Mr. W. F. MACLEAN. I want the answer to it that the people of Manitoba gave.

Mr. SCOTT. Was the action of the government of 1884 not in accordance with that report? Of course it was, and the lands were withheld from the province of Manitoba. I do not say that I agree with every sentiment expressed in this report. But our friends opposite are extremely suspi-cious of the intention of the present government in dealing with this subject in the same way as their predecessors dealt with it. Are the suspicions of hon. gentlemen opposite based on their experience of twenty years ago? The leader of the opposition (Mr. R. L. Borden) made some reference for the fourth or fifth time, to the idea that the government here is going to the United States for a precedent. And he spoke for the fourth or fifth time of the British practice with regard to lands and put the question: What would have been the result with regard to the northern half of the North American continent if the British practice of many years ago had not been changed. The obvious answer is that the British Crown would have lost British North America as she lost the thirteen American colonies. But it seems to me that the cases put by the leader of the opposition are not parallel, and, if my hon. friend will look further into the matter, I think he will agree with that view. What did the United States do? Immediately they obtained their independence, the first thing they did was to provide for control of all lands throughout the United States by the central government. I think that is sufficient proof that the cases are not parallel.

Mr. SPROULE. Am I correct in understanding the hon. gentleman (Mr. Scott) to say that the United States government held control of all the lands?

Mr. SCOTT. I understand that to be the case, with the exception of perhaps the state of Texas.

Mr. FITZPATRICK. Outside of the original states.

Mr. SPROULE. Did the United States government hold the lands in the state of Michigan?

Mr. SCOTT. My hon. friend the Minister of Justice (Mr. Fitzpatrick) states that they held it outside of the original states.

Mr. SPROULE. Let me understand. Was Michigan one of the original states?

Mr. W. F. MACLEAN. No.

Mr. SPROULE. Because, I lived in Michigan for a time, and I never heard or knew anything of the United States government, holding the lands. When a man got land he got it from the local agent of the state government.

Mr. SCOTT. Certainly the states west of the Mississippi river do not have control of their own land. In those states the lands are controlled by the federal government. I was going on to say that if I could get satisfaction as to how our local governments were going to carry on their business without the amount of money paid in lieu of the lands—even if the lands were to be transferred absolutely, without string on them—certainly with the string suggested by the leader of the opposition and stated to be necessary by the report I have just read, that the provincial government must maintain the free homestead policy, the local government's difficulty in obtaining revenues would be greater,—I, for my part, would have less objection to the local government assuming the responsibility of administering these lands.

Mr. SPROULE. The report the hon, gentleman read laid down the principle in regard to the Manitoba lands, that the government were bound to the world to give free homesteads. That would take away balf the land, but we would hold the other half. Could not the province do exactly the same thing, giving every alternate section as a free homestead and reserving the others for sale?

Mr. SCOTT. Will the hon. gentleman tell me that after giving away the even numbered sections as free homesteads the local government will get enough out of the odd numbered sections to enable them to carry on their business? Parliament has had these lands in its control for thirty-five years and its experience so far is that, with the free settlement policy, it has not made a cent out of the lands, in fact it is about \$1,000,000 behind. I have a calculation to show the amount that these new provinces will receive in the next thirty-five years under the arrangement proposed by the government. In the first place it is proposed in the resolution that the sum of \$937,500 is to be paid to the two provinces as a special grant from the land fund for public buildings within the next five years. Then, within the same period the two governments will receive as ordinary land subsidy, \$3,750,000. And if, at the end of five years it is found that the population of each province has increased to 400,000 souls, which is altogether likely, in the succeeding five years the two provinces will receive a total of \$5,625,000 from the lands. I calculate that, at the end of that period of five years the population of each province will be 800,000, in which case, in the next period, they will receive \$7,500,000 for the two provinces. If, at the end of that period, the population has increased to 1,200,000, the payments will amount, within the next period of five years, to \$11,125,000. Then in the fifth period the amount will be equal, \$11,-125,000. In the sixth period the same, in the seventh period the same, bringing us