comprised three points: First, that the preamble of the Bill had not been proven; second, that the Committee declined to consider the application to amend the Bill in the way prayed for by the petitioner Mrs. Campbell; third, in order to save the testimony that had been given, that in the event of no decision being come to on the said Bill during the present session, further proceedings might be suspended until next session. He found, on reference to authorities, that this course was perfectly clear and in accordance with precedents both in England and in this country. The rule was laid down in May, page 701, that even where a dissolution of Parliament was anticipated before the private business of the session was disposed of, it was customary to suspend such business until the following session. There were two precedents in Canada, one in 1864, when the Legislative Assembly, on the one hand, and the Legislative Council on the other hand, had a political crisis, and they passed resolutions, each for themselves, not only to suspend consideration of private bills, but also of public bills, until the following session. The same thing occurred in 1865. In the present case it would subserve the purpose of justice, and if this man were to renew his application next year, the Committee would not have to take all the evidence over again. Or if application were made on the part of the wife, there might be very great difficulty in getting access to this evidence if it were not kept as a record. Therefore, for the purpose of justice, if the House should make no order on this Bill this session, it was desirable that the evidence should not be lost.

Hon. Mr. KAULBACH said the effect of the proposed resolution would be to introduce a dangerous precedent, constituting us a Court to hear and determine on matters for which we have no precedent in the House of Lords. There they had a Judicial Committee composed of Law Lords, who heard and determined only divorce cases *a vincula*, and the Lay Lords never interfered in the matter. The course now proposed is to overrule the judgment of the Court to which she has already applied, the learned Judge dismissing her claim for alimony on the grounds that she had been guilty of adultery. Are we prepared to now constitute ourselves a Court of Appeal from the judgment of Vice-Chancellor Blake in this matter? By her petition she asks for rights which belong to and are under

the British North America Act reserved to the Local Legislatures. He wished to have his objections formally stated. He (Hon. Mr. Kaulbach) took the following positions:—The Committee having found the preamble of the Bill not proven, the Bill consequently drops this session, as the Senate have agreed to that finding; and further, for the reason that the amendments proposed by respondent are unconstitutional, and unprecedented, no precedents can be found for the amendment except with the consent of the petitioner; no precedent for any amendment of a husband's bill for divorce *a vincula*, or petition of wife for divorce *a mensa*. It would be making, in fact, an entirely new bill, which must emanate by motion of the wife and imposing maintenance. We have no power to reverse the judgment of the Court of Chancery for Ontario and sit in appeal. That Court having refused alimony on the grounds of adultery, it is unconstitutional to interfere with matters within the jurisdiction of that Court. If she wants a divorce *a mensa* she must comply with the rules of this House, and should have given six months' notice, as required by law. He certainly hoped that the motion would be withdrawn.

The report was adopted.

Hon. Mr. REESOR moved, seconded by Hon. Mr. LEONARD,—That the petition of Eliza Maria Campbell and evidence be referred back to the Committee, with instructions to inquire into the truth of the material allegations contained therein, and if the same are found to be true, with instructions to report such amendments to the said Bill as will secure to the petitioner and respondent respectively, the rights and privileges which would be secured to them under a decree for judicial separation in England.

Hon. Mr. DIXON said he understood that the duties of the Committee were at an end when they had reported, and that report had been adopted.

Hon. Mr. REESOR said the duties of the Committee were not at an end, as they had asked for further instructions from the House, and it was advisable that the matter should be decided while the facts of the evidence were fresh in their memories. He thought it would be a very great hardship to the parties concerned that no further step should be taken this session. The petitioner (Mrs. Campbell) did not ask for a dissolution of the marriage tie, but simply for a judicial separation, which, he believed, every

Province in the Dominion was more favourable to than divorce. Quebec had a local law providing for judicial separation. Nova Scotia, New Brunswick, and Prince Edward Island had laws providing for the dissolution of the marriage tie when it was asked for and sufficient grounds for it were proven. In Ontario there was no Court with power either to dissolve the marriage tie or to provide for a judicial separation. The Divorce Court as provided by the English law, would be of great advantage in this case.

Hon. Mr. DICKEY acknowledged that the duties of the Committee did not cease by the adoption of the report, if the House chose to give them further instructions; but he thought it was too late in the session to re-open the case by the consideration of this petition for alimony. After having already given eighteen consecutive days of hard work to this matter they had no very great desire to go back on it again, but he took it for granted that none of the Committee would shirk from their duty if it was the desire of the House they should continue.

Hon. Mr. SCOTT—Have you any precedent for going back to Committee and opening up a new case in this way.

Hon. Mr. DICKEY said he was not aware of any.

Hon. Mr. SCOTT—Then do you think it is wise to create a precedent of this kind?

Hon. Mr. DICKEY said the Committee had felt that difficulty; they were asked to introduce a certain clause in this Bill by way of amendment, but they felt they had not the power to do so without instructions from the House, this House being the only branch of the Legislature having unlimited power over marriage and divorce. Therefore, the Committee felt that it was only right to report to the House that they had no power to deal in this matter without instructions.

Hon. Mr. SCOTT said if the result would be the fixing of alimony, he thought it was a matter which should properly be left to the courts of the Province.

Hon. Mr. KAULBACH said—Before the report is adopted he wished hon. gentlemen to understand that the report of the Committee is only a majority report; that the preamble to the Bill is not sufficiently proven, the minority affirming that the preamble was clearly made out; that the woman was guilty of adultery beyond a reasonable doubt, and that it required the casting vote of the Chairman

of the Committee to the second resolve—“That petition of respondent could not be considered without the order of the Senate,” the minority not wishing that her petition be considered.

Hon. Mr. DICKEY said there were numerous precedents where the House of Lords granted alimony to the wife, even in cases where she had property of her own.

Hon. Mr. SCOTT said it was not done by the House of Lords, but by the Judicial Committee, to which such cases were referred; the effect in this case would be to over-ride the jurisdiction of the court.

Hon. Mr. REESOR said there was no Divorce Court in Ontario that provided either for the dissolution of the marriage tie or a judicial separation, as in England. That was why the whole matter was left to the Senate, and whether it should be a dissolution of the marriage tie in this case was within the power of this House to determine. They simply asked for what the English law would grant—judicial separation—and if, in the meantime, the petitioner for the Bill (Mr. Campbell) should find any new evidence to establish that his wife had been guilty of adultery, the separation asked for would not in that case prevent the dissolution of the marriage tie, and thus he would be freed from paying alimony. But while the woman appeared guiltless of the charge, was it right that she and her child should be cast out on the street without means of support. All he asked, then, was not that the House should grant alimony, although if that were necessary he considered that it was within their jurisdiction to do so, but to pass a Bill to determine the whole question on the basis of a judicial separation as the Act now exists in England.

The motion was then put to a vote, with the following result:—

CONTENTS—The Hon. Messieurs Aikins, Alexander, Archibald, Armand, Baillargeon, Benson, Carrall, Chapais, Christie (Speaker), Cochrane, Cormier, Dever, Dickey, Fabre, Ferrier, Flint, Glazier, Guevremont, Haythorne, Leonard, McDonald (Toronto), McMaster, Montgomery, Muirhead, Paquet, Reesor, Seymour, Shaw, Stevens, Wark.—30.

NON-CONTENTS—The Hon. Messieurs Allan, Bellerose, Botsford, Boarinet, Campbell, Chinio, Dickson, Girard, Kaulbach, Letellier de St. Just, McLellan (Londonderry), Macpherson, Odell, Ryan, Scott, Simpson—16.

## THIRD READING.

The Canada Fire and Marine Insurance Bill was read the third time and passed. The House adjourned at 5 p. m.

THURSDAY, April 6th, 1876.

The PRESIDENT took the chair at 3 p. m.

After routine, The following bills were read the third time and passed :—

“An Act to extend the provisions of an Act relating to the Upper Ottawa Improvement Company.”

“An Act to continue for a limited time therein mentioned the Canada and Detroit River Bridge Company as a Corporation.”

“An Act to amend the Act incorporating ‘The Ottawa Gas Company,’ to confirm a resolution of their shareholders placing preferential and ordinary stock on the same footing, and to confirm, amend and extend their corporate powers.”

“An Act to authorize the shareholders of ‘The Security Permanent Building and Savings Society of St. Catherines,’ to change the name of the said Society to that of ‘Security Loan and Savings Company.’”

## MECHANICS BANK.

Hon. Mr. CAMPBELL moved the third reading of the Bill, “An Act respecting the Mechanics Bank.”

Hon. Mr. BELLEROSE moved in amendment, seconded by the Hon. Mr. ARMAND,

To leave out all the words after “be” and insert “committed to a Committee of the Whole with instructions to amend the same in the following manner :—

“In the second clause strike out all the words after the words ‘authorized to issue’ in the first line to the words ‘become ordinary stock’ in the fourteenth line, and add the following line in lieu thereof: ‘New stock under such conditions and on such terms as to such Directors shall seem fit; provided no new stock is preferential; but on a par with the aforesaid reduced stock.’

“In the third clause strike out the words ‘either as preferential stock to the amount and upon the conditions herein before provided or’ in the fifteenth and sixteenth lines; and in the nineteenth line strike out the following words: ‘embracing both ordinary and preferential Stock.’

Hon. Mr. LETELLIER DE ST. JUST said he regretted that this amendment should have been moved, inasmuch as the bill had received fair consideration from the Minister of Finance, and the Committee on Banking and Commerce, who had reported it without amendment As to the causes which called for this change, the shareholders themselves were in a better position to know what they required than any of the members of this House, and he thought the proposed arrangement would give better security to the public. The matter was one that should only be dealt with after a great deal of care and consideration. It was but just that this new stock should be preferential; the old stock to-day was not worth more than sixty cents on the dollar, and those who had to pay dollar for dollar should not be told that their stock should be put down at 60 per cent.

Hon. Mr. BELLEROSE asked if the Minister of Agriculture was serious in opposing the amendment.

Hon. Mr. LETELLIER DE ST. JUST said he was.

Hon. Mr. BELLEROSE said the Government had nothing to do with this private corporation, and he considered that it was the persons who invested their money in this Bank who should know best what they required. He held in his hand a petition from thirty shareholders, who were not willing that they should be sacrificed for the sake of a few others. It was the duty of the Government simply to see that there was nothing unsound in the Bill. If there was anything wrong in it, it was the principle of issuing preferential stock. He did not say it was wrong, but if there was anything wrong it was not on the side of the petitioners, but on the side of those who were asking for special privileges. The petitioners were not opposed to new stock being taken, but it should be taken at par. That was only right and it was for them to decide whether they gave privileges to other individuals or not.

Hon. Mr. WILMOT said he would record his name against the principle which was involved in this Bill. He hoped this House would not originate a system of legislation respecting their banking institutions, which, in his opinion, had worked so injuriously to the stockholders in many of the railroads.

Hon. Mr. RYAN asked what proportion of the holders of paid up stock had petitioned against the Bill?

Hon. Mr. BELLEROSE said there were thirty names on the petition, and there were about one-fourth of the paid up stockholders who were present at the meeting.

Hon. Mr. ALEXANDER said the Committee had examined the Bill carefully, and they had come to the conclusion there was no other course that could be taken to protect the interests of the shareholders. They had lost a certain amount of money, and there was no other possible way in which they could carry on the bank, and bring it to a prosperous condition, than by getting in fresh capital.

Hon. Mr. SMITH said if he did not think he was protecting the interests of the shareholders, he would have voted against the Bill. New capital would be brought, and would carry on the institution with energy and new blood for a period of five years; then the old stockholders would come in and reap all the benefits of the prosperity of the bank.

Hon. Mr. RYAN said under the present circumstances it was necessary to assist the bank out of its difficulties; but at the same time, he did not think the bank had taken the proper steps at first. He did not believe in introducing this principle of preference stock into our bank legislation, as the banks had other means by which to get out of their difficulties. But if it had become a necessity for the shareholders of this bank to get such an Act as this, he would vote for it, although he disapproved of the principle of the Bill, and he hoped it would not be taken as a precedent in the future.

Hon. Mr. McLELAN said this was entirely a new principle, as applied to banking institutions, and he feared it would be laying down a dangerous precedent; but that was not so much his objection, as the fact that possibly injustice might be done to the poorer class of stockholders, who were concerned in the institution. In other cases they were very particular, after a charter had been granted, not to interfere with vested rights by subsequent legislation, except in cases where the public interests were to be subserved by the change. It was not in the interest of the present stockholders that this preferential stock be issued, and he did not see who could be better judges than the stockholders themselves. They should be first consulted and should have the privilege of voting as to whether this Bill should be granted or not.

The vote was then taken on the amendment with the following result:—

CONTENTS—The Honourable Messieurs Armand, Bellerose, Bureau, Chapais, Chinic, Ferguson, Flint, Glasier, Guevre-mont, Leonard, McClelan (Hopewell), Paquet, Trudel, Wark, Wilmot,—15.

NON-CONTENTS—The Honourable Messieurs Alexander, Allan, Archibald, Bail-largeon, Benson, Campbell, Chaffers, Christie (Speaker), Cochrane, Cormier, Dever, Dickson, Dumouchel, Ferrier, Ham-ilton (Kingston), Haythorne, Kaulbach, Letellier De St. Just, McDonald (Toronto) McLelan (Londonderry), McMaster, Mac-donald (Victoria), Macpherson, Mont-gomery, Muirhead, Odell, Price, Reesor, Scott, Seymour, Shaw, Smith, Stevens, Sutherland.—34

Hon. Mr. BELLEROSE said the House having decided that the principle of the Bill was to be adopted, he would move an amendment to the 4th clause, so as to give to the shareholders a chance to decide for themselves whether preferential stock should be issued or not. As the Bill stood, two thirds of the shareholders present or represented by proxy at a meeting might decide in favour of issuing preferential stock. It was well known that a great many of the stockholders of this bank were mechanics who did not pay much attention to the meetings, and were not often present at them, so that it would be only right to state in the Act that before preferential stock could be issued the solution should be concurred in at a general meeting and by two-thirds of all the stockholders representing the paid up capital of the institution. He would move in amendment, seconded by the Hon. Mr. McClelan,

“That the Bill be not now read the third time but that it be committed to a committee of the Whole House with instructions to amend the same in the following manner.”

“In the fourth clause, fourth line, strike out the word “whatever” and add instead thereof the following words “in respect to the issuing of preferential stock.”

“In the eight and ninth lines strike out the words “presented or represented at such meeting” and add in the place thereof the words “and as represents the other clauses of this Act until it has been so accepted by a resolution passed and concurred in by at least two-thirds of the holders of paid up stock present or represented at such meeting.”

The House divided, with the following result :—

CONTENTS :—The Honourable Messieurs Armand, Bellerose, Bureau, Chapais, Chinic, Ferguson, Flint, Glasier, Guevre mont, Leonard, McClelan (Hopewell) Odell, Price, Trudel, Wark, Wilmot,—16

NON-CONTENTS :—The Hon. Messieurs Aikins, Alexander, Allan, Archibald, Bailargeon, Benson, Campbell, Chaffers, Christie, (Speaker,) Cochrane, Cormier, Dever, Dickson, Dumouchel, Fabre, Ferrer, Girard, Hamilton, (Kingston), Haythorne, Kaulbach, Letellier de St. Just, McDonald, (Toronto), McMaster, McDonald, (Victoria), Macfarlane, MacPherson, Montgomery, Muirhead, Paquet, Reesor, Ryan, Scott, Seymour, Shaw, Smith, Stevens, Sutherland, Vidal.—38.

The third reading of the Bill was then carried on division, and it was declared passed without any amendment.

THE PUBLIC BUILDINGS.

Hon. Mr. BOTSFORD called attention to the fact that the returns which had been brought down in answer to his motion of the 18th February, were imperfect in one particular on which he considered information had been given. He had made a short abstract from the returns, which showed the total expenditure on the Parliamentary Grounds in five years to have been..... \$196,290 83  
Estimated cost to complete. 32,300 00

228,590 85  
Extension of Library..... \$220,421 08  
Estimated cost to complete interior..... 65,610 00

286,031 08

Expenditure on Western Block..... \$ 58,898 96  
Estimated cost of completing 364,000 00

\$422,898 96

This gives a total of \$837,520 87. He considered there should have been more particulars given as to the work on the Western Block.

Hen. Mr. SCOTT said the expenditure on the Western Block was given in the return.

DISTRESSED FISHERMEN.

Hon. Mr. PRICE moved that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House, all the correspondence, telegraphic messages, &c., between the Federal Government and Local Government of the Pro-

vince of Quebec, as well as all other correspondence, petitions, telegrams, or any other information received, or sought for by them, respecting the great poverty and distressing condition last autumn of the resident fishermen and traders located on the north coast of the River St. Lawrence, within the Dominion.

Hon. Mr. LETELLIER DE ST. JUST said there was no difficulty in granting the address, but this was properly a matter for the Local Legislature.

The motion was carried.

RULES OF THE SENATE.

Hon. Mr. BOTSFORD, in moving the consideration of the report of the Select Committee of the draft presented by His Honour the Speaker, of Rules, Orders and Forms of Proceeding for the Senate, proposed the following amendments :—

Rule 49, line 2—Leave out "three weeks" and insert "ten days;" and in line 3, leave out "four" and insert "two."

Rule 51—At the end of the rule add the following words:—"And copies of the newspapers containing the first and last insertion of such notice shall be sent to the Standing Orders Committee Rooms, by the parties inserting such notice."

Rule 50—Left out and the following inserted:—"Any person seeking to obtain any private Bill, giving any exclusive privilege, or profit, or private or corporate advantage, or for any Amendment of any former Act, shall be required to deposit with the Clerk of the Senate, eight days before the meeting of the House, a copy of such Bill in the English or French language, with a sum sufficient to pay for translating and printing the same—600 copies to be printed in English, and 200 copies to be printed in French—the translation to be done by the officers of the House and the printing by the contractor. The applicant shall be also required to pay the Clerk of Senate a sum of \$200, and the cost of printing the same for the Statutes, and lodge the receipt for the same with the Clerk of the Committee to which such Bill is referred—such payment to be made immediately after the second reading, and before the consideration of the Bill by such Committee."

Rule 62, line 2—After "kept" leave out "in a room to be called the Private Bill Office."

Rule 63—Left out, the following inserted:—"The Clerk shall cause lists of all private Bills and petitions for such Bills upon which any Committee is appointed to sit, specifying the time of the meeting and the room where the Committee shall

sit, to be prepared daily by the Clerk of the Committee to which such Bills are referred, and shall cause the same to be hung up in the lobby."

He said these amendments were necessary in consequence of the Commons having adopted certain new rules respecting Private Bills, and it was desirable that the rules of both Houses should be assimilated in this respect.

Hon. Mr. SCOTT suggested, as rule 59 was such a departure from the old rule, the widest publicity should be given to it—more than the ordinary sixty days' notice.

Hon. Mr. DICKEY called attention to rule 55 as one of some importance, as it related to the referring of Private Bills to the Supreme Court Judges for their examination and report, or to any point or matter in connection with such Bills expressed in the order of reference. He would suggest that instead of it being confirmed as it was here immediately after the first reading, and before the members had time to see it, the House should have the power to refer it at any stage.

Hon. Mr. CAMPBELL thought the Bill should be referred after the second reading.

Hon. Mr. LETELLIER DE ST. JUST considered that Private Bills should not be referred to the Supreme Court until after they had been discussed in the Senate on their merits.

Hon. Mr. DICKEY considered that reference should take place any time before the third reading.

Hon. Mr. SCOTT suggested, an amendment to the rule, to the effect that "after the second reading of any private bill, the same may be referred, etc."

Hon. Mr. VIDAL considered this privilege of reference to the Supreme Court should be available at any stage of the Bill.

Hon. Mr. DICKEY said sometimes when a bill went to Committee after first reading, it came back with new clauses that were not part of the original bill at all. These clauses might be unconstitutional, and if the bill were referred after first reading, the Senate would deprive themselves of the power of any reference. What objection could there be to allow the House at any stage to refer a bill.

The SPEAKER said:—It strikes me that the proper time is before the second reading of the Bill; that seems to be the logical order, because on the second reading of the Bill, the principle is approved. There might be doubt as to the propriety

of affirming the principle of a bill, so it would be referred to the Judges to obtain their opinion as to the constitutionality of the measure; it is my opinion that the proper time to refer a bill is before second reading.

Hon. Mr. BOTSFORD moved as a substitute to the amended rule 55—"before the second reading of any private bill, the same may, if the Senate think fit, be referred to the Supreme Court, for their examination and report as to any point or matter in connection with such Bill expressed in the order of reference." Carried.

Hon. Mr. DICKEY called attention to a new rule, "If after two consecutive sessions any Senator has failed to give attendance in the Senate it shall be the duty of the Clerk to report the same to the Senate, and the question of vacancy arising therefrom shall with all convenient speed be determined upon by the Senate." It was a very necessary rule, but the question as to how it should be dealt with had been in abeyance. There were other disqualifications which were not proposed to be dealt with in this rule at all, and he thought while they were about it, it would be better to give the rule a wider scope, and include them all. This was really the proper mode, to have the Clerk of the House call attention to the disqualification of a member for non-attendance; the other point was whether it should be tried by the House or by the Committee on privileges and elections.

Hon. Mr. BOTSFORD considered the only way it could be done was by petition or by an hon. member getting up in his place and calling attention to any member having forfeited his seat under the provisions of the British North America Act.

Hon. Mr. LETELLIER DE ST. JUST said the rule as it stood was the only rule they could make to empower the Clerk to report as to absence; as to the other causes of disqualification, parties who were interested in seeing their Province or district properly represented, would bring the matter before the notice of the House when such action became necessary.

Hon. Mr. DICKEY called attention to the inconvenient practice that had grown up in the House with reference to debates on questions put by members. The rule was that the person putting the question should confine himself to the points of the question, and in like manner the reply of the Minister should be intelligible, and there the matter should end. Some

rule might be made that would be a reasonable limit to adopt on questions of this kind.

Hon. Mr. BOTSFORD said the Committee considered that this House should not have rules any more strict than those of the House of Lords. There was no standing order in the House of Lords which defined or limited the freedom of speech in making these enquiries. There was a precedent that debate on enquiries was generally confined to the member who made the enquiry and the Minister who was called upon to answer. There were also precedents where many Lords had taken part in a debate arising on an enquiry.

Hon. Mr. CAMPBELL said they could hardly save any time by adopting a new rule, and it would be better to leave it to the discretion of the House. It was inconvenient to the House and to the Ministers that these discussions should arise, and hon. members should endeavour to confine their remarks in making enquiries to such an extent as would elucidate the required answer.

Hon. Mr. BELLEROSE objected to the notices for private Bills being advertised in the French language in Quebec and Manitoba only. In New Brunswick one-fifth of the population were French, and they should have the same courtesy extended to them as there was to the English speaking minority in Quebec in the publication of these notices.

Hon. Mr. CAMPBELL suggested the striking out of the words "Manitoba and Quebec" from the rule, and make it general for the publication of Private Bill notices in both languages.

The amendment was carried, and the rules as amended were adopted.

#### SECOND READING.

Bill—"An Act to enable Ozro Morrell to obtain a patent for certain inventions and improvements in Sewing Machine Shuttlers," was read the second time.

#### THIRD READING.

The following bill was read the third time and passed:—

"An Act to make further provisions in regard to the Supreme Court and the Exchequer Court, of Canada.

#### SECOND READINGS.

The following bills were read the second time:—

"An Act to amend the Act thirty-seventh Victoria, Chapter fifty-one, intituled:

An Act to authorize the incorporation of Boards of Trade in the Dominion."

"An Act to incorporate the Chartered Bank of London and North America."

"An Act to amend the Charter of the St. Lawrence Bank, and to change the name of the said Bank to that of 'The Standard Bank of Canada.'"

"An Act to amend the Act thirty-first Victoria, Chapter three, respecting indemnity to members of both Houses of Parliament."

The Hon. Mr. LETELLIER DE ST JUST moved, seconded by the Hon. Mr SCOTT,

"That when the House adjourns tomorrow it do stand adjourned until Saturday at three o'clock in the afternoon. Carried."

The House adjourned at 6 p. m.

FRIDAY, April 7.

The PRESIDENT took the chair at 3 p. m.

After routine,

#### COUNCIL OF ARTS.

Hon. Mr. TRUDEL enquired, does the Government intend to indemnify the Council of Arts and Manufacturers of the Province of Quebec for having been dispossessed of its property, known as the Crystal Palace, by the grant of another piece of ground, and by the gift of a sum of moneys. He said the property had been purchased from McGill College on behalf of the Board of Arts and Manufacturers of the old Province of Canada, in order to erect a building for the exhibition which was to take place on the occasion of the visit of the Prince of Wales to Canada. The land was obtained on a perpetual lease which was equivalent to a purchase, but there were certain restrictions that, in the event of the property being diverted for any other purpose, it would revert to the College. The Crystal Palace was erected and the building was occupied until 1873, when the deed of the property was passed by the Federal Government to the McGill College. At that time the Council of Arts were in possession of the building, and a suit was entered for the purpose of testing the claims of the two institutions to the property. In 1861 the Crystal Palace not being occupied, the Government made application to have the use of it for military purposes. The reply from the Council of Arts was to the effect that

they were willing to lease the property, but for the clause in their deed which restricted them from using the ground for any other purpose than that for which it had been granted, but if McGill College did not object the Government could have it. About eight days afterwards the military took possession of the building, and it was assumed by the Council of Arts that the Government had obtained a favourable reply from McGill College. The Government were in occupation of the grounds for about ten years, during which time the Council of Arts paid all municipal assessments and rates on the property. In 1872 the Government abandoned possession of the Palace, and the Council of Arts put their offices into the building. During the period from 1861 to '73, the British North America Act having been passed, this property was considered as being one that came under the control of the Local Legislature. In 1868 the Legislature of Quebec passed an Act reconstituting the Council of the Board of Arts and Manufactures, making it a Provincial institution. It was enacted in that statute that the whole of the property of the old Board of Arts would be vested in the new Board. Some years after the Government of Quebec thought it better to change the constitution of this Board of Arts, by which its members should be appointed by the Government, instead of being elected by the Board of Agriculture and the different institutions of the Province, as formerly. In this Act nothing was said about the property of the old Board. The new Council of Arts was constituted in such a way that it was to fulfil exactly the same purpose as the old one, and the same gentlemen who were members of the old Board were appointed members of the new Council, and they were put in possession of the whole of the moveable property of the old Council. The members at the time considered it so clear that they were only a continuation of the old Board that the process verbal of the last meeting of the old Board was read and approved of by the first meeting of the new Council, and their proceedings were carried on as if no change had taken place in the institution. The annual rental of \$1,200, which had been stipulated for as payment to McGill College by the Council of Arts, was not paid. It was stated in the deed that the non-payment of this \$1,200 a year would give to McGill College the right to take back the property. In

1860 McGill College had borrowed from the Government, from the old Indian fund, \$48,000, so that the Government was a creditor of the College to that amount. Thus McGill College owed the Government; the Government owed rent to the Board of Arts, and the Board of Arts owed rent to McGill College. So it happened that neither party paid the rent. Twelve years afterward it was represented that neither the Government nor the Board of Arts having paid this rent, McGill College had claimed the property. The answer of the Council of Arts was that the rent was not paid by them, as they had not been paid by the Government, and the Government replied they had not paid the rent because McGill College owed them \$40,000. He considered that under such circumstances the Board of Arts had not forfeited their right to the property by the non-payment of the rent. This was the position in 1873, when the Minister of Public Works, on representations made to him that the Council of Arts had not paid the annual rent, said that it was the duty of the Government to resume possession of the whole property. When McGill College had borrowed \$48,000 from the Government, they had given this property as collateral security, so that all this time the Government were the actual lessees of the property to the Council of Arts. In 1874 the Government took possession of the building by force, and ejected the officers of the Board of Arts, although most eminent Counsel in Montreal had given it as their opinion that the title of the Council of Arts to the property was good. Whatever might be the responsibility of the Government in this matter, by the late Minister of Public Works having granted a deed, which he had no right to grant to McGill College; whatever the responsibility of the present Government, who took forcible possession of the property was, the loss to the Council of Arts was \$40,000 or \$50,000; and they had a right to come before this Legislature and say:—"We have been dispossessed of property which we consider our own; we were deprived of the power to have our rights to this property maintained before a court of justice, and we now ask for compensation."

Hon. Mr. LETELLIER DE ST. JUST said the Government did not intend to indemnify the Council of Arts and Agriculture, because they did not acknowledge that the property ever belonged to that institution. Since 1872, when the old



Board of Arts became defunct, they ceased to have any right to that property. The Government then had possession. Up to the time when it was urged that they had made a violent attack to get possession of the building, the conditions of the lease had not been fulfilled by the old board, and McGill College, who were the former owners, had the right to put an end to that lease at any time. When the Government saw that the lease could be terminated, and that the new Society had no right or title to the property, they arranged with McGill College to place the property back into the hands of the Government by whom it was sold. They had the judgment of the Courts to prove that the Council of Arts had no title to this property. He would like to know, after a Board had ceased to exist, and a new Board was formed, but the property of the old Board was not vested in them, how could the new Board claim any right in such property? The Government were perfectly justified in what they had done and they would grant no indemnity.

PACIFIC RAILWAY.

Hon. Mr. CORNWALL—In rising to address the House on the subject to which my motion relates, I do so without any feeling of diffidence, for I feel in the first place that the subject is one which from its importance, will command the attention of the House; and, secondly, that the experience of fourteen years spent in British Columbia, and the knowledge of the country which I have necessarily attained, enable me to give to this hon. House the information which I am sure it would be glad to obtain. I have consequently placed on the minutes the following notice, "that I will call attention to the considerations (other than those of engineering difficulties) which affect the question of the location of the line of the Pacific Railway from Tete Jaune Cache to the ocean," and in proceeding with that motion I must premise that I shall endeavour and that it is my earnest wish to divest my remarks of any sectional or prejudiced character. There is no doubt that in these matters one's mind and views are more or less, and perhaps unknown to oneself, biased by private interests, but in what I shall say I shall endeavour so to confine myself to matters of fact capable of the clearest demonstration that I will venture to assert that not one of my arguments shall be open to refutation. There can be no doubt that

there are other questions besides those of mere engineering detail which intimately concern the settlement of so important a matter as the location of the line of the great trans-continental railway; and of such importance are those questions that it behoves both the country and the Parliament of the country to watch closely what is going on, and to have an intelligent and appreciative knowledge of the country through which the line should run. Hon. gentlemen have doubtless studied with some degree of attention the map of the projected course of the Canadian Pacific Railway which has laid upon the table of the House for some ten days, and having done so, I hope they will be able to follow me in the remarks which I may make on the three separate routes which are marked upon that map as having been surveyed through the Province of British Columbia. The first route to which I wish to call attention is the most southerly of those marked upon the map, and I shall distinguish it by the name of the "Fraser River route." The two other routes I shall allude to as the "Bute Inlet" route and the "Gardner Channel route" those names being respectively the names of the so-called harbours which the routes reach on the coast of the mainland of British Columbia. The first point of superiority which is enjoyed by the "Fraser River Route" over its competitor, is embodied in the fact that it is the shortest and most direct of the routes from the Rocky Mountains to the coast. I hold in my hand a statement of the comparative distances of the surveyed routes, kindly supplied by the principal authority on the trans-continental survey, and I find by it that the distance from the Yellow Head Pass through the Rocky Mountains to Burrards Inlet, the projected terminus of the "Fraser River Route" is 513 miles, while from the same point to the Head of Bute Inlet is 560 miles, This will show a difference in distance in favour of the "Fraser River Route" of 47 miles, while the statement to which I refer says that the line to "Gardner Channel" not being accurately surveyed, the distance cannot be correctly given. That point of greater directness and shortness on the part of the "Fraser River Route" is the first which I will commend to the attention of the House as important. The next point is as to the grade on the line. In order to carry conviction on this point to the minds of hon. gentlemen it is necessary for me to describe the course of the "Fraser River

Route." Leaving "Tete Jaune Cache," a point which is common to all the surveyed lines and situated a little to the westward of the Rocky Mountains, that route within a few miles strikes the head waters of the north branch of the River Thompson, and follows down the valley of that river till at a distance of some 200 miles it reaches a place called Kamloopson on the main stream of the River Thompson. It thence follows, without deviation, the course of the river till it reaches the point of confluence of the River Thompson with the Frazer River, and thence following the valley of the latter stream it reaches the coast of the mainland of British Columbia, at the harbour of Burrard's Inlet. Hon. members will thus see that this route follows uninterruptedly what is the natural outlet of the country. It is confined to the valleys of the great rivers I have named, and they having no falls of importance in any part of their course to the ocean, it naturally follows that the natural grade is regular and favourable. All reports of the engineers engaged agree upon the fact that this route affords by far the most favourable gradients. Compared with the line to Bute Inlet, the advantage enjoyed in this particular by the "Frazer River Route" stands out very prominently. On the "Bute Inlet route," as explained by the Hon. Secretary of State in this House and by the Premier in another place, the great difficulty is that when the line reaches within seventy miles of the coast it is found to be at an altitude of 3,460 feet, and necessarily great difficulties are encountered in the attempt to find the gradients, within so comparatively short a distance, which would enable the engineers to locate a line passing from an altitude of 3,460 feet to the sea level in the space of seventy miles. Hon. members will thus clearly perceive the advantage in favour of the "Frazer River Route," as to the grade of the surveyed lines. The next point which I will urge in favour of the "Frazer River Route" is that it passes through that portion of the Province, the south-eastern portion, which is blessed with the best climate. The winters throughout that section are very short, never exceeding four months in duration, seldom exceeding three; and the snow fall is comparatively light. This, of course, is a matter of great moment, and one which can be well appreciated by members of this House, who, residents of Canada, are accustomed to the severities of the winter of the country and its heavy falls of snow.

To the eastward of the Cascade Range in British Columbia, in the section of country through which the "Frazer River Route" runs, the snow fall is so light and insignificant that it is unnecessary to allude to it; but in the gap which the Frazer River has cut for itself through the Cascade Range the snow fall is heavier. However, hon. gentlemen may relieve themselves of much apprehension on this score, when I assure them that during my residence in British Columbia I have had occasion to travel the road running through that pass during every month of the year, that I never saw more or knew of more than four feet of snow on the level in any place at any one time, and that during many winters the road can uninterruptedly be traversed by vehicles on wheels. Now the more northern routes surveyed through the country cannot for one moment be talked of in this way. Every one knowing anything of the subject knows that in British Columbia the snow fall in the more northern portions of the Province is excessive. On this point then again has the "Frazer River Route" an incalculable advantage. Then again very important is the fact that the "Frazer River Route" would run through that part of the Province which is decidedly the most valuable as an agricultural and inhabitable country. Coming down as I have already described the valley of the North Thompson it reaches Kamloop's, already a thriving little place of some importance, and the centre of one of the best portions of British Columbia. The line thence passes for a considerable distance through a country which is now chiefly used for grazing purposes, but which is capable of great development in an agricultural way, till reaching the Frazer, it traverses the pass cut by that river in the mountains and over a country which is perhaps only valuable as affording a means of communication between the interior of the country and the coast. Lower down, however, the valley of the Frazer opens out and for the last 80 or 90 miles the line would pass through what is probably the most valuable agricultural section of British Columbia. Thus for the greater part of its course the "Frazer River route" passes through the country which is not only now the most thickly settled of all British Columbia, but which is the most habitable of all the mainland of that Province, and which is most capable of development; but, in addition, the line besides running through a desirable part

of the country would also drain of its productions a still larger portion, and I have no hesitation in stating my belief that if the "Fraser River route" be adopted as the western portion of the trans-continental line, it would be found that on completion that portion at all events of the Canadian Pacific Railway would be self supporting. Such, hon. gentlemen, would not be the case with the more northerly routes where the country, owing to its high northern latitude and the great altitude of the major part of it above the level of the sea, is undesirable to a degree, and never could be now or a century hence inhabited by any number of people or made use of in an agricultural way. With regard to the most northern route of all, that to "Gardner's Channel," I shall dismiss all consideration of it by saying that I conceive it impossible that any governing party could, when in possession of all the facts which would enable them to come to a conclusion on such an important matter, ever dream for a moment of carrying the line through on that route. In addition to all these points in favour of the "Fraser River Route," I have now to draw attention to one of importance quite as great. I maintain that the "Fraser River Route" reaches at Burrard Inlet the most favourable harbour on the coast of the mainland of British Columbia, a harbour accessible at all seasons, on every day of the year, to vessels of all sorts and sizes, and capable of holding half the entire marine of the world. To make a comparison between it and Bute Inlet would be futile. The latter is, as its name implies, a narrow inlet running from the sea some distance inland. Any one who has looked at the map will see that it is difficult of access on account of the multiplicity of islands which stud the straits between the mainland and Vancouver Island, and with reference to this point I will repeat an occurrence which took place during the past summer, and the intent of words which were used by one who should be an authority on such matters. During the past summer, the then Admiral on the Pacific station, Admiral Cochrane, took a trip up to Bute Inlet in one of Her Majesty's gun-boats. On that occasion he was accompanied by the present Lieutenant-Governor of British Columbia, Mr. Trench, and such was the difficulty experienced in navigating so small a craft as a gun-boat to the head of Bute Inlet, that the Admiral gave it as his distinct opinion that it would be quite impossible to place the terminus of a

great trans-continental railway at such a place. It will be evident to hon. members that if a little gun-boat some 60 feet long, or thereabout, a boat built on purpose to poke its way through intricate and difficult channels, should experience great difficulty in reaching the head of "Bute Inlet," that it would be out of the question to expect a big ocean steamer three or four hundred feet long to get there at all. So much for the harbour reached by the "Fraser River Route," as compared with others; and now I will repeat the advantages of the more southern route over the "Fraser River Route." I claim for it the advantages that:

1st. It has greater directness and shortness than the other surveyed routes.

2nd. That it affords a perfect grade throughout its course.

3rd. That it runs through a part of the country blessed with a very short winter and a light snow fall.

4th. That it passes through a part eminently habitable and valuable.

5th. That at last it reaches the best harbour on the coast of the mainland.

Now, hon. gentlemen, these that I have mentioned are facts; facts, I maintain, that are incapable of refutation by any member of this House, whether representing British Columbia or other part of the Dominion; and, in addition, I wish to draw attention to another point of interest. It is this, that if the line of the "Fraser River Route" were adopted, the country through which it runs is capable of supplying, of growing all the articles of food necessary for the support of those engaged in the construction of the line, and that thus British Columbia would reap all possible advantage from the expenditure of so large a sum of money, and that the construction of the line would do so much to build up the Province that not only it, but the Dominion, through it, would be permanently benefitted. These advantages would be lost if the line chosen was one of the more northern. The country over which those lines pass is not fitted for agricultural occupation and consequently all supplies would be brought from the large markets of Portland and San Francisco to the south of us. On the other hand it is urged, and indeed the other night in another place it was stated by the Premier, that the extra cost of building this line virtually rendered the adoption of the Fraser River route out of the question. I question the fact of the extra cost of this line, for I know that the Government are

not and never have been in possession of sufficient engineering data with reference to the "Fraser River Route" to be able to compare fairly the cost of that line, with that of others; but I say, besides, in a matter of this sort, that the primary cost of construction, although very important, is not by any means one which should override other important considerations, and that whether the question lies between the advisability of building a line 500 miles in length, over a country, to say the least of it, undesirable, and on the other hand of building it through a country favoured by nature, eminently suitable for habitation, and capable of supporting a large population, that their common sense alone would point out the desirability of the adoption of the latter line as the one which in course of construction would be of value to the country, and the only one which on completion would be found to be satisfactory. Perhaps I have now trespassed too long on the good nature and indulgence of the house, (cries of no, no); but I have thought it my duty at this period, when the time for the location of the great Canadian Pacific Railway apparently approaches, to bring the matter prominently before the notice of the House and of the Government, and to impress upon the latter as seriously as I could the grave responsibility that lies upon them, of giving every attention to so important a matter, and of taking care that in coming to a definite conclusion, they do not fall into the mistake of adopting a policy penny wise but pound foolish. (Hear, hear.)

Hon. Mr. CARRALL said he felt indebted to the hon. gentleman who had just sat down for bringing this subject up for discussion, as the location of the line through British Columbia was of the very first importance. He also desired to say publicly that he disclaimed on the part of British Columbia, that it was their desire that the Government of the Dominion should in the slightest degree be influenced by any Provincial consideration whatever in the selection of the western terminus of the Pacific Railway; but, at the same time, they insisted that the selection of route should be based only upon the fullest and most reliable information that they could possibly obtain. After a great deal of consideration, and the experience of eleven years' residence in that country, during which time he had travelled over a great deal of it, and talked with a great many persons on the subject, he thought the Fraser River route offered

more advantages, although possibly at some greater cost, than any other route for the welfare of the Dominion at large. For his own part, he would prefer that the railroad should go to Bute Inlet, but it would be necessary, if it that route were adopted, to establish a steam ferry at that point, and carry the railroad over the Island of Vancouver to Esquimalt, which was a most inviting and commodious harbour. But Bute Inlet was out of the question, as far as a harbour was concerned. He did not ask for the construction of the trans-continental railway before the Government had made all the surveys, or before they were satisfied that they had found the very best route. He ventured to state that no person in British Columbia was so exacting or so untrue to the interests of the Dominion, as to ask the Government to put a pick in the ground until they were satisfied with the location of the line. He did not think any of the northern routes should be adopted. Prof. Macoun gave a high character to the Peace River district east of the Rocky Mountains, but on the west side the country was a barren wilderness to the Pacific coast, and it could never be available for anything from an agricultural point of view. The Fraser River route would pass through the most valuable portions of the interior valleys of British Columbia. He was strongly in favour of that route himself, and he would read what another gentleman, whose name he was not authorized to give, had compiled from official sources on this question of route:—

From the summit of the Yellowhead Pass eastward, the line is common to all those surveyed westward—that is to say through British Columbia—the summit of the Pass being the boundary of that Province, the distances are therefore given from that Point.

1. The Southern Group.—The only line of this group now considered is that *via* the Thompson and Fraser Rivers, to Burrard Inlet, with extension to English Bay, for a proper terminus, the other lines *via* the Cogihalla to Fort Hope and to Howe Sound, are 35 to 40 miles shorter, but the grades are bad.  
Length of line from Yellowhead

Pass to Burrard Inlet.....471 miles.  
Extension to English Bay 5 miles, 476 "  
Thence by sea to Esquimalt, say, 85 "

Total..... 561

The cost of constructing this line would be several millions of dollars in excess of any other line surveyed.

East of the Cascade Mountains.—It opens no new country. The lands it touches on are principally grazing lands, with a small proportion of agricultural lands, mostly requiring irrigation. It is estimated that the produce of the whole District (Cash Creek to the Okanagan), would be increased ten-fold by railway communication, but the inhabitants now are probably considerably under 500, and if they were increased in proportion, they would be under 5,000. The line would not touch the mineral districts at all, and the only increased facilities of reaching those would be by landing passengers and freight by railway at Spence's bridge.

West of the Cascade Mountains.—The lands in the Valley of the Fraser are all within reach of any part of the Pacific Coast by navigable tide-waters. The bulk of these lands are below New Westminster, while the railway would leave the Fraser Valley to cross to Burrard Inlet above that point, so that a railway is not necessary for the settlement of these lands, or the exportation of their produce.

2. The Central Group.—The best of those lines is that from that from the Yellowhead Pass *via* Tetejaune Cache and down to Fort George, thence by the valleys of the Stewart, Chilacoh, Blackwater, Nazco, Chicotin and Homalthoo valleys to Bute Inlet, in all of which there are rich agricultural lands of considerable extent; some of them are surrounded by an extent of grazing lands scarcely inferior to those of the southern Districts of the Province.

This line sweeps round the northern and eastern flank of the Cariboo mining range; and, by the Giscome Portage, would offer easy access to the Omineca or Peace River Mining District—its length is 550 miles.

But any line would be incomplete if its terminus were not capable of connection (without transhipment of freight) with Vancouver Island in all seasons and all weather; and thence with some Port favourably situated for Asiatic commerce. To construct a railway down the shore of Bute Inlet, and bridge the several channels between the mainland and Vancouver Island, would cost enormously. But for the present, it is thought steam-boats carrying trains on board—as at Detroit and Sarnia—could be used between Waddington Harbour at the head of Bute Inlet, to Mary's Bay on Vancouver Island (near Seymour Narrows) a distance of

about seventy-miles. This is the only line by which a steam ferry-boat, carrying trains on board, is practicable—as the channels are not disturbed by storms, being surrounded by high lands. This is near the centre of Vancouver Island and the richest part of British Columbia both for agriculture and minerals—coal and iron lying side by side.

But then for Asiatic commerce it would be necessary to construct the railway on Vancouver Island from Seymour Narrows to Stamp Harbour on the Alberni Canal, Barclay Sound, or to Esquimalt. The line to the former would stand thus:—

	. MILES.
Yellowhead Pass to Waddington Harbour.....	550—rail.
Steam ferry to Vancouver Island.....	75—water.
Railway to Stamp Harbour, say,	82—rail.
—	
Total.....	707
Or Yellowhead Pass to Waddington Harbour.....	550—rail.
Steam ferry to Vancouver Island.....	75—water.
Thence by rail to Deep Bay—common to both.....	57—rail.
Thence to Nanaimo, say.....	46— “
Thence to Esquimalt.....	67— “
—	
Total.....	795

Northern Group.—The only line at present surveyed throughout is that to Karns-quot Bay, Dean Inlet—length 504 miles. This line, besides being the shortest, would probably cost less to construct—mile for mile than any of the other lines. It is also 200 to 300 miles nearer to Japan and China (by the direct large circle sailing) than from Stamp Harbour, and fully 300 miles nearer than from Esquimalt. But that applies only to the homeward voyage, as on account of the currents, a southern course is taken outward to Japan and China, and a northern course homeward from these places. Herewith is a chart of the currents and the line of route from San Francisco to China and return laid down. From this you will see that the so-called Japan current sets away from the coast of that country eastward, its northern edge washing the long group of Aleutian islands, and its southern edge by the still-water of the Sargassa sea. The northern part of the current strikes full upon Queen Charlotte and Vancouver Islands; and if you were to place a thread

on the globe—one end on the coast of Japan, and continuing the thread on a straight line as close to the Aleutian islands as practicable, and producing the same, still in a straight line—you will find it strikes near the southern part of Vancouver Island, and full in the current. The current then deflects to the south till it touches the northern edge of the Equatorial stream, which flows westward, then sweeps round northward to the coast of China and Japan, making an oblong oval, so that steamers from San Francisco make the outward voyage by the southern route, touching at Honolulu, and on their return take the northern route, hugging the Aleutian Islands and the coast of Vancouver Island. Therefore the northern terminus for the Canadian Pacific Railway is chiefly favourable as shortening the route from China, but unfavourable as lengthening the voyage to China and Japan, for no steamers, much less sailing vessels, will go against the current. The northern line also opens up less good country than the central.

Hon. Mr. CORNWALL contended that the line from Fort George to Bute Inlet would pass through a country the altitude of which was so great that it was not good for agriculture.

Hon. Mr. SCOTT asked if Waddington Harbour was not available for vessels by sailing north-west through Queen Charlotte Straits.

Hon. Mr. CORNWALL said the navigation there must be intricate, as the channel was thickly studded with islands. In the paper read by his hon. friend it was mentioned that the cost of the Fraser River Route would be several millions of dollars more than Bute Inlet; but that authority did not calculate the expense of carrying the line from Bute Inlet down to Esquimalt.

Hon. Mr. CARRALL said the Government of the day were not in a position to state the comparative cost of the Fraser River route as compared with others, as no proper survey of that route had ever been made. As to the statement made by his hon. friend about the depth of snow, he had never heard of four feet of snow falling in one storm in any part of British Columbia; he had never seen as much as four feet of snow on the ground in that Province, and the road would not require snow sheds at any point, as the Union Pacific did. He was glad an hon. friend in the other House had brought up this question of another survey of the Fraser River route, and he hoped the

Government would see fit to make it before adopting any other.

Hon. Mr. MACDONALD (Victoria)—The House must be sick and tired of the Pacific Railway question this session. Hon. gentlemen have been told about routes, rocks, snowdrifts, and canons, and I'll venture to say that they are not a bit wiser than they were before. I think it would be most unbecoming were I to stand up and contradict every word said by the hon. gentleman from Ashcroft; how could the House form an opinion if we both differed, but I do not intend expressing an opinion upon any route, because I think it is a matter which can only be decided by the Government and the engineers. I am willing for my part to leave it to the scientific men who have been over the country.

Hon. Mr. CORNWALL interrupted, saying the hon. gentleman has never been over the country. He knows nothing about it, and has no business to make these remarks.

Hon. Mr. MACDONALD—I have a right to make these remarks, and I contend that it is neither wise nor judicious to bring forward this question now. The hon. gentleman has lost his temper, and this bears me out in saying that the House could not arrive at any intelligent conclusion in this matter, not even if they had the whole of the people of British Columbia before them. The hon. gentleman forgot to mention that the most fertile lands on the Fraser are made accessible by the Fraser River running through them, and require no railway. He also forgot to mention that there are large tracts of fertile land from Bute up by Chilcotin towards Fort George, which require opening up. When Bute Inlet was first thought of by Mr. Waddington, it was as a harbour complete in itself without reference to Esquimalt. The hon. gentleman has said that Burrard Inlet is the best harbour in the Province. (Mr. Cornwall—I said on the mainland.) Mr. Macdonald—Although the hon. gentleman said in the Province, I accept the explanation. I repeat again that I am quite willing to leave this matter to the Government and the engineers, as they only can decide the matter.

Hon. Mr. CORNWALL considered the hon. gentleman had no right to get up in his place and make such a statement that the opinions offered were sectional. The hon. gentleman had never been on

the mainland in his life, except when he had visited New Westminster.

Hon. Mr. MACDONALD said it only illustrated the force of what he had stated. The hon. gentleman had forgotten that there were other tracts of fertile country in British Columbia than on the Fraser.

Hon. Mr. CAMPBELL said he did not think the hon. gentleman who had spoken last had done justice to the hon. gentleman who had introduced this subject to the notice of the House. The hon. gentleman had guarded himself against advocating any one route. He had told the House that he had no engineering knowledge of the Fraser River route, but he had certainly given information which, for his part, he considered very valuable, and it had given him a much clearer idea of the question than he ever had before. It was one thing to read engineer's reports, and another to have a *live voce* description of the country, its character, resources and capacity in the future. It was a speech that had given him more information than any other on this subject. He certainly thought that as far as this discussion had gone, it had given to the House a clear impression of the several routes, and hon. gentlemen would be disposed to believe that the arguments of his hon. friends were very cogent reasons in favour of the Fraser River route.

Hon. Mr. SCOTT said he thought the discussion they had heard would satisfy the House that there were a great many routes in British Columbia that were open to discussion, as to which they should ultimately accept in the interest of the Dominion. The hon. gentleman (Mr. Cornwall) had spoken with the greatest possible favour of the route by the Fraser River. The hon. gentleman spoke from this stand-point in a broad and general sense, but it would be remembered that the hon. gentleman desired that the line should pass in the vicinity of his own property.

Hon. Mr. CORNWALL disclaimed any sectional motives in advocating a survey of the Fraser River route.

Hon. Mr. SCOTT said he did not tax the hon. gentleman with any such motive, but it was only human nature that an hon. gentleman in advocating a line which passed his own residence, must speak of it with some partiality. The hon. gentleman had selected that portion of British Columbia, believing it to be the best for business and agricultural purposes, and naturally he would also select it as the

best for railway purposes. The remarks they had just heard, had proved that this whole question was surrounded with a multiplicity of embarrassments, that the engineering difficulties were much greater than the people were disposed to imagine. Hon. gentlemen who were inclined to censure the Government for not commencing the expenditure of money in British Columbia, would now see it would have been very unwise, when even the members from British Columbia were not in harmony on the selection of the route in that Province. The hon. gentleman had quoted from the report of the Chief Engineer of 1874, but if he had read further he would have given some more valuable information respecting the impracticability of that route; that the work would consist of a large amount of bridging over deep ravines; several miles of protection works along the river would be required, and the proportion of excessively heavy work extended over 57 miles, and included 7 to 8 miles of tunnelling. He did not know the chief engineer had obtained any further information, but he presumed he had. He found in the rough estimate of the cost of that route it was put down at thirty-three millions of dollars. The number of routes surveyed or partly surveyed was three, and they might be divided into the Northern, Central and Southern; the latter terminated at Bute Inlet, the Central terminated at Dean Channel, and the latter terminated at Gardener Channel. Tete Jaune Cache was the point at which all the different roads converged. From that point west the road was located to Fort George, there crossing the Fraser River, and then running down to what was originally known as route No. 4 terminating at Bute Inlet. This was the favourite route, and it passed through a country somewhat superior in its capacity for settlement. Bute Inlet had been spoken of probably before any question of engineering difficulties had arisen. It had generally been looked upon as a very desirable harbour and he was not aware until hearing this debate, that any difficulty would arise in obtaining a harbour on the coast line at that point. The distance and surveys were all traced out to the coast line; it was not intended to stop at the extreme inland point as it was estimated that the line would at least go down to deep water. The route by No. 2 would be as his hon. friend would observe 513 miles, while the distance to Bute Inlet would be 550 miles. The cost,

however, in the rough estimate of expenses that had been formed by the engineers, of that particular route, was placed at twenty eight millions of dollars, as compared with thirty-three millions of dollars by route No. 2 by the Fraser River to Burrard Inlet.

Hon. Mr. CORNWALL said the cost of Bute Inlet route had not been calculated down to deep water, but only to the head of the Inlet.

Hon. Mr. SCOTT said there were other lines north, which the engineers had condemned. The Government would be guided in the selection by the character of the country, its soil, climate, and general advantages. In the winter there was very little snow along the Bute Inlet route, and it was stated as a positive fact that horses and cattle remained out all winter.

Hon. Mr. CORNWALL said the hon. gentleman must be ignorant of the fact that a very few miles further north, the ground was frozen to the depth of thirty feet, and it never thawed out; the miners had to build fires on the ground in order to work it.

Hon. Mr. SCOTT said that was not the information he had received, but all these questions had to be decided before the Government would be justified in selecting a route. He would announce that the telegraph contractor, who was now at Ottawa, had that morning received a through telegraphic despatch from Battle River, via Selkirk, within two hundred miles of Fort Edmonton. This would bear out the statement he had made a few days previous as to the progress of that work.

Hon. Mr. CORNWALL said any hon. gentleman who knew British Columbia, would know that the statement of the Secretary of State that horses and cattle were able to remain out during the winter on the northern route, could not be correct. He did not think there ever was such a thing as a horse or a cow within two hundred miles of the place.

#### SECOND READINGS.

The following Bills were read the second time:—

“An Act to amend the Dominion Lands Act.”

“An Act to incorporate the Canada Assurance Corporation.”

#### THIRD READING.

“An Act to amend the Act thirty-first Victoria, chapter five, as respects the public accounts.”

The House adjourned at 6 p.m.

SATURDAY, April 8.

The PRESIDENT took the chair at 3 p.m.

#### OZRO MORRILL.

Hon. Mr. MILLER, from the Committee on Standing Orders and Private Bills, to whom was referred the Bill intitled: “An Act to enable Ozro Morrill to obtain a patent for certain inventions and improvements in sewing machine shuttles,” reported that they had gone through the said Bill, and had directed him to report the same to the House, without any amendment.

Hon. Mr. KAULBACH moved the third reading of the Bill.

Hon. Mr. DICKEY thought a Bill of this kind, which proposed to give a person exclusive privileges, should not be passed without some explanation.

Hon. Mr. KAULBACH said the whole explanation was in the preamble of the Bill. Ozro Morrill was the sole assignee of the inventions and improvements in sewing machine shuttles made by John Reece. In November, 1871, Letters Patent had been issued to Reece for such of his inventions as were made prior to that time. Subsequently letters patent were procured in the United States of America, Great Britain, France and Russia for all the inventions and improvements made by John Reece; prior to the respective dates of the letters patent, including certain valuable improvements made by him subsequent to the date of the Canadian patent. Ozro Morrill, believing that the Canadian patent was broad enough in its terms to protect all the improvements made by Reece, expended large sums of money in buildings, tools and machinery in the Province of Quebec, for the purpose of manufacturing sewing machines containing the inventions and improvements; but it was a matter of doubt whether the Canadian patent validly covered and protected all the improvements, and whether Ozro Morrill, by reason of having commenced the manufacture and sale of sewing machines of the description supposed to be protected by Canadian patent, could



now obtain a valid patent in Canada to protect such of the improvements as might be held not to be included in and protected by the Canadian letters patent. Ozro Morrill was liable to sustain great loss and damage unless relief be granted in accordance with the prayer of his petition.

Hon. Mr. MILLER, after reading the preamble, said he considered it was only right that the petitioner should get the legislation he had asked for.

Hon. Mr. LETELLIER DE ST JUST said he had no objection to the bill, inasmuch as it left it to the Governor in Council, if he should see fit, and upon being satisfied of the truth of the statements made by the petitioner, to grant the letters patent asked for.

Hon. Mr. DICKEY said if this man could not get what he required under the Patent Act, it appeared to him that this was special legislation.

The Bill was read the third time and passed.

WILLIAM NOILES.

Hon. Mr. DICKEY moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before the House, copies of all memorials and letters, from or on behalf of George Noiles, father of William Noiles, in reference to the killing of the latter while shunting cars, on the Intercolonial Railway at Amherst Station, in December, 1874, addressed to the Honourable the Minister of Public Works, and of all answers thereto. He said in making this motion he need hardly make any apology to the House for its private nature, for it referred to the death of an unfortunate young man while serving on a public work of the country. The point which was involved in this motion was by no means new, for on a great many occasions persons had received compensation for injuries received on public works. In December, 1874, William Noiles, who was then an employee on the Intercolonial Railway in ballasting, while waiting for the train to come up to take him to his work at Amherst Station, was called by the Station Master to assist in shunting some cars. He acceded, and while so employed he was killed. He did not suggest blame to anybody, but the unfortunate result was the young man was killed, and his father and mother through it were deprived of their main prop. The railway authorities had taken upon them-

selves the expense of the funeral, and application was subsequently made to the Government for compensation for the father, and it was with reference to that correspondence he had moved for an address. If the Government would promise to make enquiries into the matter, and see that redress would be given, he would withdraw his motion.

Hon. Mr. LETELLIER DE ST. JUST said there was no objection whatever to the motion; but his hon. friend having placed the matter on another footing, he would look into the matter and see that justice was done.

The motion was withdrawn.

#### THE PROROGATION.

Hon. Mr. CAMPBELL asked whether the Minister of Agriculture had any information as to the possible day for the prorogation of Parliament.

Hon. Mr. LETELLIER DE ST. JUST said it depended entirely upon the business in this House. The intention of the Government is to prorogue at an early day next week, probably Tuesday or Wednesday.

Hon. Mr. MILLER was afraid they would be in the same position they were in last year, when they sat for a week after the House of Commons adjourned. He understood a large number of members returned home a week before Parliament prorogued, and that no reduction was made from their indemnity. If that was the case, and business could be delayed in the other House until the last moment, it was probable that session after session they would have to remain a week or ten days after the House of Commons adjourned.

Hon. Mr. LETELLIER DE ST. JUST said there was no important bill before the other House now. If some of the members were absent before the prorogation their absence did not put an end to the business. As to the indemnity, they had nothing to do with it.

Hon. Mr. BOTSFORD said it seemed to him that members of the House of Commons could not draw the whole amount before prorogation and comply with the terms of the law. They had to make a solemn declaration that they have been in attendance, and if it had been the practice for them to draw their full indemnity it must be in violation of the law. Perhaps the Government would make some inquiry about this.

The subject then dropped.

## THE SUPREME AND EXCHEQUER COURTS.

Hon. Mr. SCOTT moved the third reading of the Supreme and Exchequer Courts Bill.

Hon. Mr. BELLEROSE believed it his duty to move the following amendment to the Act passed last session to amend the 17th clause:—That the said Bill be now read a third time, but that it be committed to a Committee of the Whole House, with instructions to amend the same by adding the two following clauses after the 17th clause:—

Clause A.—In the 17th clause of the 38th Victoria, chapter 11, strike out the following words, "or municipal by-laws."

Clause B.—In the 23rd clause of the same last mentioned Act, strike out all the words after the word "mandamus" in the fourth line of the said clause.

Hon. Mr. LETELLIER DE ST. JUST thought it would be dangerous to change the law just now. The by-laws of municipalities affected large interests,—railways, for instance—and in such cases there ought to be appeal to the Supreme Court. As to the smaller cases that arose he did not think people would undergo the expensive process of an appeal. The law should stand as it is until some inconvenience was felt.

Hon. Mr. CAMPBELL said if no inconvenience had resulted from the clause it would be better to allow it to remain until some absolute necessity for its repeal was found.

Hon. Mr. MILLER said the Supreme Court was not yet in existence, and he did not see anything in that argument that no inconvenience had arisen. If this was an amendment which ought to be made, there should be no hesitation about it on the score that no necessity had arisen therefor.

Hon. Mr. TRUDEL thought there was a good deal in the motion, and he would be disposed to accept it to a certain extent. While there might be some truth in the Hon. Minister of Agriculture's remark, that the smaller cases would not go to the Court, he thought no appeal should be granted for some of those by-laws. Sometimes law-suits were created for the purpose of annoying poor parties, and some protection ought to be afforded. He moved in amendment to the amendment, as follows:—

That instead of striking out the words "or Municipal By-Law," to leave those words and add after the said words, in the 17th clause of the 38th Victoria, Chapter 11, the following words: "for the passing of which the vote of

the freeholders or of the ratepayers is required."

The important by-laws concerning the railway interests were generally passed by the vote of the freeholders, and he thought his amendment would meet all the requirements of the Act.

Hon. Mr. SCOTT said very important cases sometimes arose under municipal by-laws and it would scarcely be fair that persons should be deprived of this right of appeal.

Hon. Mr. BELLEROSE said under the law as it stood at present allowed wealthy men to go from one tribunal to another to the great embarrassment of poor opponents, and this was not a proper state of affairs. He could not see the force of the objection that the Act had not gone into operation, and there was consequently no necessity to amend this clause.

Hon. Mr. CAMPBELL—My objection was that we should wait until some evil arose before amending the law.

Hon. Mr. BELLEROSE said the French aphorism "Get the physician before you die, or it will be too late," applied in this instance. He held that the clause was not good or sound legislation and required amending as he proposed. We should give fair play to the Provinces, especially in these small matters of legislation.

The amendment to the amendment was then lost on the following division:—

CONTENTS. The Honourable Messieurs Armand, Bellerose, Chapais, Chinic, Ryan, Trudel—6.

NON-CONTENTS.—The Hon. Messieurs Aikins, Allan, Baillargeon, Benson, Botsford, Campbell, Chaffers, Christie, (Speaker,) Cormier, Cornwall, Dever, Dickey, Dickson, Fabre, Ferguson, Ferrier, Girard, Glasier, Haythorne, Kaulbach, Leonard, Letellier de St. Just, McMaster, Macdonald, (Victoria), Macfarlane, MacPherson, Montgomery, Paquet, Scott, Seymour, Shaw, Simpson, Smith, Stevens, Sutherland, Vidal.—36.

The amendment was lost on the same division.

Hon. Mr. DICKEY, with some diffidence, begged to propose an amendment to the Bill, of which he gave notice informally on a former occasion, for transferring the jurisdiction now enjoyed by Parliament in matters of marriage and divorce to the Supreme Court. He did not, at this stage of the session, propose to go into this question at any length, but state briefly one or two reasons why he thought such amendment of the law desirable. Whatever might be thought of

the expediency of introducing the amendment at the present moment, all must agree that the existing state of things was to the last degree unsatisfactory. In no other country that he was aware of did this abnormal condition of things exist. The jurisdiction of the House of Lords in these matters was transferred to the Divorce Court some twenty years ago, and it was a singular coincidence that at that time the Court was composed of the highest judges in the land, who were the counterpart of our Supreme Court judges. It happened that this was the first time we could have had a central and satisfactory tribunal for the trial of matrimonial causes. The House would see that the amendment would not interfere in any way with the present state of things in the Provinces which now possess tribunals for the disposition of such cases. If it should pass, it would be a legislative recognition of those tribunals. There were Divorce Courts in some of the Provinces now, and in others not any; and it unfortunately happened the great number of cases had come from that large and controlling Province, Ontario, which had no Court with jurisdiction over these matters. He could not see why the principle set forth in the amendment should not be embodied in the Act. Their experience during the past month proved that such an arrangement was desirable; for several weeks their time had been divided between their quasi judicial and legislative duties, and they had to devote their energies during the busiest period of the session to the business of the Divorce Court. Nothing more unsatisfactory, he thought, could scarcely be. He did not intend to argue this matter; he put it before the House believing it would commend itself to the common-sense and good feeling of this House. The resolution he proposed was as follows:—

To leave out all the words after "be," and insert "amend," by adding the following as the 39th section, viz.:—

"39. The Supreme Court of Canada shall have jurisdiction to try and determine in cases of divorce and matrimonial causes arising in any Province of the Dominion, in which there is no tribunal by law authorized to determine such cases; and for this purpose shall, as regards cases arising in such Province only, have and possess all the powers held and enjoyed in similar cases by the Court for Divorce and Matrimonial causes in England by virtue of the Imperial Act 20 and 21 Victoria, Chapter 85, and the Acts in amendment thereof."

It might be said there was no machinery by which the proposed court may be worked. He thought the Supreme Court had power under the 37th section, to make rules and create the machinery which

might or might not become necessary for the practical working of this jurisdiction.

Hon. Mr. LETELLIER DE ST. JUST said he hoped his hon. friend would not press his motion at this late period of the session. The question involved was certainly one of the greatest importance, and he thought it inadvisable that it should be brought so unexpectedly on Parliament. There were a great many members of both Houses absent who certainly would consider they were called upon to take part in the discussion of a subject of such grave importance, who would not have an opportunity to do so if the matter were passed this session. He did not know to what extent this House had the right to dispose of this power of creating a divorce Court that could be merely for one Province, for he understood his hon. friend to say that Ontario was the only Province without a Divorce Court of its own. There was no Divorce Court in Quebec, but there was a Court that provided for separation *a mensa et thora*. No doubt the Committee had reason to complain of the arduous nature of their duties, but he supposed they were bound to perform their Senatorial labours.

Hon. Mr. MILLER said he had heard the reading of the amendment with a great deal of astonishment. It was a motion of which no previous notice had been given, and it was one that had taken the House and would take the country by surprise. It was moved at such a late period of the session and in such a way that he could hardly believe his hon. friend was serious in introducing it. It had been said that all the Provinces, except Ontario, were provided with Divorce Courts, but it was extraordinary that the motion for such legislation came from a representative of Nova Scotia, and seconded by an hon. gentleman from New Brunswick. He thought if Ontario was suffering for want of a Divorce Court, some of the representatives of that Province would surely be able to look after it. Not only was the motion an extraordinary one, but it was the most lame, bald, crude and feeble attempt at legislation that had ever been proposed in this House. He considered that such a great question could not be dealt with by a mere amendment such as that proposed by his hon. friend. It showed a want of knowledge of the obligations and intricacies of this, one of the most difficult problems of our whole social system. There was not a member of this House who could justify the course which had been pur-

sued by the hon. gentleman in the matter, and he hoped the Senate would not make themselves ridiculous in the eyes of the country by accepting such a motion. There was, in some quarters, too great a desire to distinguish one's self by tinkering at bills, and he hoped this resolution would not be entertained.

Hon. Mr. BOTSFORD said as to the surprise, inconsistency, or impropriety of making a motion of this kind on the third reading of the Bill, he thought the hon. gentleman (Mr. Miller) if he had paid attention to the precedents of this House, would see that it was quite competent for any gentleman to move such an amendment; in addition to this, his hon. friend (Mr. Dickey) had distinctly stated in committee that it was his intention to move this resolution at the third reading. With respect to the other observation that it was somewhat surprising that a member from Nova Scotia should move such a resolution, and a member from New Brunswick should second it, because Ontario alone was interested in it, he would say that this Senate was interested in it, and Parliament was interested in it. As at present constituted this House was a very imperfect tribunal for carrying out the powers given it by the Dominion Act in relation to marriage and divorce, and the experience they had had since Confederation proved the necessity that existed for a court of divorce that would do justice and at the same time relieve Parliament of a most disagreeable duty.

Hon. Mr. HAYTHORNE said he quite concurred in the opinion of his hon. friend from Amherst, that this Parliament was not the best court for the trial of such cases, and he considered that the Judges of the Supreme Court were far more competent to deal with such questions. The members of the committee themselves who had twenty-two days work on the Campbell divorce case, felt that their time and attention had been so absorbed with it that they were not in a position to discuss properly other questions that had come before the House. On another occasion the hon. mover of this amendment and himself had expressed their inability to take up a question properly (the Pacific Railway) in consequence of the manner in which they had been been occupied in this Committee work. He believed a change was desirable, and the sooner a court for the trial of divorce cases could be established the better.

Hon. Mr. CAMPBELL said whatever opinions any hon. gentleman might entertain respecting the establishment of such a court, he considered it was a question on which the Government ought to take the responsibility of legislating, and every member of the House should have an opportunity of considering it. He thought it was now too late in the session to undertake such an important step. If the intention of the hon. gentleman was to draw the attention of the House to it, as a question for future legislation, he had succeeded, and he hoped he would not press it any further this session.

Hon. Mr. TRUDEL said it was useless to remark that he was opposed to any legislation involving such consequences to our whole social system as this. He did not think that even the passage of such an amendment as this could empower the Supreme Court to try such cases; in fact, the whole machinery of such a court would require special legislation.

Hon. Mr. McFARLANE said he entirely concurred in the remarks of his hon. friend from Amherst on the wisdom of the suggestion, but he did not think it would be judicious for Parliament to deal with this question at present, as the House was not prepared at such a late period to go thoroughly into the matter. If divorce cases increased with the population the whole time of the Senate would, in a few years, be occupied with such cases. He believed a properly guarded law would meet with the assent of a large majority of the people of Canada, and was convinced the time would soon arrive when they would have to adopt such a measure, but he hoped the hon. gentleman would not press his resolution this session.

Hon. Mr. KAULBACH said he believed the time had already arrived when a Divorce Court should be established, as he considered the attention of this House should not be occupied, as it has been on several occasions to the detriment of the business of the country, by attending to the testimony of divorce cases. He had spent twenty-two days of the present session, sitting from 10 a. m. to 1 p. m., in trying the Campbell case, and it appeared to him that the whole constitution on this subject was wrong. It was not the same as in the English House of Lords, where it was referred to one branch, and not to the whole body. He thought there were a great many gentlemen in this House who were desirous of being released from such an unpleasant duty, and it was

well known that many of them were opposed to divorces, no matter what the merits of the case may be.

Hon. Mr. DICKEY rose to reply.

Hon. Mr. MILLER raised a point of order, as the hon. gentleman had already spoken.

The SPEAKER ruled that under the 19th rule of the House the hon. gentleman could close the debate on his motion.

Hon. Mr. DICKEY said in introducing this motion, he had been careful to make no observation that he thought would possibly offend the feelings of any person, and he appealed to every hon. gentleman of this House to say if there had been a single remark of his that justified the severe criticism of the hon. gentleman (Mr. Miller). He had previously, on the second reading of the Bill, given notice of his intention to move this amendment on the third reading. That he should be taunted with proposing to move an amendment to a Government Bill, merely because he came from the small Province of Nova Scotia, was absurd and uncalled for. He had no fault to find with the manner in which the motion had been received by the hon. gentlemen on the Treasury Benches. The hon. leader of the Government had not ventured to say that his motion was not a good one, but he had made an appeal to him not to press the motion at this stage of the session. Having called the attention of members to this important question, and having stated his own views, he believed he would now best consult the convenience of the House by withdrawing the motion.

Hon. Mr. MILLER said in stating that the House had been taken by surprise, he wished to convey—

Hon. Mr. BOTSFORD called the hon. gentleman to order, as having already spoken.

Hon. Mr. MILLER moved the adjournment of the House, and then proceeded to say that what he meant by the House being taken by surprise was that the resolution had not been placed on the notice paper. He knew the hon. gentleman from Amherst had the sympathies and prejudices of a large majority of this House in his favour, and he was sorry to say that he found these feelings exhibited much stronger in the representatives from the smaller Provinces. He would pass no opinion on marriage or divorce, but he did condemn in the strongest terms the manner in which this

great question had been attempted to be dealt with at this late period of the session. He had no desire to follow the hon. gentleman in his remarks or get into any altercation before the House, but he (Mr. Miller) had said nothing which he was not prepared to stand by, although he knew in a case of this kind he would have the feelings and prejudices of a large majority of the House against him. He then withdrew his motion for adjournment, and the Bill was read the third time and passed.

#### MISCELLANEOUS.

On the consideration of the Message from the Commons, disagreeing to the amendments made by the Senate, to the Criminal Statistics Registration Bill being called,

Hon. Mr. SCOTT moved that the House do not insist on the amendments.

The motion was carried, and a messenger was dispatched to the House of Commons to inform them of the fact.

The London and Canada Bank Amendment Bill was read the second time.

The following Bills were read the third time and passed:—Dominion Land Bill; Montreal Harbour Commissioner's Doubts Bill; Desjardins Canal Bill; Railway Statistics Amendment Bill; and Northern Railway of Canada Amendment Bill.

The House adjourned at 25 minutes past 5.

MONDAY, April 10.

The PRESIDENT took the chair at 3 p. m.

After routine,

#### VACANT SEATS.

Hon. Mr. WILMOT said he rose to ask for information with regard to representatives in this Senate who had been absent from their places for two years. He would like to know whose duty it was to take action in the event of vacancies occurring in this way?

Hon. Mr. LETELLIER DE ST. JUST said it had been found the best mode, in the case of vacancy through absence, to invoke the rule which had been adopted in the revised rules of the House a few days ago, by which the Clerk of the House was called upon to make a special report and show who had been absent from the House two years. As to the other cases which came under the Act, he believed the Provinces which were affected in their representation might, by petition, bring the matter before the notice of the House, and then the House were bound to take action on it.

Hon. Mr. MILLER said he thought that the rule adopted this session was a very good one, but in the absence of any such rule he thought it would be the duty of the Government, when it came to their knowledge that there was sufficient cause to render a seat vacant, to bring it before the House. In the case of Nova Scotia, they had been without their full complement of Senators for the last three years, by the absence of Sir Edward Kenny. His seat had been forfeited last year from this cause, and he thought it was the duty of the Government to bring it before the notice of the House. Any private member could follow the same course, but as the new rules had been adopted, it would prevent the invidious task from devolving upon either the Government or a private member of taking a lead in the matter. The clerk would report to the House when such absence took place, and that report would be subject to the consideration of the House, who would be obliged to take action on it. The mere report, under the order of the House, would have no effect whatever, as the Constitution gave power to the House alone to declare a seat vacant.

Hon. Mr. LETELLIER DE ST. JUST said the Government had not taken action in the case of the vacancy created by the absence of Sir Edward Kenny, because they had announced at the commencement of the session that the rules were to be revised so as to provide that the clerk should report to the House.

Mr. SPEAKER read the report of the Clerk regarding the vacancies from absence.

Hon. Mr. LETELLIER DE ST. JUST moved that the report of the Clerk be referred to the Committee appointed to consider the manner and customs of this House and privileges and appointments. Carried.

#### CRYSTAL PALACE, MONTREAL.

By the Hon. Mr. TRUDEL:—Moved that an humble address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House:—

1st. A copy of every contract, deed or agreement entered into between the Government of the Dominion of Canada or any of its members and McGill College (the Royal Institution for the advancement of learning) concerning an immovable, situate in the City of Montreal, known by the name of the Crystal Palace and heretofore possessed by the Board of Arts and Manufactures, and subsequently by the Council of Arts and Manufactures of the Province of Quebec.

2nd. A copy of every Order in Council passed on the subject of the said property, as well as

of every order, instruction or injunction given by the Minister of Justice of the Dominion on the subject of the said immovable since the first of January, 1872.

3rd. A copy of every Order given by the Government of the Dominion, by the Minister of Justice or by any Member of the Privy Council, to any Military Officer or Commander of the Active Force of Canada to the effect that he should take possession of the said building, or Crystal Palace.

4th. Copies of all letters between the Government of the Dominion of Canada, or any of its Members, and any person in the City of Montreal, and a copy of every order given to such person enjoining him to take possession of the said property.

5th. Copies of all letters between the Department of Militia of the Province of Canada and the Board of Arts and Manufactures of Lower Canada and the said McGill College, on the subject of the occupation of the said property by the said Government.

6th. Copies of all letters, Orders in Council and agreements between the Government of the Dominion, as well of the Government of the Province of Canada and McGill College (the Royal Institution for the advancement of learning) relating to the borrowing by the latter from the Government of a sum of \$40,000, forming part of the late Indian Fund, and the allowance to the Institution of part of the said sum and settlement of the balance, in so much as that transaction is connected with the Crystal Palace affair.

7th. Copies of all letters between the Government and the parties now in possession of said property.

Hon. Mr. LETELLIER DE ST. JUST asked the hon. gentleman not to press his motion, as the correspondence asked for was too voluminous to be brought down at this late period of the session.

Hon. Mr. TRUDEL said he had no objection to withdraw it, if the Government would hold out any hope that there would be a settlement of the matter.

Hon. Mr. LETELLIER DE ST. JUST said he would give no such promise.

The motion was then carried.

#### THE DIRECT CABLE.

Hon. Mr. DICKEY said he desired to call the attention of his hon. friend from York, to the following telegram to the *Toronto Globe* from Halifax:—"A Cape Breton paper says that recent developments go far to prove that the late cutting of the Direct Cable was a matter of necessity to the crew of the vessel which did it. The anchor of a fishing vessel fouled the line, and received two turns of it round one of the flukes. The only alternative was either to cut the cable, slip the vessel's cable, or have her delayed indefinitely. The first plan was adopted, because he had no information that he would be remunerated for the loss of his anchor. One of the crew of the vessel gave the above information to a representative of the Direct Cable Company in Cape Breton lately." He was quite sure his hon. friend must have been glad to

see this, as it showed that there was no foundation for the suspicion that it was the work of malice. He would also see that it was quite possible for a vessel to anchor in eighty fathoms of water.

QUEBEC HARBOUR COMMISSIONERS.

Hon. Mr. LETELLIER DE ST. JUST moved consideration of the amendments of the Commons to (Bill D) Quebec Harbour Commissioners Bill. He said the Harbour Commissioners of Montreal paid their chairman an annual salary of \$2,000, and it had been found that in Quebec the same duties had to be performed by the Chairman of that Board, and it was but right that he should be paid the same salary out of the revenue of the harbour; it was not the country that paid it, but the harbour dues.

Hon. Mr. MACPHERSON said he was sorry that the Government were pressing this measure, for in the present state of the finances of the country it was quite enough to pay for the discharge of duties that would not be discharged without payment. He believed the Government were well aware that gentlemen in every respect were willing to discharge the duties of this office if they were made honorary. He held in his hand a protest from the Quebec Board of Trade against paying a salary to the Chairman of the Commission. When the Act constituting the Quebec Harbour Commission was passed, in 1873, it was distinctly understood that one of the conditions agreed to by the Government was that the office of chairman should be an honorary one. The original Harbour Commission of Quebec had been in existence for a good many years; they were constituted for the purpose of making improvements in the harbour, and were authorized to levy dues to create a fund for that purpose. They expended a considerable sum of money, and issued debentures on the credit of their revenue, but their improvements, he believed, turned out to be of little value, the revenue fell off, the debentures fell to 60 per cent., and the commission was almost bankrupt. That commission had for a majority of its members nominees of the Government, and, he believed, had a paid chairman. The result was a failure, and a heavy tax continued to be levied on the Quebec shipping, for which they had no return and no accommodation. In 1873, it became necessary to consider what was to be done in the matter, and the merchants of Quebec said to the Government of the

day that if they would reconstitute the commission and give the merchants the appointment of a majority of its members they would consent to the collection of an impost to the amount of one-tenth of one per cent. upon the value of the exports and imports of the port, in addition to some dues on shipping. After a good deal of discussion it was agreed that the commission should consist of nine members, of whom three should be named by the Governor in Council, three should be elected by the "shipping interest," the importers and exporters of Quebec; two should be elected by the Board of Trade of Quebec, and one by the Board of Trade of Levis. The Act Vic. 38, cap. 55, was passed, and the merchants of Quebec supposed they had statutory confirmation of the agreement they had made with the Government of the day, and were perfectly safe. The commission was duly constituted and everything went on as arranged until last year when hon. gentlemen would recollect a Bill was introduced and came up to this House, to which he, at that time, took decided objection, and which he had not hesitated to characterize as a breach of faith by the Government—a reversion of a solemn agreement entered into with the trade of Quebec. He thought hon. gentlemen were under the impression at the time that he must have been in error in supposing that anything so extreme and so unjust could have been done by any Government, and one of his friends, (Hon. Mr. Campbell) gave expression to a suppressed exclamation of surprise that anything so monstrous could possibly find its way into a Ministerial measure. But the constitution of the commission was entirely changed; instead of the Government having only three members they stipulated for five, being a majority of the whole commission. They reduced the number to be elected by the shipping interest to two, and the number to be elected by the Quebec Board of Trade to one, taking one from each, and adding them to the Government number, making five to four. By that act they removed from the contributors to the fund the control over the fund and the expenditure of it which they had stipulated for. He would ask if there could be a grosser breach of faith committed by a Government. Now they come a step farther, and asked to have the authority of Parliament to alienate a large amount of the fund from the purpose for which it was created. By the Act of last session the Government withdrew the

control from the parties interested, and now propose to appropriate a large amount to pay an officer to discharge duties which could be efficiently discharged without remuneration. He hoped that such a measure would not receive the sanction of this House. The power of the Government under our system was very great, and the vigilance of Parliament was the only protection which the public had from Ministerial tyranny. The sum which they proposed to take from this fund to pay the Chairman of the Commission was \$2,000 annually. At the rate which the country paid for loans that would require the sinking of \$50,000 of capital to pay his salary. It involved a misappropriation of so much of what was paid by the contributors for improving the harbour of Quebec. The revenue amounted to \$25,000 a year; of that sum something like \$20,000 was paid by seven firms in Quebec. No member of any one of these firms had been appointed by the Government on this Commission, but five gentlemen had been appointed, who collectively, including their firms, did not contribute \$400 a year to the revenue of the fund. It was almost incredible that anything so unjust as that would be done. But it had been done by this Administration. It would be affectation in him to pretend not to know for whom this salary was intended; every hon. gentleman knew it, and they knew that a person more unfitted for the office could not be found in the whole Dominion. He was very sorry to have to speak of him in that way. He was a public man of long standing—a professional man—and was it possible that if he must be provided for at the public expense, there was no public office open which he could fill efficiently, instead of foisting him into a position against the wishes and protests of those whose money it was proposed to take to pay his salary? He hoped hon. gentlemen would act in the public interest, and resist the measure.

Hon. Mr. LETELLIER DE ST. JUST said he did not think the hon. member from Toronto was as serious as he appeared in this matter. The hon. gentleman alleged that the salary was to favour a gentleman, whom he had a great desire to name, but did not do so, and whom he considered quite unfit for the Chairmanship of the Commission. He might state that the Trinity Board of Quebec was abolished last year and united with the Harbour Commission. The President of

the former Board was in receipt of \$1,000 per annum, so that in reality the increase for the Chairman of the Harbour Commission was only \$1,000.

Hon. Mr. MACPHERSON said the pilot fund was not transferred when the Trinity Board was abolished.

Hon. Mr. LETELLIER DE ST. JUST—No; but the salary named was paid to the President of that Board.

Hon. Mr. MACPHERSON—Did they have the management of the pilot fund?

Hon. Mr. LETELLIER DE ST. JUST—Yes; and this Board administers all the affairs over which the Trinity Board had control, with the exception of the Pilot Fund. They were told that parties had offered to accept the position without compensation, but they knew well what their services were worth.

Hon. Mr. MACPHERSON said a similar office was filled 40 years in Montreal without salary.

Hon. Mr. LETELLIER DE ST. JUST said an office of this kind would require all the attention of the person appointed; the chairman must be at the office from morning to evening to attend to the business of the Trinity House, as well as of the graving dock, and a fair remuneration ought to be paid for his services. His hon. friend said this would be a new charge upon the shipping of Quebec, but it should be remembered that that city had received a boon at the hands of the Legislature; the construction of a graving dock was guaranteed, and during its progress it would be desirable to have a gentleman to attend to the business of the port, who would have to devote his whole time thereto, and must necessarily neglect his personal affairs.

Hon. Mr. MACPHERSON said a very efficient gentleman, who understood the requirements of the port, was willing to undertake the duties without salary.

Hon. Mr. LETELLIER DE ST. JUST said he knew very well to whom the hon. gentleman alluded. The person was a public officer in Quebec, whose time was fully occupied now in looking after the customs of the country, and his business was quite equal to what he was able to perform. If he had a larger responsibility placed upon his shoulders, he would be unable to attend to his duties. By the Act under discussion it was provided that each chairman might receive a salary not exceeding \$2,000; this was left to the discretion of the Board, and did not come out of the public funds, but out



of the money of the port. The hon. mover of the amendment must have been influenced by some after-thought.

Hon. Mr. MACPHERSON—The hon. gentleman is in error.

Hon. Mr. LETELLIER DE ST. JUST would not attribute motives, but what he had stated about the gentleman who was willing to accept the office without remuneration, was as correct as what the hon. member had stated about the gentleman he thought would obtain the appointment. The latter had never been a political friend of his. The Government had to appoint five men, and they were good and honest men who would perform their duties as members of the Board; two other members were appointed by the shipping interest, one by the Board of Trade of Levis, and another by the Board of Trade of Quebec. When the hon. gentleman declared they had violated a sacred compact with certain merchants, he could not be serious. When were the Government bound by such a compact, when were they prevented or precluded from making any better arrangements for the disposition of the port affairs of Quebec? Such a compact, if it existed, would be a ridiculous arrangement, and one which could not stand against the power of the legislature of this country. The hon. gentleman also said something about the vigilance of Parliament. This was all very well, but he did not believe the hon. gentleman should take such high ground on a question of small importance like this. He hoped the motion of his hon. friend would not be sustained by the House. It was true the hon. gentlemen had not made an appeal to their friends from Lower Canada to make this a sectional question, but he trusted they would not look at it in that light, and that a fair remuneration should be allowed for this office.

Hon. Mr. MACPHERSON said the Government might think it was a small matter to break faith with the merchants of Quebec, but he considered there was no such thing as little breaches of faith; no such thing as small violations of honour, either by men or by governments. He hoped hon. gentlemen of the nationality of the proposed Chairman of the Commission would resist this motion. If it were necessary for the Government to provide for this gentleman, let it be done openly by pension out of the consolidated fund of the Dominion, but not to pension him on the trade of Quebec and Ontario, exempting the

rest of the Dominion. The Hon. Minister of Agriculture said that they had discovered that the Chairman of the Harbour Commission of Montreal was a paid officer. He did not say when he had become a paid officer. Would he be surprised to hear that the Chairman of the Commission of Montreal harbour was an unpaid official for about forty years. He was an unpaid officer down to the time this salary was provided for him by the present Administration in 1874. In the session of that year the present Government introduced and passed bill authorizing his being paid a salary of \$2,000 a year. In doing so they sunk, so far as that harbour was concerned, a sum of \$50,000 which should have been expended, and would have been expended in improvements in the harbour, had it not been sunk in order to provide an annuity for that gentleman. He would move, seconded by Mr. Ryan, that the amendments be not now concurred in, but that it be taken into consideration this day three months.

Hon. Mr. SKEAD said this matter was of great importance, and his sympathies were largely with the gentleman whom it was intended should fill the office. It was true that some of the merchants were large contributors to the fund out of which the salary would be paid, but it should be remembered that the greater portion of it was borne by the vessels trading at Quebec, and distributed among them it was a small amount. At first he thought the question of some magnitude, but taking this view of it, its proportions lessened somewhat, and he would vote with the Government.

Hon. Mr. RYAN said this was a very harmless Bill when first introduced. It was to correct certain errors which had crept into the legislation of last year. It went down to the other House, however, and came back at this late period with the important amendment.

Hon. Mr. LETELLIER DE ST. JUST said the Bill in its present state had been before the Chamber ten days.

Hon. Mr. RYAN said at any rate the Bill had not been printed with the amendment, and it might be objected from that point of formality. As very few had seen the amendment, he would read it as follows:—"Clause A—The Harbour Commissioners may pay to the Chairman of the Board an annual salary not exceeding \$2,000 out of the revenues of the Harbour." The least that could have been done in this matter was to give the merchants and traders of Quebec, an oppor-

tunity to express an opinion on the amendment. With regard to the abolition of the Trinity Board, he believed arrangements were made to compensate the members; at least something was done to ensure their retirement, and, of course, if their consent was obtained, it was by means of compensation from the Government, and that should be considered an equivalent for the \$1,000 which was paid the Chairman. Apart from this, the remuneration of Chairmen of Harbour Commissions was the introduction of a new principle. The Montreal trust had been administered at least 35 years without the payment of a salary, and a better or more complete harbour according to the natural circumstances of the place, could not be met with in any part of the world. That trust flourished through the devotion of the mercantile portion of that city to the interests of their *confreres* in trade in Quebec. It was only within the past two or three years, that a gentleman who had certainly distinguished himself in promoting what he conceived to be the interests of the commerce of the St. Lawrence, was appointed Chairman at a salary. If there were people in Quebec who were devoted to the interests of the harbour, and who were willing to perform the work free, he could see no reason why they should not do it. He regretted the appointment which was contemplated. Highly as he esteemed and respected the talents of the gentleman in other respects, he believed he was quite unfitted to take a mercantile position, and conduct an office of trust in the interests of the trade and commerce of the country. He repeated that if an efficient man, one conversant with mercantile affairs, could be found to take the position, and to leave it to the citizens to say whether he had performed the duties with honour and credit, he should not be passed over; and exertion should be made to obtain such a man. This would be a heavy incumbrance on the trade of Quebec, and it was a question whether, with all their efforts, the Commission would succeed in making the harbour a cheap one. Every part of the Dominion west of Quebec was interested in seeing the charges at that port reduced to a minimum, and everything conducive to that end should be done. This was the principle upon which he would act on this occasion.

Hon. Mr. BELLEROSE did not think this was the proper time to consider the question of the appointment; the ques-

tion was the second reading of the Bill. If the Government acted wrongly in the appointment of any gentleman as Chairman of the Harbour Commission, a vote of censure could be proposed in the usual way. In his opinion the best officers are those who are paid. If we had proper and efficient employees, and they were well remunerated, he believed the public would be well served. He did not rely much on gentlemen coming forward and offering their services for nothing. He had great opportunities of judging of this class of patriotism, and had found it nearly allied to private interests. The principle of paying the Chairmen of Harbour Commissions was established in 1874, and no objection was raised to it then. The President of the Quebec Board would have double the work of the Chairman of the Montreal Board to perform, and why the system should be objected to in this instance he could not understand. Besides, this matter was in reality left to the Commissioners, who were the representatives of the people and might be trusted to look after their interests. He would consider it his duty to vote with the Government, reserving the right if the appointment came up as a vote of censure, to state his views and to take the stand he might think proper under the circumstances.

Hon. Mr. DICKEY said the hon. member for Toronto had taken a proper course, and had made out a strong case, but he would suggest that the motion be withdrawn. Upon the Government rested the whole responsibility of this matter, and it would be advisable for his hon. friend to rest satisfied with this ventilation.

Hon. Mr. TRUDEL said there were two questions involved; first, the propriety of paying the President of the Board, and second, a matter which ought not, in his opinion, to have been introduced at this stage, the qualifications of the gentleman who was to fill the position. It was true, as had been stated, that the whole time of the President of the Board would have to be devoted to his duties, and he thought it was but fair and reasonable to remunerate him for his services. The attempt to excite a sectional feeling in this matter was to be deprecated. There might be something in the assertion that the office would be better filled by a commercial man, but the fact of a man having been engaged in professional pursuits was not a reason in itself that he was unfit for such a position. The gentleman to

whom allusion was made as having received the appointment had been Premier of Quebec, and had administered its affairs successfully. Before he obtained that office he had filled other high positions, and he did not think the duties connected with the chairmanship would be of such a character that he could not perform.

Hon. Mr. PRICE was understood to say that the improvements in Quebec would not be completed. He was not opposed to the gentleman intended for the office, for he had been in great poverty, and if he did not get the appointment he did not know what he would do. He would vote with the Government.

Hon. Mr. MACPHERSON said he was sorry he could not concede to the appeal of the Hon. gentleman from Nova Scotia, but he looked upon this legislation as so pernicious and so prejudicial to the interests of the country, carried out in a way that he could only consider discreditable that he would have to give an opportunity to those who agreed with him to record their protest against it by having their names registered among the yeas to the amendment.

The House then divided, when the amendment was negatived on the following division:—

**CONTENTS.**—The Honourable Messieurs Aikins, Ailan, Campbell, Cornwall, Hamilton (Kingston), McLellan, Macpherson, Ryan.—8.

**NON-CONTENTS.**—The Hon. Messieurs Archibald, Armand, Faillargeon, Belleroze, Botaford, Bourinot, Bureau, Chaffers, Chapais, Chinic, Christie (Speaker), Cormier, Dickey, Dickson, Dumouchel, Fabre, Ferguson, Flint, Girard, Glasier, Guevremont, Haythorne, Leonard, Letellier de St. Just, McClellan, McDonald, McMaster, Macdonald, Muirhead, Paquet, Penny, Price, Reesor, Scott, Seymour, Simpson, Skead, Stevens, Trudel, Waik.—40.

#### SCOTTISH CANADIAN LOAN.

On consideration of Bill 27—Scottish Canadian Loan Company's Incorporation Bill, as amended by the Standing Committee on Banking, Commerce and Railways,

Hon. Mr. AIKINS said he proposed to move an amendment to the amendment of the committee relating to the restricting of interest to eight per cent. He thought this company had been treated exceptionally. He found by the legislation of 1874, under the Act styled: "An Act to authorize foreign corporations and institutions incorporated without

the limits of Canada, to loan and invest money therein," they might invest money at a rate of interest not exceeding the rate permissible on such securities by the Acts incorporating similar companies for the several Provinces of the Dominion. He found that during the same session a bill was passed to make further provision for the management of Permanent Building Societies carrying on business in Ontario, and the same principle ran through them all—We allowed English companies to come in and loan money at any rate of interest agreed upon, and he could not understand why a restriction had been made in this Bill. The difficulty, in his mind, was how to get his motion before the House. The Banking Committee had made certain amendments, some of which he concurred in, but there were others that he did not approve of, and he wished to test the sense of the House on them. He would move an amendment.

Hon. Mr. CAMPBELL said it was necessary to establish what was meant by the language that some of the Bills contained—"That they should have the same powers as other companies incorporated for the same purposes." Some corporations had some rights and some had others, therefore the Committee thought it safer to name a specific rate of interest, and they had named eight per cent. as being a sufficient rate; it was as high as could be legally obtained in any of the Provinces. Moreover, they thought it sufficient, because in some of the bills, if not in this one, a provision was found authorizing the company to take the interest in different quarterly or half-yearly dues and add the whole of it to the principal and divide it into the number of years, half years, or quarter years, for which the loan had to run, which would make the rate of interest very considerably higher than eight per cent.; therefore, the Committee thought instead of using general language, or giving the company the right of a private individual to charge what they pleased, they fixed the specific sum of eight per cent.

Hon. Mr. WILMOT said if the Association charged more than eight per cent. it would be an exorbitant rate. It was a difficult thing for a farmer to borrow money at eight per cent., in order to relieve his property, and he thought if companies were limited to advancing only one-half the value of the land they should also be limited to eight per cent. It was a very high rate of interest. For

a length of time no higher rate than six per cent would be allowed in New Brunswick, and he hoped what had been decided by the Banking Committee would be maintained in this House.

Hon. Mr. DICKEY said at the second reading of the Bill he had called attention to this rate of interest, and its effect on the dealings of the company, in the Maritime Provinces. If this amendment should pass in its present form it would directly controvert the law of interest as it existed in Nova Scotia, because it would authorize the company, and other companies similarly chartered, to loan money in that Province upon mortgages at eight per cent., whereas under the existing law of Nova Scotia no company was allowed to loan money on mortgages at more than seven per cent. As it was desirable that the legislation should not be incongruous, or that this company could go down to the Maritime Provinces and do business under this law at a higher rate of interest than any other, he moved an amendment in this sense.

Hon. Mr. LETELLIER DE ST. JUST said he was on the committee and he had differed from his colleagues, as he believed when people in this country had money to loan they should be placed on the same footing as foreigners.

Hon. Mr. LEONARD said the Building Societies which had been incorporated had been successfully opened under their present charters, and they had been a benefit to the country. He regretted to see that the committee had thought proper to restrict all these Bills, as he thought it was much better to allow them to loan what money they had and let the borrower decide what interest he was able to pay.

Hon. Mr. RYAN said last session they had restricted the borrowing powers of such companies to the amount of their paid up capital, and he thought the House should adopt the report of this Committee, as it did not go so far as the legislation of the last two sessions.

Hon. Mr. REESOR said it appeared to him that some principle ought to guide them in their legislation. They ought not to adopt one principle in 1874 and another in 1876. They had chartered a large number of money loaning institutions, and these institutions could at the present time make any bargain for interest they pleased that might be agreed upon. If this was found to work badly, he would say repeal the general law under which these institutions operated, and

then the House could very properly say they would allow no more Bills to pass in which these privileges were granted.

Hon. Mr. PENNY said he thought every man knew best what he could afford to pay, and some men could pay a much larger interest for short loans than others. He believed that interest was reduced, instead of increased, by free trade in money.

A vote was taken on Mr. Dickey's motion, with the following result:—

CONTENTS.—The Honourable Messieurs Alexander, Allan, Armand, Baillargeon, Bellerose, Botsford, Campbell, Chapais, Clinic, Cornwall, Dickey, Dumouchel, Ferguson, Girard, Hamilton (Kingston), Kaulbach, McDonald (Toronto), MacMaster, Macpherson, Miller, Montgomery, Ryan, Seymour, Simpson, Trudel, Wark, Wilmot.—27.

NON-CONTENTS.—The Honourable Messieurs Aikins, Archibald, Chaffers, Christie (Speaker), Cormier, Dever, Dickson, Flint, Glasier, Haythorne, Leonard, Letellier de St. Just, McClelan (Hopewell), Macdonald (Victoria), Muirhead, Paquet, Penny, Ressor, Scott, Skead, Stevens, Sutherland, Vidal.—23.

Hon. Mr. AIKINS moved to amend the second amendment of the Committee by inserting the words "cities, counties and towns."

Hon. Mr. CAMPBELL suggested that the word "towns" should be left out.

The suggestion was adopted, and the amendment was carried.

Several other amendments were carried without debate.

The remaining amendments were concurred in, and Mr. Aikins gave notice that he would, on the third reading, move the addition of certain clauses to the Bill.

The clauses were concurred in, and the Bill was read the third time and passed.

Hon. Mr. BUREAU asked if he was to understand that the two clauses proposed by Mr. Aikins were incorporated in the Bill.

Mr. SPEAKER said they had been with the consent of the House.

#### THIRD READINGS.

"Act to amend the charter of the St. Lawrence Bank, and change the name of said Bank to that of the Standard Bank of Canada."

"Act to incorporate the Empire Fire and Marine Insurance Corporation."

"Act to incorporate the Union Life and Accident Assurance Company of Canada."

"Act to incorporate the Chartered Bank of London and North America."

"An Act to amend the Act, 37 Victoria, chap. 57, entitled an Act to authorize the incorporation of Boards of Trade of the Dominion."

"An Act respecting loans by the British American Land Company."

On consideration of Bill 46—London and Ontario Investment Company's Bill, as amended by the Standing Committee on Banking, Commerce and Railways,

Hon. Mr. ALEXANDER said as it was the desire of the House that these Bill, should all embody the same principles he would accept the amendments that were made to the Aikens Bill.

Hon. Mr. AIKINS objected to the clause in the Bill fixing five as a quorum of directors before they could do business; he would move in amendment, that the directorate be no less than seven nor more than thirteen, and that three shall form a quorum.

Hon. Mr. CAMPBELL said the objection to that would be in the hands of the Chairman.

Hon. Mr. McMASTER said at least five should form a quorum.

Hon. Mr. ALEXANDER objected to the amendment.

The amendment was put to a vote and lost.

Hon. Mr. CAMPBELL gave notice that on the third reading he would move to amend the Bill by introducing the non user clause.

Hon. Mr. AIKINS said he was anxious that this Bill should conform as nearly as possible to the other Bills, and it was the intention of the Banking Committee, but they were now before the House, and their provisions were quite different.

Hon. Mr. CAMPBELL said the instructions to the Law Clerk were that the Bills should be uniform.

Hon. Mr. SCOTT said he hoped it was not too late to have them made uniform.

Hon. Mr. CAMPBELL said it was not; they could be passed on the understanding that they were to be made uniform by the law clerk.

#### INSOLVENT LAW.

Hon. Mr. SCOTT moved the second reading of the Bill "An Act to Amend the Insolvent Act of 1875." He said the first clause had reference to the publication;

the sixth clause directed that the securities of the Assignee should be deposited with the Judge instead of the Receiver General, and be a record of the County Court, in order that creditors should know whether they were sufficient or not. At present they were lodged with the Secretary of State, where nobody ever knew anything about them. The next clause was to provide additional remuneration to the Assignee, or in case the estate be settled by compromise, it was to decide what the Assignee should be entitled to. The twentieth related entirely to statistical returns to be made to the Minister of Agriculture, with a view to compiling statistics of the Insolvent Act.

#### SECOND READING.

On motion of Hon. Mr. McMASTER, the British Canadian Loan and Investment Company Bill was read the second time, and referred to the Committee on Banking and Commerce.

#### THIRD READING.

The Lotbiniere County partial attachment to Beauca Bill was read the third time and passed.

#### INDIAN LAWS CONSOLIDATION.

In moving the second reading of the Indian Laws Consolidation Bill, Hon. Mr. SCOTT stated that this measure consolidated all that is valuable in the laws relating to Indians at present on the statute book, and also made provision for necessities which experience showed arose in the management of the Indian funds and lands. It was thought desirable that some simple law should be passed to simplify the administration of Indian affairs. The prominent clauses had been submitted to the Indians of the older Provinces, and had met with their approbation. The hon. gentleman then briefly stated the effect of the more important provisions of the measure.

Hon. Mr. CAMPBELL regretted the House had not more time to consider the Bill, but it was not in the power of the Government to afford more time at this late period of the session. He thought the Bill a valuable production in the respect that it consolidated all laws affecting the Indians, which were formerly scattered all over the statute books. The general provisions of the Bill were to be found in the various statutes, and the alterations were not great. The scheme for their enfranchisement was certainly an improvement on the old law. An amendment, however, might be intro-

duced in this part of the Bill which would meet the case of educated Indians, and allow them to become enfranchised without going through the probation required by the ordinary members of a tribe.

Hon. Mr. SCOTT remarked that such an amendment could be introduced in Committee.

The Bill was then read the second time. The House then went into Committee of the Whole, the Hon. Mr. Aikins in the chair.

The Committee rose and reported the Bill, with this and several verbal amendments, which were concurred in, and the Bill was read the third time and passed.

#### SECOND READING.

On motion of Hon. Mr. WARK, the Maritime Savings and Loan Society Bill was read the second time and referred to the Committee of Banking and Commerce.

#### THE CAMPBELL DIVORCE COMMITTEE.

Hon. Mr. REESOR, in absence of the Chairman of the Select Committee, moved the adoption of the second report of the Committee on (Bill B) Campbell's Relief Bill, and of the petition of Maria Eliza Campbell. The House would recollect, the hon. gentleman said, that the petition of Mrs Campbell was referred back to the Committee, with instructions to inquire into the truth of the allegation, and if found to be true to report certain amendments to the bill. The Committee found the allegations were true, but owing to the late period of the session they reported in favour of deferring action on the bill until next year.

Hon. Mr. LETELLIER DE ST JUST said it would be dangerous for the Senate to adopt the report. The pressing of it would be more than a scandal. To ask for this relief by this extraordinary process under the present circumstances was not right. If the woman was innocent, let her give notice in the usual way, and bring a Bill of Divorce against her husband. Two tribunals in Upper Canada had refused alimony in this case, and there must have been some reason for this. The House should not take any false step by adopting the report.

Hon. Mr. CAMPBELL said there was another reason against the adoption of the report. The evidence, whether it was sufficient or insufficient, had not been laid before the House and members had not had the opportunity to satisfy themselves that the allegations were proven.

It would be dangerous for the House to arrive at a solemn conclusion that the allegations were not proven, and then to be asked at the next session to pass a bill of this sort. He hoped the hon. gentleman would allow the matter to stand over until next year.

Hon. Mr. REESOR said the step proposed was a thing done every day, and it was a strange proceeding for hon. members, after the full consideration of this matter by the Committee, in accordance with the instructions of the House to propose deferring the matter until next session. If the report were adopted the matter was practically in abeyance. He pressed for the adoption of the report; the House might take the responsibility of rejecting it.

Hon. Mr. LETELLIER DE ST JUST moved that the report be taken into consideration this day six months.

Hon. Mr. AIKINS suggested that the report should be allowed to stand until to-morrow until the Chairman of the Committee was present.

Hon. Mr. BELLEROSE said he was not opposed to amending the Bill so as to afford a judicial separation, but it was too late this session to take any further action on it.

Hon. Mr. MONTGOMERY suggested that the report should be laid over until next session.

Hon. Mr. MILLER said they were asked to confirm the allegation of the petitioner (Mrs Campbell) without the House having the evidence before it. He considered by adopting such a report they would be setting themselves before the country as unfit for the position which they held. If they were willing to take this report on faith, and give up the right of consideration of the evidence, it would be all very well, but as men responsible for their votes he considered they were asked to push this matter through with an indecent haste. The hon. gentleman who was pressing for the adoption of this report appeared in the strange position of having first introduced the Bill for the husband asking for a divorce, and then of having introduced the petition for the wife, asking for a judicial separation. He hoped this report would not be adopted, as it would be over-riding the Act of one of the highest Courts in Ontario, that had refused to grant alimony in this case, and it would be adopting the first step to the establishment of what the country

did not want at present, a Divorce Court. He contended that this House had not the power to grant alimony, and interfere with the property and civil rights of the husband.

Hon. Mr. DIXON suggested that the whole affair should be allowed to stand over until next session.

Hon. Mr. HAYTHORNE said his hon. friend did not ask that the report be adopted, but that it be received. But he was afraid the opponents of the measure were adopting a subterfuge to get out of the difficulty. It was too bad if, after having spent twenty-two days hard labour on the question, the work of the Committee should be thrown over in this way.

Hon. Mr. MILLER raised a point of order.

The SPEAKER asked what was the point of order?

Hon. Mr. MILLER said the hon. gentleman had said the members who opposed the adoption of the report were using a subterfuge, which was unparliamentary.

The SPEAKER ruled that the use of the word subterfuge, in that connection, was not unparliamentary.

Hon. Mr. LETELLIER DE ST. JUST said when he moved the six months' limit, it was to meet a motion of the hon. gentleman, who asked them to accept the report, and thereby commit the House to the principle of the Bill; if the hon. gentleman was willing to amend his motion, so as to allow the report to stand over until the next session, he would withdraw his amendment.

Hon. Mr. CAMPBELL moved that further consideration of the report be deferred until next session, and that the evidence, as taken by the Committee, be printed.

The motion was carried.

The House adjourned at 10:40.

TUESDAY, April 11.

The House sat with closed doors until 4 p.m.

VACANT SEATS.

The SPEAKER submitted the following report:—

SENATE CHAMBER,  
Tuesday, 11th April, 1876. }

The Committee appointed to consider the Orders and Customs of this House and Privileges of Parliament, to whom was referred the Report of the Clerk of

the Senate for two consecutive Sessions of the Parliament, beg leave to report:—

That they have taken the said Report into consideration, and having also referred to the Journals of the House, find that the said Honourable Sir Edward Kenny, one of the members of the Senate from the Province of Nova Scotia, has for two consecutive Sessions of the Parliament failed to give his attendance in this House, and in corroboration an hon. member having in his place stated that Sir Edward Kenny was aware his seat was vacant, thereby has vacated his seat. Therefore your Committee recommend the following resolution be adopted by the House, and that an address founded thereon be presented to His Excellency the Governor General.

*Resolved*, That the Honourable Sir Edward Kenny, one of the members of the Senate, from the Province of Nova Scotia, has, for two consecutive Sessions of the Parliament of Canada, failed to give his attendance in this House whereby the seat of the Honourable Sir Edward Kenny has become vacant. Therefore this House doth declare and adjudge the said seat of the Honourable Sir Edward Kenny vacated.

D. CHRISTIE,  
Chairman of the Committee.

Hon. Mr. CAMPBELL moved, seconded by Hon. Mr. Letellier de St. Just, that the report be adopted.

Carried.

On motion of Hon. Mr. CAMPBELL, seconded by the Hon. Mr. Letellier de St. Just, it was *Resolved*, That His Honour the Speaker be requested to communicate a copy of the foregoing resolution to the Honourable Sir Edward Kenny.

The Hon. Mr. WILMOT moved, seconded by the Hon. Mr. McDonald,

That the Report of the Clerk of this House, that a member of the Senate, not having attended in his seat during two consecutive Sessions of the Senate, is sufficient evidence of that fact to cause his seat to be declared vacant, in accordance with the 1st sub-section of the 30th Clause of the British North America Act; and that in all such cases the Clerk's Report will be conclusive evidence.

Hon. Mr. LETELLIER DE ST. JUST hoped his hon. friend would not press his motion, as the report had been adopted in Committee, unanimously with the exception of one member.

Hon. Mr. WILMOT said they were now establishing a precedent for all time, and it would be argued hereafter that the

divisions of this Dominion are not to be represented, unless some hon. member gets up in his seat and calls attention to it.

Hon. Mr. MILLER said it must be evident to any hon. member that to attach such a motion to the report would be a contradiction of it.

Hon. Mr. PENNY said he should vote for the resolution, merely to protest against the form of the other.

The motion was then withdrawn and the report was adopted.

Hon. Mr. WILMOT said he would now put his resolution as a qualifying motion.

Mr. SPEAKER said after the resolution had been declared carried, there could be no resolution in qualification of it. As to the other point raised, being a special motion, it required notice.

Hon. Mr. LETELLIER DE ST. JUST said he believed it was a question of privilege, and he would call upon the Speaker to rule on that point.

Hon. Mr. CAMPBELL said that although the House had arrived at a conclusion that was inevitable, yet he was sure that every one would join in expressing regret that they were losing the services of Sir Edward from among them. He (Sir Edward) had sacrificed his own feelings at the time he had joined the late Government, as he had no desire to continue in public life. He would move, seconded by the Hon. Mr. Letellier de St. Just, "That the members of this Senate beg to convey to their late colleague, the Hon. Sir Edward Kenny, the expression of their sincere regret at the severance of the tie which has hitherto connected them. They are very sensible of the value of the services rendered to the country by Sir Edward during a long life, much of it passed in the Councils of his own Province and of the Dominion, and beg to assure him that they will long cherish pleasant recollections of his kindly presence in the Senate. They cordially unite in wishing him health and prosperity in the calm enjoyment of the evening of life, the desire for which has, they understand, prompted his retirement from their body."

Hon. Mr. LETELLIER DE ST. JUST said he coincided in the remarks of Hon. Mr. Campbell, that it was a loss to the House the absence of Sir Edward Kenny, who, through loss of health, had been obliged to vacate his seat.

Hon. Mr. RYAN said he wished to pay his small tribute towards the recognition of the services and character of Sir

Edward Kenny, who came to this House at a great sacrifice to his own personal comfort and convenience. He believed the only motive that influenced the hon. gentleman in doing so, was that he felt himself to be a representative man of his Province, and of the national and religious portion of the Dominion to which he (Mr. Ryan) belonged. Sir Edward Kenny's conduct in this House was without fault or reproach. In his personal and domestic relations he was sure every one who knew him could speak of him as a true and worthy gentleman of unblemished character, and possessing instincts and feelings of a very high order. He wished to join in the expression of regret that the hon. gentleman had thought proper to vacate his seat in this House. He sincerely trusted that in his successor we might find a Senator of equal merits.

The SPEAKER—My opinion has been asked whether a resolution proposed as a question of privilege, and therefore not requiring notice, is in order. When the hon. gentleman put his motion he stated it was not as a question of privilege, but a motion of qualification of the report which had been adopted by the House, and as such I viewed it as a special motion requiring notice. The point has since been raised whether the resolution is not one affecting the privileges of the House. It is a resolution of that character, and I find on reference to May that questions of privileges and other matters suddenly arising may be considered without previous notice, so that as a question of privilege it is in order to propose the resolution.

Hon. Mr. WILMOT then moved the resolution which he had previously withdrawn.

Hon. Mr. REESOR remarked that any declaration the House might make did not alter the law.

Hon. Mr. SCOTT concurred in the view that they were bound by the law, and requested his hon. friend to withdraw the motion.

Hon. Mr. MILLER would not consent to the withdrawal of the motion. His hon. friend had been ruled out of order on the question once, and then altered his resolution to conform with the views of the House. Having under the ruling of the chair obtained permission to make the motion, he ought not to withdraw it a second time.

The motion was then put and lost.



## THIRD READING.

On motion the Act to amend the Act to incorporate the London and Canadian Loan Company, limited, was read the third time, and carried on a division.

## THE DISPOSITION OF RAILS.

Hon. Mr. CAMPBELL desired to call the attention of the House to the following resolution which had been passed in another place:—

"That it is expedient to authorize the Government to make a temporary disposition of the iron rails as they are removed from the Government Railway by loaning them to companies constructing Railways which may be regarded as feeders to the Government lines, such rails to be returned weight for weight to the Government stores at the junction of such lines when taken up."

The Government was asked in the Commons whether they intended to found a Bill on this resolution, and the reply was in the negative. He now desired to ascertain from the Government whether it was their intention to consult this House in any way on the point. If the reply was in the negative, as he apprehended it would be, it seemed to him this was in further pursuance of a mode of action adopted two years ago, which caused considerable feeling among members of this House—he alluded to the course taken with reference to certain railways. In this resolution the Government asked the other branch of the Legislature to declare that it was expedient to make this disposition of those iron rails. Having taken that authority the Government should, in his opinion, have founded a Bill upon it; and that not being done a resolution should have been asked from this House to the same effect. In calling attention to this he did not desire to delay business or throw any difficulty in the way of the Government, but merely to assert the rights and privileges of the Senate to be consulted on this question. He would enquire whether it was the intention to obtain from this House authority to make this disposition of the iron rails.

Hon. Mr. SCOTT assumed it was not. His hon. friend would agree with him that that was purely and clearly a matter of administration—that any Government having those rails on hand would have a perfect right without coming to either House to loan or sell them to any parties, providing it was in the interests of the

public. It was a matter of opinion whether the proposed disposition of the rails was not directly in the interests of the Intercolonial Railway. There were a number of subsidiary lines, which had reached their present condition through the great interest of the people in their neighbourhood, and he thought the Government should have the power to loan those rails to them until they were in a position to return them. The resolution was brought forward in consequence of applications recently made to this effect. He assumed if those applications were made after the House adjourned, it would not be necessary to wait until next session for the assent of Parliament. It was a broad principle, and he did not know it was considered essential that the Government should proceed by the resolution in question. It had generally been acceded that the House of Commons, being the body having the power of voting supplies, was the proper place for the passage of a resolution of this kind.

Hon. Mr. BOTSFORD certainly did not agree with the views of the Hon. Secretary of State. If the Government had power to deal with this matter without the consent of Parliament, why should they make such an invidious distinction, and ask the Commons for consent. Except in the initiation of money votes, the Senate had equal powers with the House of Commons, and it was unfortunate the Government had taken the course they took in this matter. Their action, to a certain extent, diminished the privileges of this House, when the Government obtained the authority of the Commons only, and did not think it worth while to obtain the assent of the Senate. He certainly could not give concurrence to the principle that public property could be disposed of without the consent of both Houses of Parliament.

The subject then dropped.

## THIRD READINGS.

The following Bills were read the third time and passed:—

Intoxicants in the Northwest Territories Bill—(Hon. Mr. Scott.)

London and Ontario Investment Company's Bill, as amended.—(Hon. Mr. Alexander.)

National Exchange Company Incorporation Bill, as amended—(Hon. Mr. Leonard.)

National Trust and Investment Company Bill, as amended—(Hon. Mr. Atkins.)

Hon. Mr. SCOTT moved that when this House adjourns at 6 o'clock, it do stand adjourned until 8 o'clock. Carried.

The House adjourned at 5.30.

After Recess,

The PRESIDENT took the chair at 8 p.m.

SUPPLY BILL.

Hon. Mr. SCOTT moved the second reading of the Supply Bill. He said he proposed to make no extended observations on the subject, but he supposed it was quite proper to call attention to a few figures and circumstances that might be pertinent to the Bill of Supply. The principal feature in reference to this Bill was that it showed a very considerable reduction in the proposed expenditure for the ensuing year, as compared with the preceding year. Canada had suffered somewhat from the great commercial crisis that swept over a great part of this continent and the commercial world. During the financial year, ended 30th June, 1875, our revenue had kept up to the normal condition it was hoped it would. The figures were in the estimates of the Finance Minister in March and April, 1874. His estimate for the year 1875 was \$24,000,000. The actual revenue received was \$24,684,000. The expenditure of that year was somewhat less than \$23,713,000, leaving a balance to the credit of the country of \$935,000. Unfortunately during last year the volume of trade diminished nearly \$20,000,000 as compared with the antecedent year. The importations of 1874 were \$127,000,000, and for the following year \$119,000,000. Our exports also fell off from \$89,000,000 to \$77,000,000. It was quite unnecessary that he should in any way enter into a discussion of the causes that led to this state of affairs, as hon. gentlemen were aware that a very important committee had been sitting for some weeks past in another place, enquiring into the cause of this general depression. It was to be hoped that the evidence taken before that committee would form a very valuable addition to the present history of the country, and it would be a valuable guide hereafter to gentlemen who wished to draw deductions from the subject treated of. The estimate formed for the year ended 30th June, 1876, was in the neighbourhood of \$25,000,000 - that was for the current financial year. He was sorry to say that the revenue would not come up to the figure which was

hoped for, but he was inclined to believe that the deficit would not be so serious as at one time apprehended, inasmuch as trade had shown a tendency to revive. Owing to that the Government thought, unless perfectly satisfied that trade had taken a turn, that we were on the eve of more prosperous times, they would not be justified in keeping up the expenditure of the country. Therefore, the estimates showed a very considerable diminution, somewhere in the vicinity of two and a half millions less than the previous year. The largest diminution was of course in Public Works, on the particular class of items chargeable to income. There had been a very considerable reduction in the surveys of the Northwest. During the last four or five years this country had carried on very extensive surveys.

Hon. Mr. MACPHERSON—That is not chargeable to income.

Hon. Mr. SCOTT said it came out of the yearly expenditure. Another large reduction had been effected in the late immigration and statistical department. For the past three or four years very extensive surveys had been carried on, three townships had been laid out. Hoping that the country would receive a large amount of immigration, enough land had been surveyed to settle half a million of inhabitants. The expenditure for the year for which they were now making provision would be in the neighbourhood of \$22,800,000. The estimate of the Minister, as disclosed in his budget speech in the other chamber, showed that he expected to receive during the coming year ended 30th June next year a sum of \$15,500,000 from Customs. During the year 1874-75 the amount received from that source was \$2,000,000 in excess of that. In the item of excise the estimate was \$5,500,000, and from present appearances one would be justified in drawing the deduction that that the estimate would be under the mark, as the figures showed that year by year the excise was largely on the increase. No doubt this would not be a matter of congratulation for his hon. friend from Sarnia, who took such an active interest in the temperance movement; but the fact remained that the manufacture and consumption of spirits in this country had been largely on the increase, even in times of temperance aggression. It was to be hoped that the figures of the estimated revenue would not turn out to be as fallacious as the figures of the former year, but that

the country would have a return of that prosperity which it enjoyed formerly. The depression had been largely due to the loss of our lumber trade in the United States; the volume of trade had been most seriously affected by the depression in the United States, and it was felt over a large part of this country, and more particularly in Central Canada.

Hon. Mr. MACPHERSON said this was almost the only opportunity this House had for discussing the finances of the country. It was well known they had not the power to amend the Supply Bill. They must either pass or reject it. He need not say he did not propose to advise the latter course. He would not discuss the items in the Supply Bill, but would content himself with comparing the financial years 1872-3, and 1874-5—the last complete financial year in which the late Government held office, and the first complete financial year under the present Administration. The intervening year was broken between the two Governments. He had been so impressed, he might say appalled, with the gravity of a comparison between the two years, that he considered it his duty to submit the facts to the House, and through the House to the country. The figures he would read were taken from the Public Accounts, and he would confine himself entirely to items which he believed were largely within the control of the Administration—abstaining from all reference to expenditures on public works paid out of capital, which were, of course, carried on under the sanction and direction of Parliament. The expenditure in 1872-3 on public works, chargeable to revenue, excluding railways but including rent and repairs of public buildings, slides, harbors, etc., was—\$1,415,403. In 1874-5 the expenditure on the same class of works was \$1,757,075, showing an increase of \$341,672. Then the charges on revenue for Public Works, again excluding railways and telegraphs, for the financial year 1872-3 was \$432,301, and for 1874-5 \$517,918; increase, \$85,617. The expenditure out of revenue on railways in 1872-3, was \$1,011,892; in 1874-5, \$1,485,015; increase, \$473,123. In drawing a comparison between the two years, he would exclude these railway items from both, because there might have been some necessity in the latter year for the increased expenditure that he was not aware of, and he wished to make his comparison perfectly fair. \$248,348-11, part of the cost of changing gauge,

was included in 1874-5. The expenditure on telegraph lines, chiefly in British Columbia, in 1872-3 was \$51,990; in 1874-5 \$39,720, showing a small decrease. Collecting the Customs revenue of the country in 1872-3 cost \$567,765, and in 1874-5, \$682,673, being an increase of \$114,908, of which \$22,727 was for Prince Edward Island. Collecting the Excise cost in 1872-3 \$171,704; in 1874-5, \$199,253 (\$3,056-08 for Prince Edward Island); increase, \$27,549. Post Office expenditure, in 1872-3, \$1,067,866; in 1874-5, \$1,520,861 (\$34,114.57 for Prince Edward Island); increase, \$452,995. Under the head of Civil Government, including contingencies, the expenditure in 1872-3 was \$750,874; in 1874-5, \$909,265; increase, \$158,391. Under the head Administration of Justice the expenditure in 1872-3 was \$398,966; in 1874-5, \$497,405; increase, \$98,439, and this did not include an item for the Superior Court.

Hon. Mr. SCOTT—That was in consequence of the Mounted Police.

Hon. Mr. MACPHERSON denied this, and continuing said—The total expenditure in 1872-3, under the heads given, was \$5,868,761; in 1874-5, \$7,609,185; increase, \$1,740,424. Deducting from this the railway charges for both years, the increased expenditure in 1874-5 was \$1,267,302. Then, with respect to the post office, there was also a larger difference between the revenue and expenditure. In 1872-3 the expenditure was \$1,067,866; revenue, \$833,657; loss, \$234,209. In 1874-5 the expenditure was 1,520,861; revenue, \$1,155,332; loss, \$365,529. The increased loss in the latter year as compared with the former was \$131,320. He had further details, but he would not trouble the House with them. Some, for instance, showed the increased cost of collecting customs in the different Provinces. There was an increase in every Province except British Columbia. That Province was being taught economy. The largest relative increase was in New Brunswick, which he supposed was due to the fact that the Minister of Customs knew it was necessary to exercise extreme vigilance in collecting the revenue there. Now, these were very serious facts. It seemed impossible that such an increase of expenditure could have been necessary under the heads he had given. The country was, of course, growing, and it was natural there should be an increase of expenditure year by year, but the increase in the years he had compared

should have been very small. To judge of the expenditure, he asked the House to consider the amount this increase of \$1,267,866 would represent if capitalized at the rate of interest we paid for loans—four per cent. If hon. gentlemen would make the calculation they would find it represented the enormous sum of \$31,682,562. That was apart from all other increased expenditure, of which there was a considerable amount to be found in the statute book, and not in the public accounts at all, but chargeable on various funds. It would be worth the while of some statistician to go through the statute book for the last two or three years, and see what the new charges really amounted to. If they were added to the expenditure of which he had given details and the total capitalized, it would give an amount probably of not less than \$35,000,000. When the House considered that the income of this amount, at the rate of four per cent., had been disbursed for purposes which showed no valuable result, which yielded no return to the country, they would agree with him that the gravity of the increased expenditure could scarcely be exaggerated. The burden of the country would have been no greater than it is had the Minister of France when in England effected an additional loan of £21,682,562 at 4 per cent. and invested the amount in Trust for the benefit of those who were receiving the increased expenditure of \$1,267,302 which he had pointed out. It was quite possible a small portion of that expenditure might have been necessary, but if instead of distributing a great part of it in the payment of supernumeraries in the various departments and throughout the public service—instead of letting the money slip through the hands of the Administration like water through a sieve—a portion of it had been expended in opening up our new territory, and in developing the resources of the country, how different would be the position of Canada to-day. It could have been shown that this country offered inducements to the working man of Europe which no other country offered at that time. Had it been proclaimed abroad that this country was going on as rapidly as it prudently could with the construction of the Pacific Railway and the opening of the Northwest, the Minister of Agriculture would not have had to instruct his agent in England to issue a circular and send it broadcast over Europe declaring there were no attractions in Canada for emi-

grants, no employment for them here, and that he must discountenance their coming. He presumed the circular was not issued without authority. It was unfortunate that such a circular should have been issued. Its effects would be felt for a long time. It would give an argument to every American and other emigration agent in Europe to use against Canada—and a most powerful argument it would be—to prevent people from coming to this country. It was one of the most unfortunate things ever done for Canada. People to settle the unoccupied lands was what the country required, but people was what the Government seemed to dread, and they had succeeded in checking emigration. A despondent tone pervaded every utterance of the Government that he had listened to in this House, or read in the speeches delivered in another place, or in their speeches delivered anywhere outside of Parliament. Their whole tone was a despondent one. But while they had not colonized our new Territory or developed the resources of the country as they ought to have done, they had committed the Dominion, as he had shown, to an extravagant and unproductive annual expenditure that it would be difficult if not impossible to reduce. It was easy to increase such expenditure, but very difficult to reduce it. The Government would seem to have been lavish when they should have been economical, and parsimonious when liberal expenditure would have been wise. This was done by a Government whose policy when they succeeded to office was declared to be *par excellence* one of reform, retrenchment and economy, he hoped the country would hold them to a strict reckoning for the expenditure. He was not one to hold any Administration strictly responsible for the prosperity or adversity of the country which they governed, but there was no denying the fact that Government could do much to promote the one, and alleviate the other. They could do a great deal to inspire the people with confidence in the future, and let them feel that the Government sympathized with them. He was afraid that was not the case at present. When new enterprises were spoken of, the question was generally asked, "What is the Government likely to do? What is their policy?" When a doubt existed as to the policy of the Government, capitalists would be cautious in investing in enterprises that could be affected by legisla-

tion. He thought this feeling of uncertainty had had a good deal to do with the existing depression of trade. If the Depression of Trade Committee, sitting in another place, instead of taking evidence from a great number of gentlemen, who were, no doubt, very intelligent, had diligently searched the Public Accounts, they would have discovered in them some of the chief causes of the depression. The depression in some branches of trade, such, for instance, as that mentioned by the Secretary of State, was, of course, beyond the control of any administration. It was remarkable that the commercial stringency in this country was coincident, or nearly so, with the advent of the present Government to power. He believed it was partly due to the fact that it was then virtually proclaimed that the great enterprises of the country were to be checked; and checked they had been. That was not the policy to adopt at such a time, and undoubtedly it had a paralyzing effect upon the energies of the people. Then again the Administration of a country ought to be free from suspicion of caprice. It was impossible to say the present Government was so. There was a feeling of uncertainty and uneasiness throughout the country. Take the policy of the Government with respect to some of our important branches of commerce—the tea trade for instance. The direct tea trade of Canada with China was becoming important when they succeeded to office. The Canadian flag had become known in the China seas, and Canadian bank credits were established in the countries bordering on them. Soon after this Government came into power, the duty on tea was altered, and the Canadian flag disappeared from the Eastern seas.

Hon. Mr. SCOTT—How many Canadian vessels came annually from the China seas? A single ship annually for five years.

Hon. Mr. MACPHERSON, continuing—The trade was a growing and a very important one, and it was a remarkable fact that very few members of the House of Commons knew the duty on tea was being changed. The alteration in the tea duties was a surprise to Parliament as well as to the trade. Then the Government interfered with the sugar trade, and closed up the large refinery at Montreal.

Hon. Mr. SCOTT—It gave cheap sugar at all events.

Hon. Mr. MACPHERSON said he was a free trader. He thought protection had been a great mistake. But while he was a free trader, he was not a revolutionist, and when the Government found the trade of the country in a certain condition they should not have changed the laws affecting it regardless of the consequences to great interests.

Hon. Mr. SCOTT—Is the hon. gentleman aware that we have had more revenue from sugar, and the public have had the article cheaper?

Hon. Mr. MACPHERSON said he doubted if sugar had been cheapened, and he knew the refinery which had given employment to a large number of hands was closed by the policy of the Government.

Hon. Mr. SCOTT—The hon. gentleman is aware we put up the duty on tea when we took the 10 per cent off.

Hon. Mr. MACPHERSON—The Government did that without reducing the price of tea, destroying the direct trade with China and Japan.

Hon. Mr. SCOTT—We lost that one ship.

Hon. Mr. MACPHERSON said it was natural the Secretary of State should sneer at the growing trade of the country. That spirit displayed on the part of the Ministry had caused much despondency in the country. Then, with reference to British Columbia, that Province had been disappointed at the failure of the Government, to meet its just expectations. Again, there was the tariff. It had been semi-officially announced that a protective policy would be adopted this session, and the tariff changed accordingly, which had the effect of causing merchants to take their goods out of bond at a time when it was inconvenient for them to do so, and also to import more extensively than they otherwise would have done. The Government ought to have taken some means to inform the people that they were under a misapprehension and that there would be no change in the tariff. It was, he thought, the duty of Parliament to look at the course of the Administration with respect to the manner in which they had fulfilled the pledges on which they came into office, and the party relations they maintained. The Administration was formed on the principle of being composed of a compact party—the Liberal party of Ontario and Quebec. The leaders professed for many years—and it was one of the principal means by

which they obtained office—an abhorrence of coalitions, as being essentially corrupt and dishonest, yet in the very formation of their Cabinet they adopted that principle which they had so persistently and eloquently condemned. Take the Ontario members of the Ministry. Of the four, two were Conservatives. The Finance Minister was with the Liberal party for a time, but not of it. His appointment caused chagrin to a great many of the Liberal rank and file, and he probably owed his position to the fact that there was no one in their own ranks able and willing to take his place. It certainly was not for love they gave him the portfolio. Then, the Secretary of State never belonged to the Liberal Party. Like the Minister of Finance; he was with them for a time for his own purposes, but never of them. He (Mr. Macpherson) was not opposed to what he would call an honest coalition. By an honest coalition, he meant one composed of men who came together and joined honestly and openly to carry on the good government of the country, after the differences which separated them were settled and removed from among the questions of the day. He had always considered it unnecessary and positively wicked to have perpetuated old party names and cries in this country after the issues that gave rise to them had been settled by Confederation, and the names had lost their significance. The only gainers by the perpetuation of the old party names were the place-hunters and self-seekers. He doubted very much whether the government could be carried on except by a coalition. So far as the Ontario portion was concerned, the present Government was a coalition and nothing else. Then take the Quebec portion of the Administration. When the Government was formed, he admitted all the members from Quebec belonged to the old Liberal party of that Province. They were led by Mr. Dorion, who was now Chief Justice of Quebec, and who was well fitted to adorn the position. But it was very unfortunate for his party, and perhaps for his country, that he left political life when he did. That hon. gentleman, after leaving his party from a small beginning up to the seals of office, after having consistently and persistently declared for a quarter of a century that great reforms and retrenchments were required in the administration of public affairs, left the lead of his party, and dropped his mantle on the shoulders of his first lieutenant. Mr. Fournier led the

party for a short time, and following the example of his predecessor, ascended the Bench. Then the party was so weakened they were not able to find a leader in their own ranks, and they chose for Mr. Fournier's successor, their life-long opponent, Mr. Cauchon. The disappearance of the Liberal party of Quebec was a misfortune to the country. He (Mr. Macpherson) regretted it very much. No one believed that the hon. gentleman, who was taken into the Government as leader of the Quebec section, Mr. Cauchon, had changed his principles or opinions. The change was in the Liberal party of Lower Canada. If their new leader was anything like as bad as they had represented him, they were indeed reduced to a state of the lowest humiliation in being obliged to follow him, for no one imagined for a moment that the hon. gentleman had repented of his sins. He had not changed. The inconsistency was on the part of his colleagues. After all, and in spite of all that they and their press had imputed to him, they took him into the Government, unrepentant, with his offences and sins, whatever these were, all upon his head. He (Mr. Macpherson) hoped they were not as black as they had been painted by some of his present colleagues and their party press. He was now where he wished to be, and his being there was a proof that the Liberal party of Lower Canada was practically defunct. How the Minister of Agriculture could bring himself to follow his life long adversary; how the Prime Minister, the Minister of Justice, and the Minister of Agriculture could sit in Council presided over by Mr. Cauchon, was something he (Mr. Macpherson) could not understand. Surely when these hon. gentlemen find themselves presided over by their old opponent they must sometimes doubt their own identity. To such a coalition as this he was opposed, and it was what he complained of. He considered it lowering and demoralizing that men who, during the whole period of their public lives, had been denouncing coalition, should themselves form one when they had attained to power, and have violated the principles they had professed in Opposition. It was due to the country that the inconsistency of Ministers should be pointed to in Parliament before the session closed. A sense of duty impelled him to do it, as none of those better able had discharged the unpleasant task.

Hon. Mr. ALEXANDER said the Government had framed their Supply Bill

so as to convey to the country the impression that they had curtailed every possible expenditure. He was free to confess the Government had made many reductions, but it would also have to be admitted that they were proceeding very slowly with the public works that were necessary for the opening up of the great North-West. They had graded a small part of the road from Pembina to Fort Garry, and another short section from Red River to Lake of the Woods, but no real progress had been made on the works. The Government were in fact starving these public works and rushing into unnecessary expenditures on others. For instance, there was the Georgian Bay Branch, the steel rail purchase, the establishment of a military college, and of a Government in the North-West Territory, with a Lieutenant-Governor at a salary of \$7,000 per annum. Then, again, a very large expenditure had been incurred in consequence of the mistakes and blunders committed, in the premature purchase of steel rails to be used in the construction of works for the utilization of the water stretches. The Government had also expended a large sum of money on the Dawson route, and had subsequently abandoned it; and while declaring they could not go on with the development of the North-West, they had a large emigration staff employed in Europe. If they were to compare the management of this country in this particular to that of the neighbouring republic, the contrast would be unfavourable to this Dominion.

Hon. Mr. WARK said the hon. gentleman had contrasted the expenditure of the past with that of the present Administration, but if he had shown in his argument that the late Government had finished all the public works which they originated in 1872, and if he had shown that the present Government had originated all the works on which they had expended money in 1874 and 1875, the contrast would have been a more correct one. But the hon. gentleman had overlooked the fact that the late Government had originated a great many expensive public works that had to be carried on by their successors. Some of this expenditure had been checked by the present Government or else it would have been very much larger than it appeared to be in the returns submitted to Parliament. Take, for instance, the improvement on the grounds in front of these buildings. Had they been carried

out as intended by the late Government, it would have involved a very large amount of money more than would have to be laid out on the present plan. By reference to the Blue Book it would be found also that previous to the change of Government the late Administration had made out a long list of appointments and increases of salaries, many of which the present Government found it necessary to cancel on coming into office. The hon. gentleman, in pointing out the increase in the expenditure of the country, had a right to show also where it originated.

Hon. Mr. LETELLIER DE ST. JUST stated that when he was obliged to reply in English to the Goliath of the House he felt as weak as David of old. The hon. gentleman had attempted to make a financial statement in condemnation of the Supply Bill submitted by the Government to the House, and had thought it extraordinary that the expenditure should keep pace with the expenditure of the country; but the hon. gentleman had forgotten that much of this expenditure was due, not to the action of the present Administration, but their predecessors. The hon. gentleman, moreover, had not pointed to the two hundred appointments made by the late Cabinet, when on the eve of retiring from office, increasing thereby the expenses of several departments; and had not taken into account the admission of Prince Edward's Island into the Union, as another reason for increased expenditure. The hon. gentleman had introduced into the discussion questions of a political nature, which he was quite at liberty to do—stating his views on the theory of coalitions. These the hon. gentleman considered at times permissible, though he appeared to hold if there were such combinations now, they necessitated a violation of principle.

Hon. Mr. MACPHERSON—I believe in an avowed, open coalition.

Hon. Mr. LETELLIER DE ST. JUST—The hon. gentleman must be of the opinion that political honesty was limited to himself and to his friends; but he (the speaker) considered that others possessed the same honesty of purpose with regard to the discharge of their public duties. The hon. gentleman averred that Hon. Messrs. Scott and Cartwright differed in politics from the hon. gentlemen with whom they were associated; but the hon. gentleman could not but admit that Hon. Mr. Scott was worthy of the high distinction of being

leader of this House. At the time of the selection, he (the speaker) had regretted it; for he did not consider that an hon. gentleman, who came from another Chamber, should occupy this position. As to the respectability of the hon. gentleman, the fact of his being leader was sufficient guarantee.

Hon. Mr. MACPHERSON—I said nothing about the respectability of the hon. gentleman.

Hon. Mr. LETELLIER D<sup>r</sup> ST. JUST—The hon. gentleman had abused the hon. President of the Council as not having been a member of the Dorion party; but he (the speaker) remembered when that hon. gentleman was a supporter of the Baldwin-Lafontaine Administration. In a moment of weakness, the hon. gentleman had abandoned this path; but he soon perceived the wickedness of his new friends, was convinced that if he remained with them he would lose his reputation, and the Hon. President of the Council had left the Conservative party at a period when the country was suffering from the grave affliction of a great public scandal. The hon. gentleman (Hon. Mr. Macpherson) had thought proper to allude to the administration of his department, stating that he had given instructions to the Agent-General to discourage emigration to this country, but this was not the case.

Hon. Mr. MACPHERSON—Did not the Agent-General distribute copies of a circular over Europe with the view of discouraging emigration to this country.

Hon. Mr. LETELLIER D<sup>r</sup> ST. JUST replied that he had never authorized this proceeding. The Agent General had thought that owing to the general depression in trade, it was not advisable to promote emigration, which to a certain extent he (Mr. Jenkins) had discouraged, taking upon himself to issue the circular in question. The moment he had heard of it the Agent-General had been informed by him, that he (the speaker) disapproved of this step, and he had immediately countermanded the circular by means of a Departmental order. His hon. friend had no right to impute to him the act of the Agent-General.

Hon. Mr. MACPHERSON did not wish in any way to misrepresent his hon. friend. He had taken it for granted that the Agent-General would not have issued such a circular without instructions from the Department; and he was glad that he had given his hon. friend an op-

portunity for making this explanation, which had never previously been given.

Hon. Mr. LETELLIER D<sup>r</sup> ST. JUST continued, stating, that on learning of this action, he had immediately written to Mr. Jenkins, expressing his disapproval. There were persons who believed that, during the present depression, the better course would be not to encourage immigration, on the ground that the discouraging accounts that would be sent by immigrants to Europe would work against the interests of this country. This Government, as well as the late Administration, had distributed all possible information with reference to the lands which were open to settlement, and had encouraged as much as possible immigration from Russia, Iceland and the United States. The hon. gentleman must not imagine that emigrants could be forced to come to Canada against their will. The hon. gentleman had accused the present Administration of being the cause of the existing commercial depression. He had heard of such charges being made outside of Parliament, but no one had hitherto dared to make such an assertion on the floor of this House.

Hon. Mr. MACPHERSON—I did not charge the Government with causing the depression; but I said that the Administration might have done a good deal to alleviate the present distress by encouraging industry and enterprise, and by speaking hopefully of the future of this country.

Hon. Mr. LETELLIER D<sup>r</sup> ST. JUST believed that they had extended the same encouragement to the industries of this country as their predecessors. He had been under the impression that the hon. gentleman did not, a short time ago, repose complete confidence in the late Government, and had not been sorry to see a change in the administration of public affairs. He believed that when the country reflected calmly on the events of this session, and on the manner in which the business of the country was managed, they would continue their support to the Government of the day.

Hon. Mr. DEVER said the present Government had increased the expenses of administration in New Brunswick very extensively under one or two heads. The Government came into office as Reformers, to reform the errors of their predecessors. They found in New Brunswick that the Excise Department, which had never been known in that Province until it entered



the Confederation, yielded a revenue last year of \$217,000. This revenue was, previous to the union, collected through the Customs Department, without the expense of extra officers. After Confederation, however, an Excise Department was established, and last year it cost the country \$8,000 extra to collect this \$217,000 of duty. Here was a chance for some reform, to save the country this useless expenditure. Then, in the conduct of the Penitentiary of New Brunswick, the gentleman who was in charge of it managed it for a salary of \$1,000 a year, but the Government wished to make place for a supporter, and that gentleman was superannuated, on a salary of \$800, although well fitted to discharge the duties of the office, and another was appointed at \$1,400. If hon. gentlemen could prove from these circumstances that they were Reformers, and had reformed the expenses of the country, they had not proved it to his satisfaction.

Hon. Mr. CAMPBELL said the Minister of Agriculture had entirely failed—had not even attempted—to reply to the remarks of his hon. friend (Mr. Macpherson), and it was therefore quite unnecessary for him (Mr. Campbell) to renew the charge against the Government of extravagant expenditure. But the Hon. Secretary of State had been as facile in his replies as he had been on several occasions during the session, without due regard to their correctness. When his hon. friend (Mr. Macpherson) had shown an increase in the Department of Justice of from \$398,000 in 1874, to \$499,405 in 1875, the hon. gentleman said:—"Oh, it's the Mounted Police." He found, on looking into the account, that the Mounted Police had nothing to do with this increase, as their expenses were in another column, and were not included in the Administration of Justice account. The Hon. Secretary of State must have known this, and yet he had endeavoured, as he had previously done half a dozen times that session, to lead the minds of the House away from the truth.

The Bill was read the third time and passed.

The House adjourned at 10:30 o'clock, p. m.

WEDNESDAY, April 12.

The SPEAKER took the chair at 11 o'clock.

After routine,

The following bills, reported from the Committee on Banking, Commerce and Railways, with amendments, were read the third time and passed: The Atlantic and Pacific Fire and Marine Insurance Co. Bill; The Maritime Savings and Loan Society Incorporation Bill; and the British Canadian Loan and Investment Co.'s Bill.

THE COMMITTEE ON PROHIBITION.

The consideration of the report of the Committee on Prohibition, which recommended that an address be sent to His Excellency the Governor General, requesting him to submit the question to the Judges of the Supreme Court for their opinion, being called,

Hon. Mr. VIDAL asked whether there was any objection to the address?

Hon. Mr. LETELLIER DE ST. JUST thought it extraordinary that the Senate should submit such questions to the Judges. They ought not to deprive themselves of their own judgment, and it would not be consonant with the dignity and powers of this Chamber to accede to an address in a matter of this kind. He hoped the hon. member would not press the motion; the question was fairly before the country, and the Government might look into it.

Hon. Mr. VIDAL asked, as the hon. Minister of Agriculture thought this a simple question, whether they had the power to legislate for the prohibition of the manufacture, sale and importation of intoxicating liquors.

Hon. Mr. LETELLIER DE ST. JUST said Parliament had a right to deal with all questions of trade.

Hon. Mr. VIDAL said his own opinion inclined that way, but the Hon. Premier, when the deputation waited upon him, thought there were constitutional difficulties in the way, and stated that that question would have to be settled before there could be any legislation on the subject. He could see no impropriety in asking the opinion of the Judges on this point. The Provincial Legislatures claimed to have the sole right to deal with intoxicating liquors, and if they really have that power the Dominion had no right to interfere. It was important to have this decided, and he certainly would not consent to the withdrawal of the mo-

tion; if the House saw fit to throw it out, upon them rested the responsibility. He represented a large portion of the community, who were in favour of prohibition, and he would not be true to their interests, or true to his own character or disposition, if he consented to withhold such a simple thing as this.

Hon. Mr. ALLAN said there was a question as to whether the Provincial Legislatures had full control over this matter. The importation of intoxicants came under the law of the Dominion.

Hon. Mr. VIDAL said when he spoke about the Provincial Legislatures, he did not use the word "importation." The Hon. Premier himself expressed a doubt whether the Dominion had the right to interfere with the manufacture of intoxicants.

Hon. Mr. BENSON said the Hon. First Minister had raised this question, and he thought the hon. gentleman was correct in pressing the adoption of the report.

Hon. Mr. BOTSFORD thought the course proposed by hon. mover was not a proper one in a hypothetical case like this, when a measure was not before the House. It was quite proper for the Hon. Premier, if he was interested in the question, to obtain this information from the Judges of the Supreme Court. The method of procedure provided was inconvenient, and not consistent with the spirit of the Act constituting the Supreme Court.

Hon. Mr. LETELLIER DE ST. JUST said if the hon. gentleman would not press his motion, he would call the attention of the Government to the matter.

Hon. Mr. VIDAL said, with the assurance that the attention of the Government would be called to the subject, he would withdraw the motion.

The motion was accordingly withdrawn, and the order discharged.

The House then adjourned to half-past one o'clock.

#### Second Sitting.

The PRESIDENT took the chair at 2 p.m.

The final stage in several bills, that had been returned from the Commons, was

taken without debate, and the House adjourned at 2:30.

#### PROROGATION.

The House re-assembled at 3 p.m., when His Excellency the Governor General came up to the House in State, and took his seat on the Throne.

The Commons were summoned to the Bar, and having appeared,—

The Clerk of the Senate then submitted the following Bills, all of which received the assent of His Excellency:—

#### Acts Assented to.

1. An Act to provide for the appointment of Assistant Inspectors of Penitentiaries in Manitoba and British Columbia.

2. An Act to provide for the salaries of County Court Judges in the Province of Nova Scotia, and for other purposes.

3. An Act to amend the Criminal Laws relating to violence, threats and molestation.

4. An Act respecting the Intercolonial Railway.

5. An Act to make more effectual provision for the administration of the law relating to Corrupt Practices at Elections of Members of the House of Commons.

6. An Act to authorize the Shareholders of "The Union Permanent Building and Savings Society" to change the name of the said Society to that of "The Union Loan and Savings Company."

7. An Act to authorize the Shareholders of "The Provincial Permanent Building and Savings Society" to change the name of the said Society to that of "The Provincial Loan and Savings Company."

8. An Act to extend the Acts respecting Dominion Notes to the Provinces of Prince Edward Island, British Columbia and Manitoba.

9. An Act to amend the Railway Act, 1868.

10. An Act to provide for the payment of a Temporary Grant to the Province of Manitoba.

11. An Act to amend the Acts therein mentioned respecting Weights and Measures, and the Inspection of Gas and Gas Meters to Prince Edward Island.

12. An Act to supply an omission in the Act 37 Vic., chap. 42, extending certain Criminal Laws of Canada to British Columbia.

13. An Act to amend the Acts therein mentioned, respecting the Militia and Defence of the Dominion of Canada.

14. An Act to provide for more effectual inquiry into the existence of corrupt practices at Elections of Members of the House of Commons.

15. An Act further to amend the St. Lawrence and Ottawa Railway Act.

16. An Act to amend the Act respecting the Inland Revenue.

17. An Act to make further provision for the Institution of Suits against the Crown by petition of right.

18. An Act respecting Roads and Road Allowances in Manitoba.

19. An Act respecting the capital of the Great Western Railway Company and for the capitalization of certain charges and liabilities.

20. An Act to amend "The Trade Mark and Design Act of 1868."

21. An Act to amend the Act to incorporate the Commercial Travellers' Association of Canada.

22. An Act to amend the Act thirty-eighth Victoria, chapter ninety-three, intituled, an Act to incorporate the Canadian Gas Lighting Company.

23. An Act to enable the Welland Vale Manufacturing Company to obtain an extension of a Patent known as "Rodden's Improved Capped Ferule or Socket."

24. An Act to amend the Acts respecting "The Citizens Insurance and Investment Company," and to change the name of said Company to that of "The Citizens Insurance Company of Canada."

25. An Act to amend the Act intituled "An Act to incorporate the Clifton Suspension Bridge Company."

26. An Act to make provision for the crossing of Navigable Waters by railway

or road companies incorporated under Provincial Acts.

27. An Act to make provision for the winding up of Insolvent Incorporated Banks.

28. An Act to amend the Act to make further provision, extending to the whole Dominion of Canada, respecting the Inspection of certain Staple Articles of Canadian produce.

29. An Act to amend the Act to incorporate the Canada Shipping Company.

30. An Act to confirm the amalgamation of the City Bank and the Royal Canadian Bank, and to incorporate "The Consolidated Bank of Canada."

31. An Act respecting the Attendance of Witnesses on Criminal Trials.

32. An Act to amend the Act thirty-fifth Victoria, chapter one hundred and eleven, intituled an Act to incorporate "The Mail Printing and Publishing Company (limited)."

33. An Act to extend the provisions of the Act 31st Victoria, chapter 33, respecting the retiring allowance of Judges, to the Chief Justice and Justices of the Court of Error and Appeal for the Province of Ontario.

34. An Act to extend the time for the commencement and completion of the Great Western and Lake Ontario Shore Junction Railway, and for other purposes.

35. An Act respecting the Northwest Territories, and to create a separate territory out of part thereof.

36. An Act to authorize the shareholders of "The Security Permanent Building and Savings Society of St. Catharines," to change the name of the said Society to that of "The Security Loan and Savings Company."

37. An Act to extend the provisions of an Act relating to "The Upper Ottawa Improvement Company."

38. An Act to amend the Act incorporating "The Ottawa Gas Company," to confirm a resolution of their shareholders placing preferential and ordinary stock on the same footing, and confirm, amend, and extend their corporate powers.

39. An Act to continue for a time therein mentioned "The Canada and Detroit Bridge Company as a corporation."

40. An Act respecting the Mechanics Bank.

41. An Act to amend the Act 31st Victoria, Chapter 3, respecting the Indemnity to members of both Houses of Parliament.

42. An Act to amend the Act of incorporation of "La Banque Saint Jean Baptiste."

43. An Act to amend the Act 31st Victoria, Chapter 5, as respects the Public Accounts.

44. An Act to make provision for the collection and registration of the Criminal Statistics of Canada.

45. An Act to amend the Railway Statistical Act.

46. An Act to remove Doubts, under the Acts therein mentioned, as to the Harbour Commissioners of Montreal, and to amend the same.

47. An Act to amend the Act 38th Victoria, chapter 23, respecting the Northern Railway of Canada.

48. An Act respecting the Desjardins Canal.

49. An Act to amend "The Dominion Lands Act."

50. An Act to make further provisions in regard to the Supreme Court, and the Exchequer Court of Canada.

51. An Act to enable Ozro Morrill to obtain a Patent for certain Inventions and Improvements in Sewing Machine Shuttles.

52. An Act to amend the Act 37th Victoria, chapter 51, intituled an Act to authorize the incorporation of Boards of Trade in the Dominion.

53. An Act to incorporate the Chartered Bank of London and North America.

54. An Act to detach a certain portion of the County of Lotbiniere and to attach it to the County of Beauce.

55. An Act respecting Loans by the British American Land Company.

56. An Act to remove Doubts under the Acts therein mentioned respecting the

the Corporation of the Quebec Harbour Commissioners.

57. An Act to incorporate the Canada Fire and Marine Insurance Company.

58. An Act to amend the Act 35th Victoria, chapter 108, intituled an Act to amend the Act to incorporate "The London and Canadian Loan and Agency Company (Limited)."

59. An Act further to amend the Act to incorporate "The London and Canada Bank," and to amend the Act amending the same.

60. An Act to amend the Act therein mentioned as respects the importation or manufacture of Intoxicants in the North-west Territories.

61. An Act to provide for the Examination of Witnesses on Oath by Committees of the Senate and House of Commons in certain cases.

62. An Act to amend and consolidate the Laws respecting Indians.

63. An Act to incorporate "The Union Life and Accident Assurance Company of Canada."

64. An Act to incorporate "The Empire Fire and Marine Assurance Corporation."

65. An Act to amend the charter of "The St. Lawrence Bank," and to change the name of the said bank to that of "The Standard of Canada."

66. An Act to amend "the Insolvent Act of 1875."

67. An Act to incorporate "The Scottish Canadian Loan Company."

68. An Act to incorporate "The Ontario Investment Company (Limited)."

69. An Act to incorporate "The British Canadian Loan and Investment Company (Limited)."

70. An Act to incorporate "The Atlantic and Pacific Fire and Marine Insurance Company."

71. An Act to incorporate "The Maritime Savings and Loan Society."

72. An Act to incorporate "The National Investment Company."

73. An Act to incorporate "The National Exchange Company."

Then the Honourable the Speaker of the House of Commons addressed His Excellency the Governor-General as follows:—

**MAY IT PLEASE YOUR EXCELLENCY,—**

In the name of the Commons, I present to your Excellency a Bill intituled—

An Act for granting to Her Majesty certain sums of money required for defraying certain expenses of the Public Service for the financial years ending respectively the 30th June, 1876, and the 30th June, 1877, and for other purposes relating to the public service;

to which I humbly request your Excellency's assent.

To this Bill the Royal assent was signified in the following words:—

In Her Majesty's name, his Excellency the Governor-General thanks Her loyal subjects, accepts their benevolence, and assents to this Bill.

After which His Excellency the Governor-General was pleased to close the Third Session of the Third Parliament of the Dominion with the following

**SPEECH:**

*Honourable Gentlemen of the Senate—  
Gentlemen of the House of Commons:—*

I thank you for the care and deliberation with which you have discharged the duties that have devolved upon you during the session.

The Bill you have passed relative to the management of Indian affairs and the gradual enfranchisement of Indians will not only be useful as a consolidation of existing Statutes, but will afford further evidence of the interest taken by the people of Canada in the welfare of their Indian fellow countrymen. It is interest-

ing to know that many of its provisions were suggested by the Indian Councils of the older Provinces.

It is my intention during the recess to make treaty arrangements with the Indian tribes in the Western Saskatchewan country for the extinguishment of their title, and thereby open another large tract of fertile territory for settlement and cultivation.

The formation of the new District of Keewatin, in the eastern part of the North-west country, and the progress made in opening up railway and telegraphic communication to the interior will, with the improvements effected in our land system, further prepare the way for the rapid settlement of those vast regions, and will, at no distant day, materially contribute to the trade and extend the prestige of the Dominion. I am glad to be able to say that we have now over 700 miles of telegraph in operation west of the Red River.

The amendments made to the laws relating to elections for the House of Commons will, I trust, have the result of obtaining an unbiassed expression of the opinion of the electors in selecting their representatives.

The measures you have passed for the purpose of securing a careful return of criminal, insolvency, and railway statistics will, I doubt not, be of essential service in promoting important objects, as well as in providing much needed information on each of these subjects.

*Gentlemen of the House of Commons:—*

I thank you for the supplies you have voted for the public service. I shall not fail to consider the clause you have attached to the vote for the works of construction on the Pacific Railway.

I am glad that a wise economy obviated the necessity of imposing any fresh taxation on the people; and I trust that increased commercial prosperity will justify your confidence in the future.

*Honourable Gentlemen of the Senate—  
Gentlemen of the House of Commons:—*

I regret that I am unable to announce that any further progress has been made

with the arrangements for the settlement of the compensation to be paid for our fisheries, in accordance with the provisions of the Treaty of Washington.

I trust that on your return to your respective homes you may find the promise awaiting you of a prosperous season, and that your labours out of session may be as useful and beneficial as they have been during your attendance in Parliament.

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“That in the opinion of this House it is desirable that uniformity should be observed by the various Chartered Banks of the Dominion in sending certified lists of their shareholders to Parliament. To this end it shall be the duty of the Clerk of this House, by circular addressed to the chief officer of such banks, to request that each list of shareholders shall be made up in alphabetical order to the first day of January in every year, and in conformity with the terms of the Statute, 34 Victoria, cap. 5, it shall be duly certified and laid before Parliament within fifteen days after the opening of the Session. To resolve further, that before the lists of shareholders are printed, the Clerk of this

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- North-West Territories—
- Motion—
- “That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of all instructions to the Honorable Alexander Morris,

Lieutenant Governor of the North-West Territories; also copies of all Orders in Council relative to the said Territories since their organization, and not already published; also copies of all reports and official correspondence between the Lieutenant Governor and the Dominion Government from the date of his appointment."—*Hon. Mr. Girard*, 38.

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Motion—

"That the construction of the Pacific Railway having formed the principal condition upon which British Columbia entered the Canadian Confederation, every reasonable effort should have been made by the Government of the Dominion to satisfy the people of that Province that faith would be kept with them; but this House regrets to find that whilst incurring, or ready to incur, immediate expenditures of several millions of dollars not needed, or of doubtful utility, the Government has failed to proceed vigorously with the construction of our great national inter-oceanic railway, which is so essential to the material advancement of all the Provinces of the Dominion, as well as to the early consolidation of political and social union among the whole people."—*Hon. Mr. Carrall*, 152.

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Debate again adjourned, 197.

Resumption of the Debate on the motion of Hon. Mr. Carrall—Hon. Mr. Dickey, 222.

Motion in amendment to the motion of Hon. Mr. Carrall—

"That all after the 'word' effort be struck out, and the following substituted:—'Without increasing the taxation of this country, should be made by the Government of the Dominion to satisfy the people of that Province that faith will be kept with them.'"—*Hon. Mr. Haythorne*, 227.

Debate adjourned, 234.

Resumption of the Debate on the motion of the Hon. Mr. Carrall and the motion of Hon. Mr. Haythorne in amendment thereto, 236.

Motion in amendment to the amendment—

"To leave out all the words after the word 'resolved' in the original resolution, and to add instead thereof, 'that this House fully recognizes the obligation to secure the construction of the Canada Pacific Railway, with the utmost speed compatible with a due regard to the other financial requirements of the Dominion, and without unduly increasing the rate of taxation, and regrets that the course adopted by the Government, in connection with this matter, has not met the expectations of the people of British Columbia, nor has it been such as to facilitate the development of the North-West.'"—*Hon. Mr. Dickey*, 236.

Pacific Railway—

Resumption of the Debate on the motion of the Hon. Mr. Carrall, and the amendment moved thereto by the Hon. Mr. Haythorne, and the amendment to the amendment moved by Hon. Mr. Dickey—Hon. Mr. Kaulbach, 267.

After long Debate, the House divided, when the amendment to the amendment was carried—34 votes to 24, 281.

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**Protection to Native Industries, 41.****Public Accounts Bill, 309.****Public Buildings—****Motion—**

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency

would be pleased to cause to be laid before this House a detailed statement showing the total amounts expended on the grounds and fences in front of the Parliamentary Buildings from the first day of January, 1870, to the first of January, 1876, with the estimated cost of completing the interior during the same period; also a detailed statement showing the total expenditure on the addition to the Western Departmental Building, with an estimate of the amount to complete the same.—*Hon. Mr. Botsford*, 34, 298.

**Ventilation of, 206.****Public Printing—****Motion—**

"That an humble Address be presented to His Excellency the Governor General, praying that he will cause to be laid before this House, a copy of all correspondence that has taken place between the Contractors for Departmental Printing and Binding and the Government on their contract; also that a statement may be furnished showing the difference in the rates paid to outside parties for printing and binding, and that paid the contractors for similar work; also, a statement to show the quantity of printing performed outside, and by whom, and the difference in the cost in the aggregate; also, a statement giving the amount of stationery purchased in each of the Provinces of the Dominion during the last year, and the cost and the price for which similar stationery could be furnished by the Stationery Department of the Government."—*Hon. Mr. Aikins*, 82.

**Quebec Elections Bill, 92.****Quebec Council of Arts, 300.****Quebec Harbour Commissioners' Bill, 1 R., 50; 2 R., 97; 3 R., 105.**

Motion for consideration of amendments made by the Commons (Hon. Mr. Letellier de St. Just,) 316.

**Motion in amendment—**

"That the amendments be not now concurred in, but that they be taken into consideration this day three months."—*Hon. Mr. Macpherson*, 318.

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**SIMPSON, Hon. Mr. :**

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**Speech from the Throne—**

- Opening of Parliament, 1.
- Prorogation of Parliament, 338.

**Steel Rails Purchase—Motion for a return respecting, Hon. Mr. Campbell, 27.****Motion—**

"That this hon. House, in view of the necessity that exists for economy and retrenchment, do hereby resolve into Committee of the Whole, to consider what ought to be done with the large quantity of steel rails held by the Government, which are not required for the public works of the Dominion at present, or likely to be for a considerable time to come, the quantity being 49,500 tons, costing now over \$3,000,000, on which a loss has already been made of over \$800,000." *Hon. Mr. Smith, 119.*

- Debate adjourned, 131.
- Debate resumed, 138.
- Motion withdrawn, 143.

**Motion—**

"For any official reports of the Chief Engineer of the Pacific Railway with reference to the quantity of steel rails actually required during the present year; and also copies of all official correspondence that passed between the Minister of Public Works and Mr. Carvell with reference to his removal from office." *Hon. Mr. McMaster, 176.*

Motion carried, 182.

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**Mechanics' Bank Bill, 290, 296.**  
**Vacant Seats, 314, 324.**
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