

might confidently expect that when the provinces or provinces were made, they would be accorded the same constitution. The most important side of the question here was, what money would be given to carry on the Government? Naturally in considering that question they looked to the other provinces, so that the inhabitants of this portion of the Dominion might fairly claim that when the question of financial assistance was considered, that that financial assistance would bear analogy and due proportion to that of the provinces. He could see no difference between these parts of the Dominion and any other portion. When people came to the North-West they did not see any portion of their birthright; did not come here to be treated in an entirely different way to their fellow citizens in accordance with

#### PERMANENT FUND OF JUSTICE

and right, when they got the institutions similar financial assistance should be given to carry on those institutions. Now, the first item given was for the support of the government, and the amounts were: Ontario, \$50,000; Quebec, \$70,000; Nova Scotia, \$20,000; New Brunswick, \$30,000; British Columbia, \$50,000. The amounts therefore were not fixed. This of itself was an ample justification for the enquiry and negotiation asked for by the resolution. Were the Territories to get the maximum \$80,000 or the minimum \$30,000? In many portions of the Dominion work was done by municipal government, but here that was not so. The Government did the work, and in any grant to the Territories that should be taken into consideration. There were reasons for a liberal allowance on this very particular subject. Then there was a large area and a sparse population. These were reasons why they should have a large allowance. Then there was the per capita grant of 50 cents on the population. This allowance was given the other provinces, in the language of the British North America Act, for local purposes, and a matter of fact it was given under the Quebec resolutions, and several reasons were advanced in the confederation debates, some of which was that it was for the giving up to the Federal Government the provincial taxing powers, customs, duties, etc. Now, this question opened up several controversial sides, and that also sufficiently justified that an enquiry be made and accounts taken. The basis of the tax was population and in Manitoba the arrangement was to be adjusted to population at certain fixed periods. This arrangement was to last until the population reached 100,000. This limit of 100,000 was fixed as the basis upon which this work should be paid. He had never been able to understand why such a limit should be imposed. Why, if within the next four or five years the 100,000 were exceeded, they should not be paid yet, a head, he could not understand. That was another reason why enquiry should be made. The population in the west was uniform, but it was not so in the west. There had been a constant change in the population. He could give figures to show this, but it was not necessary, as while the other provinces had been stationary, New Brunswick for instance, in the west they had been increasing by leaps and bounds. Manitoba increased in a few years 20 per cent, and in a few years the Territories would do the same. Then there would be a very large question to be settled. What should be the basis of their per capita grant? Should it be on a census, as in Manitoba, every two and a half years, and with a limit of 400,000, or should they not revise in proportion to their population whatever it might be. These were open questions and justified the resolution that enquiry should be made and accounts taken. He now came to the next important subject.

#### THE QUESTION OF DEBT

On this important matter he recognized hon. gentlemen to read Hon. Alexander Galt's speeches during the confederation debates. Mr. Galt was minister of finance at the time, and was one of the most eminent financiers they ever had in Canada, and one of the fathers of confederation. The principle proposed, upon which the Dominion assumed the debts of the provinces that first entered confederation, then those that entered at a subsequent date would be entitled to a certain amount of rebate. Mr. Galt also referred to the Quebec resolutions and the British North America Act on the subject, and strongly recommended hon. members to study the sources he had indicated. As to Manitoba, when it was created a province, she was given a certain rebate for the debts that had been incurred by the Dominion at confederation, but before Manitoba entered. He supposed that if as they were taken into union at the same date as Manitoba 1870, they would be dealt with on the same basis. Then the question arose as to whether they should have the five years' census and two and a half years' readjustment as they had in Manitoba. There seemed to have been a faulty opinion as to the debt charged against this country. He had a document from the Department of the Interior which showed that \$1,500,000 were already charged up against the Territories, and it included quite a number of curious items. Thus there was \$100,000 for the construction of Fort Garry road and Fort William road. That was an item charged to the Territories for the benefit of the people of this country. Then there was \$2,000 more for the same road, \$15,000 for a canal in Manitoba; \$27,000 for boats; \$180,000 for exploring the Red river; \$10,000 for Red river rebellion; several other items such as \$24,000 and \$22,000 for Fort Garry road and Fort William road; and \$40,000 for boats. These were only a few of such items that went to make up the \$1,500,000 already charged up against the Territories. He thought that this enquiry and the taking of accounts as asked by the Territories, if it was a

wonder, it seemed to him, that they had not charged up against the Territories the work of 1872-1873, which would be as appropriate. Everything that could be being charged up against the diminishing area of the North-West Territories. He now came to

#### THE RAILWAY DEBT

This was a most important side of the discussion. In the year 1888 the expenditure on railways in the Dominion had reached \$10,625,357. There was an expenditure for lines wholly within the provinces of \$48,800,885. Now, he supposed it would be perfectly reasonable for the representatives of the Territories to say "We should be allowed something in respect of that." The Dominion had done these works which were local in their nature, the \$48,800,885, was for purely local lines in the provinces. Now, these formed part of the federal debt. Towards this debt the people of the North-West Territories contributed their share, man for man, with the rest of the Dominion, as much as any body else. And now note this. Quite a different policy had been followed as regarded the railways in the Territories. Instead of subsidizing them, except \$300,000 in the case of the Crow's Nest which was very largely constructed in British Columbia, little over 100,000 in the Territories, the whole Dominion bearing its share, as in the others. Instead of subsidizing them, the Dominion took 39,900,000 acres of land in the Territories and Manitoba and gave them to the railways. Look for a moment at the difference. In the provinces the Dominion shoulders the whole of the \$48,800,885, and the Territories were helping to pay it, but for the lines in Territories they gave the lands of the Territories and no burden was laid upon the people of the provinces. It was

#### MANIFEST INJUSTICE

and manifest, if they had to pay their share of the railway debt in other provinces, why should they not have a certain allowance made in lieu of that debt and of their lands taken away. Surely that was sufficient to justify the fullest enquiry and the taking of accounts. Hon. Mr. Haultain then dealt with the mineral royalties and quoted Sir John Macdonald, and Hon. A. Galt to show that each province ought to have the power of developing its own resources and hon. Gies, Brown in regard to the lands. This said Mr. Haultain was the most important side of

#### THE CONFEDERATION CONTRACT

There would never have been any Dominion of Canada if there had been the giving up of the mines to the federal government. The principle of the claim to the lands was admitted. Every one of the older provinces had their lands, and Manitoba had a payment in lieu of them. The Territories had no lands, and the C.P.R. was constructed because of a pledge given to British Columbia. There was not a line within that province, and it agreed to give a certain amount of its lands for the construction of the C.P.R. For that reason, and on that account, the Dominion paid British Columbia \$100,000 a year, which the people of the North-West Territories helped to pay, for that rocky belt along which the line ran. In the case of the Territories the whole land grant was simply made, and the claim was that the federal

authorities owned this country, and dealt with it for Dominion purposes. They should not be asked to pay for the Territories, be granted a portion of their lands. Why should any such distinction be made between the Territories and the provinces? Mr. Haultain then dealt with the mineral royalties and quoted Sir John Macdonald, and Hon. A. Galt to show that each province ought to have the power of developing its own resources and hon. Gies, Brown in regard to the lands. This said Mr. Haultain was the most important side of

#### EVENING SESSION

Mr. Haultain resumed his speech at eight o'clock. He said that when they left the House that afternoon, he was discussing the important part, the Territories, the lands, minerals, and what an important item they were, that period of the discussion. And

particularly what a very essential part of the provincial revenue those lands were, and what an important part they would be in any negotiations for establishing a future province or provinces. He also pointed out that the British North America Act recognized that an important part it was, and the principle was recognized in the case of Prince Edward Island, there was no grant to them because they did not have any public lands in Manitoba because the lands had been withdrawn from them they received a grant in lieu; in British Columbia a strip of land belonging to them was given to the C.P.R. and the province was compensated by an annuity of \$100,000 which the Territories were helping to pay. He then began to discuss what the Dominion's claims to the Territories lands were. He had outlined the argument that pointed out the establishment of public institutions was coming on. At present, however, the more practical side, the necessity of change on practical lines, how the question of their financial position, what they had to consider. The American precedent had been quoted by the Dominion Government to show that the land, because, when definite terms were accorded to Manitoba, and proved they it would be for use in the west when the time came, they were able to show why the lands should be withdrawn. The American precedent was the holding of the lands of

## THE LEGISLATURE.

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constitutional question that would affect not only one province, if the *e* were to be one, but two or a half dozen, and would affect them all equally, and that accounts should be taken. Why? Because, as he had already said, the basis on which the various conditions of the several provinces were formed at confederation had been departed from in some cases, and they might obtain more suitable conditions when any portion of the Territories came to be formed into a province or provinces. What constitution said what Government should be given to the people of this country? He would ask the House to go back a little, way. He had traced the history how it came about, what applications had been made, what had been the results, and how their treatment was to be analogous to those of the provinces. Now, he would go back a little in the history of the country. What was the actual state of the people who were here before it was taken over by the Dominion. He would ask the members to refer to some letters written by the Secretary of State for Canada in 1869, Mr. Joseph Howe. They would be found in the special report of the correspondence in regard to the North-West printed by order of parliament in 1878. They would there find corroboration of the position he had taken. Now with regard to the constitution, the side of the resolution, he need say but previous was fixed by the British North America Act, and following that the analogy that existed, they