

PROVINCIAL AUTONOMY

The Attitude of the Liberal and Conservative Parties on this Great Question—Striking Contrast Between Harsh and Niggardly Treatment Received From Conservatives and the Sympathetic and Generous Treatment Accorded the Territories by the Present Liberal Government—Constitutional Government Granted; Representation in Senate Doubled and in House of Commons Increased From Four to Ten Members; Money Grants Four Times Greater; Railway Competition Provided; Demand For Borrowing Power Met—Mr. Scott's Position on the Subject—From Which Party Can the North-West Expect to Receive the Best, Most Satisfactory and Generous Treatment in the Final Settlement of the Great Autonomy Question?

In the following series of Questions and Answers is very fully set forth the attitude of the Liberal and Conservative parties on the subject of Provincial Autonomy for the North-West Territories. The Leader commends them to the careful consideration of the electors of the Territories, and a close perusal of the facts here presented will tend to the casting of an intelligent vote on this great question over the Liberal attitude on which so much misrepresentation is being indulged in by Western Conservatives. Read, study, consider, then vote as your mature judgment on the facts presented directs.

Questions and Answers.

1. Question—Is it true that the Liberal Government intends to withhold full provincial powers from the North-West?

2. Answer—No. Hon. W. S. Fielding, Minister of Finance, speaking for the Government, said in the House of Commons on September 24, 1903, that—

"The time must be close at hand when it will be necessary not only to revise the financial arrangements of the North-West Territories, but also to take up the larger question of granting full powers of local government."

3. Question—But did not Sir Wilfrid Laurier contradict the above statement of Mr. Fielding?

4. Answer—Certainly not. The Premier busy signing papers at his desk in the House when a Conservative Member was urging that the Government wanted to withhold autonomy, said "hear, hear." On October 13th the matter was referred to (Hansard, page 11324).

5. Question—Did the Government state that they intended to sell North-West lands to meet the cost of the Grand Trunk Pacific?

6. Answer—No. In the Grand Trunk Pacific debate Mr. Sifton made the argument that a new road would give added value to a vast area of public lands in the North-West. He expected that about 50,000,000 acres there within the C. P. R. reserves of odd numbered sections would in 1901 be thrown open, and he was considering a plan to permit settlers to buy small parcels of these lands. He did not say that any wholesale transactions in these lands should be made to provide funds for the new road. Later on, when questioned in the House, the Minister of Finance declared that the Government had no such intention. Mr. Clancy alluded to the report that legislation was being prepared to appropriate North-West lands for the cost of the railway, and demanded to know if there was foundation for it. Mr. Fielding replied, "No legislation of that kind is contemplated."

7. Question—Did any Government take North-West lands to build railways?

8. Answer—Yes. The Conservative

Government prior to 1896 voted away 56,000,000 acres of North-West lands in aid of railways to be constructed in Ontario, Manitoba and British Columbia, as well as in the Territories.

9. Question—Did not the Liberal Government continue the policy of granting lands to railways?

10. Answer—No. They have not voted a single acre of North-West land to a railway, but on the contrary they have cancelled and thus saved to the people grants amounting to upwards of 20,000,000 acres.

11. Question—Did not Walter Scott in 1901 make a speech in Parliament in favor of provincial establishment?

12. Answer—Yes. In an hour's speech he explained the terms on which the North-West wants autonomy, which terms a year later Mr. Haultain embodied in a draft Bill for submission to the Government.

13. Question—Of course Mr. Borden and the Conservative party supported Mr. Scott?

14. Answer—No. They did not. They tried to ridicule his statement of claims. They declared he was asking "impossible things" for the North-West. (Mr. Lancaster, Hansard, 1901, page 2020).

15. Question—Did Mr. Scott say anything on the question in 1902?

16. Answer—Yes. When pressing the North-West Government's demand for larger money grants in 1902, he again urged the autonomy question strongly.

17. Question—What did the Government offer in justification of their inaction?

18. Answer—Mr. Sifton said that the Eastern Provinces lacked information on the subject and on this account he feared that no fair autonomy terms could at that time command a majority in Parliament.

19. Was this view of Mr. Sifton's a correct one?

20. Answer—Many facts tend to prove that it was a correct view. In 1901 the official Conservative opinion was that Mr. Haultain's terms were "impossible things." And in 1902 Mr. Borden, the Conservative leader, admitted that he was himself entirely ignorant of the matter. He said when asked if he approved Mr. Haultain's terms, that, "With regard to the details of Mr. Haultain's draft Bill with which I am not at all familiar, I do not think that these details have much to do with the matter." When a party leader lacked comprehension of the question it was too much to assume that the eastern public generally knew much about the matter.

21. Question—Does Mr. Borden now support Mr. Haultain's terms?

22. Answer—No, up to the present he has refused to express approval of the terms.

23. Question—Are the terms an important part of the question?

24. Answer—Yes, the terms form the whole question. Upon the terms will depend wholly the revenues which the new province will possess to keep up schools and carry out public works.

25. Question—Is it true that Walter Scott and his North-West colleagues in 1903 voted against a proposal of Mr. Borden to confer autonomy?

26. Answer—No. It is not true.

27. Question—Did not Mr. Borden propose to grant autonomy in 1903?

28. Answer—No. Nobody in Parliament proposed to grant autonomy in 1903. 1904 or in any other session. Nobody has voted against such a proposal because no proposal was made.

29. Question—Did not Mr. Borden make some motion in the matter?

30. Answer—Yes, in the last days of an eight-months' session when more than half the Members had gone home he proposed a milk-and-water resolution which either opponents or advocates of autonomy could vote for, merely reciting that an enquiry should take place immediately. If he was earnestly desirous that the North-West should have autonomy in 1903 or 1901, surely he would have moved to that effect at an earlier stage of the session. In the course of the late five months' session Mr. Borden made no motion of any kind in the matter.

31. Question—What did Mr. Borden say in support of his resolution in 1903?

32. Answer—He made a speech violently censuring the Government for not having granted autonomy, but still refused to commit himself regarding terms.

33. Question—Did the North-West Liberal Members vote with Mr. Borden?

34. Answer—Yes. The Conservative

den, and if not, why not?

35. Answer—No, they did not, for the reason that they did not believe that the Government was deserving of censure.

36. Question—Why did they believe that the Government was not deserving of censure?

37. Answer—Because there were reasons which made it well-nigh impossible for a provincial establishment Act to be passed in 1903.

38. Question—What were those reasons?

39. Answer—(1) Eastern public men and people were scarcely yet well enough informed upon the matter to agree to terms that would be fair to the North-West. (2) Mr. Sifton, the Western Minister, was absent in England on the Alaska boundary business, most of the session. (3) Including the Redistribution Bill, the Transcontinental Railway Contract, the Bill revising and consolidating the general railway law and creating a railway commission, and scores of other important items of legislation, the sessional programme was already exceedingly heavy.

40. Question—Any other reasons?

41. Answer—Yes, many. In the 1903 session the Government had treated the North-West not only justly, but generously; they had met practically every reasonable demand of the North-West Members and had stood by these Members in all their battles. In every fight for independent railway charters before the Railway Committee the North-West Members had the backing of the Government and won out. In several fights against the C. P. R. in the Committee (the M. & N. W. case was one notable instance) they had the backing of the Government and won out. In the fight over the Red Deer Valley Ry. land grant matter, they had the backing of the Government and won out. The Government fixed the law as regards railway fire grants to suit the North-West, and framed the railway commission law in line with the wishes of the North-West. They not only gave aid for 720 miles of new Canadian Northern lines in the Territories, but yielded to pressure and compelled the Company to sign contract rates for coal, lumber and wheat, the latter rate being on a basis of 10 cents per hundred pounds from Winnipeg to the Lakes. In a very large degree the Government met the wishes of the North-West in the details and safeguards of the Grand Trunk Pacific contract. They amended the Grain Act entirely to suit the North-West Grain Growers. They withstood the determined efforts of the Manufacturers' Association for tariff increases and adhered to the low tariff policy in the interests of the Territories. In the North-West Townships matter they finally dealt out justice to Regina, Moose Jaw and Qu'Appelle by handing over as a gift to those towns their share of the lots. They provided two additional seats in the Senate for the Territories, and instead of holding the North-West down to six seats in the Commons, which was all the provincial basis would give us, they listened to the plea that our population was increasing faster than that of the provinces and provided for ten seats. And finally, while unable to deal with the whole autonomy question, they did amend the N.W.T. Act so as to grant to our Assembly certain enlarged powers which Mr. Haultain urged would be a great advantage, and took generous steps towards minimising any grievance due to the lack of autonomy by virtually granting us the borrowing power and making the money grants practically as large as Mr. Haultain asked for. When a people are not justly treated it is their right and duty to complain, but when a people are well treated they are foolish to complain. At the end of the 1903 session, instead of deserving censure at the hands of the North-West Members, the Government were entitled to the very hearty thanks and commendation of those Members. In a year when their demands in behalf of the Territories were met in practically every particular, Messrs. Oliver, Douglas, Davis and Scott would have done a poor service indeed to the North-West had they exhibited rank ingratitude by joining Mr. Borden without any just grounds in an expression of censure upon the Government. If it is right and necessary to condemn a Government for injustice, it is not merely unnecessary but unwise and improper to condemn a Government when they have dealt justly.

42. Question—Were the conditions

the same in 1903 and 1904 as in 1901 and 1902?

43. Answer—No, an 1902 and in prior years there were three strong points of complaint. Before Mr. Borden raised the question at the end of the 1903 session the North-West Members had already succeeded in efforts to remove these complaints.

44. Question—What were the complaints?

45. Answer—That (1) the North-West needed power to charter and aid railways; (2) the lack of power to borrow money was a drawback, and (3) year by year Parliament failed under the Territorial system to grant enough money to meet the ordinary needs of local government.

46. Question—How were the complaints removed?

47. Answer—(1) By the C.N.R. and the G. T. P. bargains made in 1903 Canada's credit was pledged for \$21,000,000 for new roads in the North-West and every independent charter that was applied for at Ottawa in 1903 was granted. In face of these facts it is useless to contend that the complaint as to railways still exists. (2) To remove temporarily, until full autonomy is granted, the complaint as to the lack of power to borrow money, the sum of \$250,000 was put at the disposal of the North-West Government as an advance on capital account without interest. After the new province is established, we can, if we wish, borrow at the best rate obtainable and repay the amount into our capital of "debt account," that is, if after all in the final negotiations the sum is charged against us. It may not be so charged. In the debate regarding the Finance Minister said (Hansard, 1903, page 12329): "I do not want to make any damaging admissions because, having responsibility, it devolves upon me 'to speak with reserve, but when the time comes to adjust the debt account it does not follow that it (this advance) will be charged against the Territories.'" (3) The money grants for ordinary local government needs were made much larger—both in bulk and in proportion to Mr. Haultain's Estimates than in any former year. Indeed, the grants and the advance together made a sum actually \$100,000 larger than Mr. Haultain demanded for all purposes. In no former year did Mr. Haultain receive more than 75 per cent. of his Estimates.

48. Question—What was the sum of Mr. Haultain's Estimates in 1903?

49. Answer—"We asked for \$880,000 of 'a main vote, an increase of some \$450,000 to the Dominion vote last year, and an additional amount of \$230,000 as a supplementary to meet the overdraft,' that is the 'amount we asked for was \$1,113,000.'" (Mr. Haultain in Budget Speech, June 1903.)

50. Question—What sums were granted and voted by Parliament?

51. Answer—"A total of \$1,208,000. Of this amount \$958,000 was given as an ordinary grant and \$250,000 as a capital advance. In addition, \$84,000 was voted to rebuild two large bridges, making in all a total sum of \$1,292,000 voted for local government purposes."

52. Question—What was Mr. Haultain's demand for 1901 and to what extent was the demand met?

53. Answer—"The Main Estimates contained \$707,979 and Mr. Haultain asked for \$100,000 additional, or in all \$1,107,979. The demand was met in full, the total sum voted being \$1,111,979, besides which a sum of \$12,000 was given to complete the reconstruction of the Macleod and Lethbridge bridges. And the \$250,000 capital advance without interest remains available."

54. Question—What sum did the last Conservative Government grant?

55. Answer—"In 1896, \$242,000."

56. Question—Was that the sum which Mr. Haultain asked?

57. Answer—"No, he asked for \$387,000 in 1896."

58. Question—Did the Conservative Government in any year grant Mr. Haultain's Estimates in full?

59. Answer—"No, for the five years 1892-1896 he asked an aggregate of \$3,465,000, and he got \$2,691,593, or 77 per cent."

60. Question—How have the Liberal Government's grants compared with that?

61. Answer—"For the five years, 1899 to 1903, Mr. Haultain asked a total of \$3,465,000, and he got \$2,691,593, or 77 per cent."

62. Question—What percentage was granted in 1903?

63. Answer—"87 per cent. The request

was for \$1,113,000, and the grant was \$958,000. The \$250,000 advance and the \$84,000 bridges item were additional."

64. Question—What percentage was granted in 1904?

65. Answer—"More than 100 per cent. The request was for \$1,107,979, and the grant was \$1,111,979, the \$42,000 bridge item being additional."

66. Question—Then not counting the capital advance at all, the ordinary grant is better than was ever before obtained?

67. Answer—"Yes, very much better. In years gone by the Conservative Government grants were meagre in comparison. For instance, in 1892 only 53 per cent. was given; and in 1894, 55 per cent.,—just a fraction more than one half of the amounts asked."

68. Question—Did Mr. Haultain expect to get the full amounts which he asked for in 1903 and 1904?

69. Answer—"It is impossible to think so, looking at the record in all previous years. The full Estimates were never before granted. The Conservative Government gave him roughly only half of what he demanded. In 1902 the Liberal Government gave him 75 per cent. which was better than was done in any previous year."

70. Question—Did Mr. Haultain solicit the assistance of the North-West Members?

71. Answer—"Yes."

72. Question—To press for autonomy or better money grants?

73. Answer—"To press for money grants; he knew in March or even earlier that no provincial establishment Bill could be passed in 1903, and he did not ask the North-West Members to press for autonomy."

74. Question—What did the North-West Members do?

75. Answer—"Together with Hon. J. H. Ross they pressed the financial needs of the Territories upon the notice of the Prime Minister and Finance Minister with the result that on April 16th, 1903, Mr. Fielding wired to make for the year, as follows: To pay the \$250,000 deficit from 1902, to grant \$158,000 for 1903, and to advance \$500,000 on capital account."

76. Question—Was this satisfactory?

77. Answer—"No, Messrs. Haultain and Buleva on 17th April wired to Mr. Scott expressing pronounced dissatisfaction. They said: 'The ordinary annual grant must be largely increased before we will consider the question of a capital advance.'"

78. Question—What then?

79. Answer—"Mr. Scott wired the following question: 'What amount addition to Main Estimate of \$458,000 apart from the quarter million to meet deficit do you require?'"

80. Question—What was the reply?

81. Answer—"Mr. Haultain wired on April 18th: 'In addition to the supplementary vote of \$250,000 the Main Estimates should be increased at least \$200,000. This very least possible amount as we have shown 'Estimates for \$100,000 increase. See statements. This for your information and not official. Capital Advance satisfactory if unconditional and not charged with Debt and Old Man bridges.'"

82. Question—Did the North-West Members induce Parliament to grant what was asked in this message?

83. Answer—"Yes, and even more. Instead of the \$200,000 addition to the Main Estimate they got \$250,000, or \$50,000 more than was asked. They presented to Mr. Fielding the following Memo:

84. Memo. re N. W. Assembly Grant. Main Estimate to be ... \$157,979 Supplementary to cover deficit ... 250,000 Supplementary for 1903-04 ... 250,000 Amount for capital advance (to be available for work not yet undertaken) ... 250,000 This proposition is considered the least provision that will enable the N. W. Assembly to carry out absolutely necessary works."

85. Signed: JAMES M. DOUGLAS, WALTER SCOTT, THOS. O. DAVIS, FRANK OLIVER.

86. Eventually the Government agreed to the above proposals in full.

87. Question—Were the North-West Members satisfied?

88. Answer—"How could they be other than satisfied? They demanded even more than Mr. Haultain requested them to demand, and the Govern-

ment met their demands in every particular."

89. Question—How could they, then, be expected to join Mr. Borden in censuring the Government?

90. Answer—"They could not in fairness to themselves or to the North-West vote censure on a Government which had done precisely what they asked to have done."

91. Question—Did Mr. Borden approve the money grants and capital advance?

92. Answer—"He made no statement of approval, and gave absolutely no aid towards obtaining increased grants, but in his campaign literature Mr. Borden denounces the Government for giving too much money for North-West local government purposes. He points to the small amounts voted in 1896 and previous years and to the vastly larger amounts voted now as 'Proofs of the Gross Extravagance and Incompetency of the Liberal Government.'"

93. Question—Where is this condemnation by Mr. Borden to be found?

94. Answer—"In a Conservative campaign sheet headed 'Canada's Indictment Against the Government.'"

95. Question—What is Mr. Borden's real position?

96. Answer—"It is that Parliament is voting too much money for North-West local government and that we must accept the provincial basis, but he refuses to approve the terms which we ask for in our provincial proposition."

97. Question—What does autonomy mean? In other words what powers would come with provincial establishment which we do not already possess?

98. Answer—"The North-West since 1897 has had a large measure of autonomy. The Conservative Government up to 1896 refused to grant responsible government. (See the late Mr. N. F. Davin's statement in Hansard on 1897, page 4116). In 1897 the Liberal Administration put through a measure granting full responsible government. The only powers now lacking are (1) To borrow money on the public credit; (2) To charter railways, and (3) The administration of criminal justice and the land titles system."

99. Question—Would possession of these powers not entail responsibilities and expense now borne by the Dominion?

100. Answer—"Yes, but on the other hand is fair financial terms are granted the new province would possess also revenues to meet the additional expense."

101. Question—At this moment, are the people of the Provinces better off as regards local government than the people of the Territories?

102. Answer—"Probably not as well off. The North-West settler is more lightly taxed than the people in any of the Provinces."

103. Question—Is it a right thing, then, for any person to try to lead the North-West settler to think that he is suffering injustice by being deprived of autonomy?

104. Answer—"Fair comparisons fail to show that any injustice is being suffered. British Columbia has possessed full autonomy for a generation and recently has had to provide for a \$1,000,000 loan at 5 per cent. to pay her floating debts, besides imposing direct taxation to an almost unbearable limit. The present position of the Territories is undoubtedly vastly better than that of British Columbia with her full provincial powers and revenues."

105. Question—Does British Columbia own and control the public lands, etc.?

106. Answer—"Yes, she has had for a generation full control of all timber, mineral and public lands. British Columbia in fact possesses every right, power and advantage which the North-West in the autonomy terms asks for."

107. Question—What about Manitoba?

108. Answer—"In the matter of subsidy or money grants Manitoba offers a chance for fair comparison, because when a Conservative Government in 1870 made Manitoba into a province they did not give her control of the public lands. In this respect, therefore, Manitoba and the North-West up to the present time are under similar conditions."

109. Question—How do they compare as regards subsidies?

110. Answer—"Under her provincial establishment terms Manitoba ten years ago was receiving an annual subsidy from Ottawa of \$187,594, based on population of 152,506 as shown by the 1891 census. In 1904 Manitoba with population (by the 1901 census) of 255,211, receives a subsidy of \$533,827. The population increased in ten years 67 per cent. and the subsidy increased 22 per cent."

111. Question—Does the comparison prove that autonomy would be disadvantageous to the North-West?

112. Answer—"No, but it shows that the question has two sides, and that it should not be dealt with hastily, but carefully, so that fair financial terms may be assured and so that no mistake may be made in a bargain which will bind the people of the North-West forever."

113. Question—Has the C.P.R. tax exemption question any bearing on the autonomy question?

114. Answer—"Yes. The Manitoba Supreme Court school district test case judgment means that the right exists now to tax for school purposes both C. P. R. lands and C. P. R. railroad property. The further question was raised as to the right to tax for municipal and general purposes,—whether as long as we remain Territories the contract tax exemptions apply. It is clear that the establishment of a province would leave Parliament in duty bound to secure the C. P. R. Co. in its contract right to exemption from municipal and general taxation on (1) the lands for 20 years from the date of the grant and on (2) the railroad property forever—unless a prior surrender of the exemption rights were obtained from the Company. There is reason to hope that until a province is formed the Company's right to exemptions does not exist, in other words that while we are Territories we can tax for municipal and general purposes as well as for school purposes."

115. Question—Will it be an advantage to delay the grant of autonomy until this tax exemption matter is settled?

116. Answer—"Yes, decidedly, if in the meantime we do not suffer as regards railways, and public works and general revenues. At present we are not suffering, except to the extent that the failure of the Assembly to use the capital advance is preventing the construction of some needed public works. If in this matter we are suffering it is our own fault, and not the fault of Parliament."

117. Question—How will the tax matter be settled, and in what way will it be advantageous to have it settled first?

118. Answer—"By decision of the Judicial Committee of the Privy Council in England, and the advantage of getting it securely settled first is that if the contention is sustained that as Territories we have the right to tax for all purposes, then the C. P. R. Co. will be in a position where they can be compelled to agree to a surrender on fair terms of the exemption rights they would possess in a new province, while on the other hand, to create the province now before the final judicial decision is obtained and before the negotiations for a surrender can be commenced, would mean either that the North-West would forever bear the handicap of the exemptions or that Canada's treasury would forever have to pay the Company's tax bills."

119. Question—Is the exemption matter really important?

120. Answer—"Yes, it affects all future generations, and he would be a bold man who would attempt to calculate the amount that the C.P.R. Co. should be paying in taxes upon its 750 miles of road bed in the North-West, with stations, shops, etc. one hundred years hence. In British Columbia even now railroads are taxed on an assessed value of \$10,000 per mile. In all the other provinces and States increasing taxation is being collected from railway corporations; and in years to come it is fair to assume that the properties of these cor-

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