Hon. Mr. HELMCKEN—Would it be better to have Confederation with no terms at all, or with terms equal to these?

Hon. Mr. WOOD—I ask for different terms; power to impose our own tariff, for instance. Hon. Dr. HELMCKEN—The objections of the Hon. Member are not correct. When the Dock and Railway are built, I admit that some source of labour, and consequent interest, will be gone, but then we must look for other interests to arise. I admit that discontent may arise; it has frequently been so in England, when a large number of labourers have been thrown out of employment; but I say that the Dominion and Local Governments will have the power and the sense to remedy any such evils as they occur.

Hon. ATTORNEY-GENERAL—I cannot fancy anything more calculated to promote permanent benefit than the establishment of Graving Docks. Every ship that comes in would spend money, would be a benefit to the town, and a continuing benefit; and not to the town only, but to some extent to the whole Colony. If the Colony goes on and increases, so must the work to be done in the Docks go on increasing. I regret that the Hon. Mr. Wood should have taken the ground that the Executive are influenced by any sectional motives. I do not see why the Hon. Member should refuse benefits which come under Confederation. He would surely not prefer to go in without terms.

Hon. Mr. DRAKE—I doubt whether the amount named is large enough. I have information from good authority that double that amount will be required. Canada is only asked to guarantee the interest. I shall, therefore, move an amendment, in the shape of a recommendation to His Excellency, that the sum of £100,000 be increased to £150,000 in the conditions. I am of opinion that the terms should be put in as favourable a light as possible for this Colony.

Hon. Mr. PEMBERTON—I would ask the Chief Commissioner of Lands and Works whether it would be possible to connect the supply of water with the Docks? London is supplied by a large fresh water reservoir, and it is possible that the same course might be adopted as regards this city. If the course of the water in the valley of Victoria Arm were stopped, the Gorge being a natural valley, if it were possible to exclude the salt water from the whole of Victoria Harbour, a vast natural reservoir of fresh water might be formed, which would supply the whole city with water. Being no engineer, I feel some diffidence in putting it forward. I only put it as a suggestion to the Chief Commissioner, with the view of inquiring whether it could be done.

Hon. CHIEF COMMISSIONER—It is impossible for me to offer an opinion upon the suggestion of the Hon. Mr. Pemberton. The supply of water upon the supposed plan, would contemplate the expenditure of much more money than the sum required for Graving Docks. Besides the proposed place is too low, and would necessitate the water being pumped up to a second reservoir. Moreover, I am of opinion that the supply of water is too much of a local matter to be worthy of mention in the terms.

Hon. Mr. HOLBROOK—My amendment is, that the word "Esquimalt" be struck out, on the ground that it is too sectional. I believe that any Company which is formed will erect a Patent Slip instead of a Dock. It has been shown in practice to be more useful. I move that the word "Esquimalt" be struck out.

Hon. Mr. Wood's recommendation to strike out the word "Esquimalt," and to insert "such place as the Dominion Government shall appoint," on division was lost, two only voting in favour of it.

Hon. Mr. Drake's recommendation "That the sum of £150,000 be named," on division was lost, eight voting in favour of the recommendation.

Clause 4 was then passed as read.

The Chairman then read section 5:-

- "5. In addition to the other provisions of this Resolution, Canada shall assume and defray "the charges of the following Services:--
  - "(a.) Salary and allowances of the Lieutenant-Governor:
  - "(b.) Salaries and Allowances of the Judges and Officers of the Supreme Court, and "of the County Courts:
  - "(c.) The charges in respect of the Department of Customs:
  - "(d.) The Postal Department: