THE TERRITORIAL POSITION

AS PRESENTED BY PREMIER HAULTAIN BEFORE THE LEGISLATURE, 13TH SEPTEMBER, 1898.

The Present is a Year of Financial Jubilee by Reason of Large Revenues Coming From an Unexpected Source—In Future Years the Revenues Will Fall to the Old Figures, Small Enough Before, and Totally Inadequate Now—The School System and Other Institutions Whose Growth Means Outlay, Advancing by Leaps and Bounds—The Only Remedy is Provincial Establishment if Parliament Fails to Very Largely Increase the Territorial Grant.

MR. HAULTAIN in moving the House into Committee of Supply on Tuesday, 13th Sept., 1898, stated at the outset that every item of the Supplementary Estimates which the House was asked to vote would be found to be of a purely practical nature. Besides the supplementaries for the year 1898, there was an Estimate of $60 000 for 1899 to provide for carrying on the public business until the time that the House would be called to meet in that year, that was to say after the end of the present financial year. The reason for the policy of asking this $60,000 vote he would explain later.

LAST YEAR'S EXPECTATIONS.

The House would recollect that last year Supply was voted for 16 months instead of for an ordinary year. This course was adopted for several reasons. Up to the present the Territorial financial year has ended on 31st August, and under the old system followed by Parliament in the voting of the North-West grants which compelled the Assembly to hold its sessions in the summer or fall, that date was the most expedient. Now, however, the Assembly grant from Parliament is paid half-yearly as a subsidy, which enabled the Assembly to alter their financial year and make it coterminous with the calender year, which would be more convenient from many points of view. The reasons for the change were very fully discussed last year and he would not repeat them. It had been foreshadowed last year that the House at this session would be asked to vote certain supplementary items—for expenses of this session, to provide for the expenses of the general election, and to provide the grants to agricultural societies. They had estimated for supplementaries for these purposes to amount in round numbers to $40,000. The amount now asked far exceeded that amount, and he would try *to justify the excess.* The total revenue arising from all sources from 1st Sept., 1897, to 31st August, 1898, amounted to $542,772.11. At the 1897 session the House appropriated $372,510.82, having then in view an additional $40,000 to be voted as supplementaries this year as he had explained. However the actual balance between the amount voted last year and the total amount of the revenue was $170,261.29. The House was now asked to vote $163,925 24 instead of $40,000, and even then there would be left in the bank a sum exceeding $6,000 to go to swell the revenues of 1899, and this calculation did not include a sum of $28,000 collected for retailing permits in Yukon which also would go to the amount to be voted by the new Legislature for the services of 1899. So he could say at once that while they asked an extraordinary amount for supplementaries they were not overstepping the limits, and were not entrenching a single dollar on the amount properly belonging to the new Legislature. Besides the $6,000 balance, and the amount to come from Yukon, there would be several small unexpended balances to go to the fund for next year. It was thought that as the present Legislature ends within the present year and this was the last session, the Supply for 1899 would more properly come within the jurisdiction and work of a new House. There had been a very large *temptation* to do as was always done elsewhere, and as would be done here if this had not been the last session of an expiring legislature, namely, vote the Supply for the succeeding year. The Government could have brought down really magnificent estimates, adding next year's supply and this year's supplementaries together,—an amount between $500,000 and $600,000. That would have made a *splendid* showing in one sense, gratifying *to the House* and to hon. gentlemen's constituents. But they deemed it proper to resist, and they had resisted, the temptation. It would be possible for the new Legislature to meet soon after the elections; the new House would be called as soon as possible. It was the proper course for this House to leave to its successor the business of voting the supply for next year, and confine itself to dealing with what legitimately belonged to it. They would not, for the sake of making a good showing and bringing down splendid estimates, depart from a good sound constitutional principle; and they would not anticipate the business of the next year which came within the province of a House yet to be elected.

THE REALIZATION OF THE YEAR.

The increase in the revenues for this year had been extraordinary and unexpected. The largest increase was from fees for wholesale liquor permits for the Yukon. From this source the revenue was $122,000 to begin with. From fees for enrollment of advocates there had been considerable revenue, which also was caused by the rush to the Yukon. It was not surprising that there had been a rush of lawyers to that country. The great movement of people into the gold fields, the likelihood of many legal conflicts arising out of disputed claims, etc, and the large fees to be hoped for, were doubtless a great attraction for professional gentlemen, apart altogether from the possibilities existing for any man to become possessed of a valuable mining claim himself. The business likely to arise out of the gold claims was sufficient to induce a rush of professional men, and the Territorial revenues reaped some $2,000 from fees for enrolment of advocates. Fees from appointment of notaries exceeded the estimate by $290. In all the Yukon yielded a revenue of more than $124,000,—an amount not calculated upon at all in the estimate of revenue available for this year made at last session. The ordinary local revenue had also taken an unexpected jump. They estimated it at $30,000. For a number of years the local revenue had been nearly a fixed amount, but this year it had exceeded the estimate and exceeded the amount derived from local sources in former years by between $10,000 and $12 000. So in addition to the sum of $40,000 of their estimated revenue left unvoted last year, they had now a further sum of about $140,000 in round numbers belonging to this year, and which this House might be asked legitimately to vote.

NO LACK OF NEED FOR THE INCREASE.

If they had much larger revenues this year, they found also that there were larger expenses to meet The legislation of last session had led to an incalculable increase in the work of the public offices. The increase could not be put down to any particular new policy adopted, excepting the case of brands registration; but the ordinary everyday work of the offices had increased fully 40 or 50 per cent. No one not right on the spot could notice the increase or see the reasons for it, but it was a fact experienced in every department that the work had increased simply by leaps and bounds. Possibly it was partly due to the organization of government and the institution of regular departments—to the change from the vague system under which no one was definitely responsible and there were no organised departments, to the system of organised departments and appropriate individuals being appointed for the public to write to. For instance he had himself the honor to hold the title of Attorney General. The mere appointment of such an official had seemed to lead to a tremendous increase in the correspondence of the office. Every Justice of the Peace considered that he had a right to obtain information and advice upon all the business coming before him from the Attorney General, and others availed themselves of the opportunity afforded by the appointment of a law officer of the Crown in the Territories, to seek free legal advice and information. While it was not a part of the Attorney General's duties to deal out legal advice to every one who asked for it and upon every case or subject upon which his advice might be, and was, asked, yet he had attempted in all cases to give the benefit of his opinion when it was asked, and when there was nothing in the nature of the conditions or cases submitted to him to prevent him giving an opinion. In only a few cases he had been obliged to refuse the requests of gentlemen who sought his advice. The Attorney General's department was not nearly so directly in touch with the people generally as some other of the departments, but the work of the Attorney General's office had increased beyond all anticipation,—beyond any estimate that could possibly have been made. The general idea seemed to be that the Attorney General was appointed to give free advice, and often it was a very difficult and delicate task to lead people to comprehend that their cases were not of a public nature and involved no point of public interest, and should therefore be entrusted to a solicitor. But as he had said, whenever he was able he had given opinions to Justices and to individuals as well; he had sometimes perhaps strained a point to lead himself at least to believe that the cases submitted were connected in some way with the public interest, and only in one or two instances had he refused to give the best opinion he could give on points submitted.

INCREASED WORK AND NEW OFFICIALS.

Two notable items in the Estimates were asked to provide salaries for two new officials who had been appointed since the House last met. The House was asked to vote the salary for, and ratify the appointment of, Mr. Robson as law clerk, and for Mr. Peterson as deputy in the Department of Agriculture. In neither of these instances did he think there any call for apology. He could personally say for Mr. Robson that he was a first rate man for the work. There had for a long time been a constant demand for a law clerk in the House. The want had been long recognized of an official skilled and trained in the work of drafting legislation. There was a long standing feeling that the sooner they could see their way clear to the engagement of a law clerk, the better it would be for their legislation and general business. Mr. Robson would, too, fill the post of deputy to the Attorney General. In that regard he could only say that in view of the increase in the business of the office it had become a physical impossibility for the political head of the department to give the attention demanded to all the routine of the office. The House could have no idea of the number of points involving professional opinions, which came to the Attorney General's office, not alone from the outside public, but arising from the work of the other departments. From the work of the Public Works department there arose an innumerable and constantly increasing number of references—from the Statute Labour system, in regard to elections held under it, powers of Overseers and questions of assessment. So with the Education department. Under their system of schools there were constantly arising difficult and complicated questions which properly belonged for settlement to the law department of the government. From all their departments, in fact, there were points continually coming up which had to be considered in the Attorney General's office. Under the Public Works department, again, there were questions of trails and road allowances, often intricate questions relating to titles involving business with the registry offices, and which could only be handled by the Attorney General. The same was true of the Irrigation administration. He needed only to mention some of these points, and to leave the House to understand and appreciate the nature and amount of this kind of work. All the subsidiary work respecting municipalities and like institutions brought the departments into very direct contact with the people on many questions involving legal points and questions of very important and often serious public interest,—points and questions upon which the departments must be in position to give well considered opinions. Again, prosecutions under the Ordinances were on the increase,—under the Liquor law particularly. The Government had been pushing the inspectors and during the year there had been a largely increased number of prosecutions, and no less than 21 convictions, a number equal to one-fifth of the licenses granted, and from which $1 900 had been received in the way of fines. Under the Prairie Fire Ordinance and other Ordinances there were constantly arising points, cases and work, which with his other duties—the Attorney General presided also over the Treasury and Schools departments—the member of the Government occupying the position of Attorney General could not begin to even casually consider. The time had come to install permanent men over the departments, and to cease confining the political heads to the clerical and routine work of the offices. The members of the Government were expected to give consideration to new legislation and to develop new policies; they should be enabled to travel through the country to keep in touch with the people and to keep acquainted with the conditions of all portions of the country. The men entrusted with the policy of Government had larger and more important work to engage them that the clerical and routine duties of the offices, and should not be held down in the office chairs attending to routine work which a reasonable addition to the staff could cope with and do well. In the past the routine work which the political heads were obliged to attend to had been too large. It had become a matter of difficulty to attend even to the daily mail, and in the multiplicity of affairs of detail which could not be avoided sometimes matters of larger interest had to be put to one side. The necessity of having permanent men in charge of the departments had been dwelt upon soundly in former years,—men whom political changes would not disturb and who would understand the law and the policy of the departments. The policy he referred to was quite distinct from the political policy. Certain rules and lines would be followed in the departments, which would be the same no matter what administration was in control. Such permanent heads were absolutely necessary for the continuity of public business,—men trained and skilled and experienced in the office and departmental administration. The political heads might come and go,—they were always liable to change. At one stage of the not remote history of the Territories, so much of the knowledge of the detail and business relating to the government had been confined to the mind of an Executive Committee, that if a political revolution had removed the occupants of the offices or had illness taken away the members, a very great deal of the essential knowledge of the business would have gone out with them, because the staff was insufficient and because there were no permanent heads having hold of the threads and details of the business. He had personally often felt that his successor would have a nice amount of work just in gathering the threads and details. The appointment of an agricultural deputy would be bound to commend itself to the House. He would not need to dilate on the importance of that department. Agriculture was the main industry of the Territories, and the policy of the Government should be directed to the promotion of the interests of and the development of that industry. They were initiating a policy. The House was not asked to devote a large amount of money towards it, but they were making a departure, a commencement. The Agricultural department, although its scope and interest were large and most important, was not itself large as yet. There were just the deputy and one clerk at present, and no doubt, with possibly an assistant or two, this staff would be able to carry on the work for some time to come. Though the expense was small the department was not the less important and they could all sincerely hope that it would fast grow in usefulness.

THE BRANDS CHANGE.

In the present year the aggregate expenses of the offices had been extraordinarily large. The extra work had been occasioned not only in the manner he had been describing, a more or less legitimate increase; but a more extraordinary, and it was to be hoped temporary, increase was caused by the change in the Brands registration system adopted by the House last year. It was always easy after the event to see what might have been done better. He was willing to admit that if they had allowed a longer time within which to effect the change a great deal of the rush of work would have been avoided as well as a great deal of the trouble and unnecessary friction. He said this simply by way of retrospection. The was no use in dwelling on what might have been. The gift of prophetic insight had not been given enough play in the circumstance. The change was made the harder by the very incomplete state of the old records, and by the fact that many people did not get hold of the effect of the new law. He did not intend to take up any time with the subject, which would be fully dealt with by his colleague from Moose Jaw. The working of the new system had brought a revenue of $2,300 which more than paid for extra work and clerical services which the change had necessitated in the offices. The work had been very great. No less than 4,600 letters were received, and 8,000 communications had been sent out from the office, 2,500 of them being circulars. The applications numbered 5,000, and 3,700 brands had been reallotted, or originally allotted. Each application and each brand dealt with involved more or less work. There had been two single cases of defective brands which took the time of one man two whole days to straighten out—a man who was skilled in the subject and who was brought down from the stock country temporarily to deal in a scientific way with the work of changing the system. He was a man familiar with all the western brands and yet it took him two whole days to reach a determination in those two cases. This fact would enable the House to have some idea of the difficulty and amount of work which had been done. A great deal of the work done in the offices in the past year was new work, and there had been a redistribution of the officials. While the total expense had increased, the increase was entirely due to new work. The general tendency was to simplify the work. In the Education and Treasury offices and in some of the subsidiary branches there had been certain simplification and lessening of expense. There were fewer officials in these offices than formerly, while the work had certainly not become less. New work was being dealt with by the new departments, and new officials were established only when they became necessary from the point of view of usefulness and convenience to the people of the country. The Government could claim that they were keeping to their policy and their traditions and were doing the work with the smallest staff compatible with the public interest. No one knowing the work which had to be done could cavil, and he stated a fact when he said that there was not a single unnecessary official in their employ. During the year the staff had worked night and day endeavoring to keep up with the business arising,—the officials had worked over hours not only for weeks but for months at a stretch, and even then there had been absolute necessity for the employment of extra temporary clerks. He had taken the ground in conversations with his colleagues, that whenever it was shown that the staff was unable to cope with the work, he would rather take the responsibility of employing additional assistance and depend upon the House to sustain the action, than to come down to the House and meet the complaints which were sure to be heard if the work were not done. He could honestly say and claim that in every case where they had engaged an extra clerk or had made a new appointment, there had been an actual requirement.

ITEMS OF THE ESTIMATES.

The Public Works items he would leave to Mr. Ross to explain, who was better qualified to enter into the details. In a general way he might say that in the supplementaries there were votes asked for a few new items, but the bulk of the items were for works which had been pressed for last year but could not be provided with the means then at the disposal of the House. The works for which votes were now asked were works which could be done and would be done this year; of course they would of necessity be done this year or the money would lapse. Of the new items, there was one for a Territorial map. There was not at present any up-to-date map of the Territories. The map would include the electoral districts to be made at this session. The House was asked to provide for 10,000 copies, and they would be ready very shortly after the House rose. Including the Statute Labor, School and Legislative Assembly districts, the map would contain a large amount of very valuable information taking the place of letter press description. The showing of the useful institutions of the country would constitute a valuable object lesson. It would be an unwritten pamphlet on the North-West Territories. There was a vote for the expenses of the inspection of steam boilers, which service is expected to return sufficient in fees to pay for itself and perhaps show a slight margin to the good. There was a vote to pay a portion of a bonus to a man at Wetaskiwin, the circumstances of which were the following: From the district grant a bonus of $500 had been promised to the man in consideration of his building a flour mill and operating for three years. After one year's operation the mill was burned. It was insured in favor of the Government, who received the $500 from the policy. The man had operated the mill for one-third of the term of his agreement, and it was thought right that he should receive one-third of the amount of the bonus. In regard to Public Works, Mr. Haultain hoped that in future years the Estimates would assume a different form, and that there would be fewer items for small works than had been necessary last year and were found necessary this year. Now that between 400 and 500 Statute Labor Districts were organised and would be better able to cope with the smaller works and improvements as the organisation became more effective through experience of its working, it could reasonably be hoped that year by year the Estimates would contain items for fewer small works, leaving the fund to be devoted to larger and enduring works which would live and go down to the credit of the members whose privilege it might be to recommend them and of the Government which might construct them. Nevertheless this year the position in regard to public works was most gratifying. Without drawing a cent of money legitimately belonging to another year, the House was able to vote, including the amounts voted at last session and the amounts asked in these supplementaries, a total sum of $197,385.00 to be expended on public works and improvements in the 16 months ending 31st Dec., 1898. This splendid showing of course carried with it its own danger. Unless the funds of later years were increased as this year's funds had been, from some unexpected source, they must drop again to the commonplace amounts of former years. In a way they were courting future disappointment. However the money they had this year rightly belonged to them, and it ought to be spent by them, without concern as to what might happen in the future. The items included provision for the construction of bridges and culverts, and repairs to public works. The expenses for repairs would increase from year to year, as larger works were erected. A point had been arrived at when many of the works constructed years ago were showing the necessity for repairs. Whenever a road or a bridge became necessary and was constructed, there followed the necessity of keeping it in repair. Some of the items in these supplementaries would stand to the credit of future years in a sense. The tools, supplies and implements provided for would not outlive their usefulness this year. Not an item could be found in the public works list which was not of a distinctly practical nature.

GROWTH OF EDUCATION.

Education was one of the most important subjects dealt with by the Assembly. The House was asked to pass a very large supplementary vote for grants to schools. An amount was voted last year which was estimated to be sufficient for the 16 months. At last session he had given indication of certain circumstances which might lead to the necessity of making an additional vote this year, but the sum they were now obliged to ask ($25,000) was both extraordinary and unexpected. It made a serious drain on the general resources, and withdrew a very large sum from the amounts available for other purposes. On the other hand the circumstances and conditions which made necessary the drain and the withdrawal were matters of congratulation, however much they might grudge the inroad. In the Estimates at the 1897 session, the Government had estimated for an increase in the number of schools and school children at a rate proportionate with the rate prevailing in previous years. However, it was found that the ratio of increase in 1897-98 in the number of teachers employed was twice as great as the ratio of increase in 1896-97. The House would at once recognize that this fact necessitated an increased expenditure, and at the same time that it was a subject for congratulation. The increase in the number of children attending the schools amounted to more than twice the ratio of increase in the previous year. This was altogether astounding although very desirable. By the system of grants an amount was paid for every day that every child attended school, so that a large addition to the school attendance meant a large addition to the school grants. Another unexpected increase arose from the re-opening of no less than 13 schools which had been closed, and of which there had been no reason last year to expect the re-opening. On the contrary it had been expected they would be disorganised as they had seemed to stand in the way of re-erections of different districts. But they had suddenly revived, and they alone represented $3,000 of the amount now asked to be voted. Last session he had drawn attention to the decrease in the number of holders of 3rd class certificates employed. The tendency was to employ the teachers of higher qualifications. The move was welcomed as being in the right direction in the interests of the schools, but they had had no idea how fast the movement was to go on. This year 3rd class teachers represent only 18 per cent. of the number of teachers employed in the Territories. This was a splendid showing. It was a very significant fact that the number of lowest grade teachers engaged in the new Territories was smaller than the number engaged in the old and rich province of Ontario. In that province more than 50 per cent. of the teachers are holders of lowest grade certificates as against only 18 per cent. in the Territories. Speaking comparatively as well as absolutely the fact spoke volumes for the nature of the education given in the common schools of the North-West Territories, and showed tha the trustees and ratepayers in this country appreciate the better qualified teachers. But their appreciation causes increased expenditure. Higher grades meant higher grants, and imposed an additional burden on the resources of the Assembly, a burden, however, they cheerfully recognised and met. The larger salaries paid to higher grade teachers affected the grants, as in a measure the grants were governed by the salary paid the teacher. Another feature of the increase was the changing of many of the shorter-term or "summer" schools into yearly schools, or which if not keeping open for the full year were prolonging the summer sessions. The Ordinance held out inducements for regular attendance, which also tended to increase the attendance and likewise the grants. The general effect of the system of grants adopted two years ago had been to increase the attendance in summer schools. First there would be an increase in attendance, then the schools would be kept open a longer term, and finally the summer school changed to a yearly school. All these features showing the rapid development of the school system must be gratifying to every one interested in the education of the young people of the Territories. From a strictly financial point of view the increase was a misfortune, but on the other hand it was a source of gratification.

AGRICULTURAL INTERESTS NOT NEGLECTED.

The next feature of the Estimates had to do with Agriculture and Statistics. The Government had not been able yet to complete the scheme foreshadowed last year respecting agricultural societies and exhibitions. That the present plan of holding many small shows was simply a dissipation of money and a scattering of energies, all would agree. But the matter was a delicate one. Local habitations were likely to resent interference with their self governing powers; and it had to be admitted that in the early days the small societies did a very excellent work. They had filled an unoccupied place and had been a distinct advantage to the new institutions growing up under pioneer conditions. So far as their resources and organisation admitted they had done well. But the time has passed by when they met the requirements and conditions of the country. The Government were, however, not prepared to deal with the question now. If the elections resulted as they hoped, a scheme would be ready for submission to the House at its next session. Under the heading appeared two items which were new departures and the direct result of the establishment of an Agricultural department. The House was not asked to risk any great amount of money in this branching out. Any branching out they could do was of necessity very modest. No matter who was in control, there were certain services which had to be met; and when those services were met there was not much money left for new schemes or any brilliant policy. Their Estimates had always shown a desire, and their policy had always been, to have their institutions grow up with the country. They had always endeavored to grapple with conditions as they arose, and to have their institutions keep pace with the development of the country. It was in this spirit that they now endeavored to deal with the interests of agriculture and stock raising. The policy in regard to the latter interest would be to encourage "breeding up." In the western part of the country particularly there was no question but that there had been in the last few years a most undesirable deterioration in quality of the cattle on the ranges. This was partly owing to the fact that the large owners had gone out of breeding. The quality and value of the herds were not what they were eight, ten or twelve years ago. This statement applied to the west; possibly in the eastern part the tendency had been the other way. While the early herds in the west had been of splendid quality and value, the rule with the settler in the eastern part had been that the first cattle he obtained were not of very good grade. At any rate all would agree that "grading up" in both east and west would be a very great benefit; and anything which would tend to encourage this desirable improvement without making too large inroads upon their resources, would be good policy to adopt. The method proposed was to make arrangements for the transportation of thoroughbred animals at nominal cost to the purchaser; to this extent, that a thoroughbred animal might be landed at the home of the purchaser in the Territories at just the cost of the animal in the eastern province or wherever else purchased. Distance would simply be abolished so far as concerned the man in the Territories who wanted to procure a thoroughbred sire. The amount asked for this purpose ($2,000) was very small; in fact it looked to be an absurdly small expenditure in view of the very great importance of the project, but the Government were satisfied that the amount would meet the needs of the service. Another amount of $2,500 was asked to initiate experimental work. Anyone who had visited the district surrounding Indian Head must have been struck with the splendid crops and the generally flourishing condition of the district. The special success attending farming in that neighborhood could not be due to any superiority of soil or conditions as compared with other districts; the success was due in great measure to practical facts relating to agriculture which the farmers there obtain,—to the advantage they have of seeing scientific farming carried on under the identical conditions prevailing on their own farms. The example offered by the Indian Head experimental farm, although unfortunately confined to the few who live immediately around it, was still productive of practical good of which the Indian Head district was the standing proof. Excellent as was the work of the Indian Head farm, its usefulness was very largely confined to the neighborhood possessing the same soil and conditions as prevailed on the farm itself. The experiments which proved that a certain kind of wheat could be successfully grown at Indian Head, would not prove that the wheat could be grown on different soil and under different conditions. A trip of 40 or 50 miles in this country would often show totally changed soil and climate, and the method good for one district might not be good for the other. So from the broad point of view, the work of one experimental farm in a country having so many varieties of soil and conditions as the Territories, could not have any large practical use or importance. Everyone would admit the value of experimental work, and the question was, could this Government undertake the work with advantage? They believed they could do so. As the amount asked for would indicate, there was no proposal to buy farms or attempt any scheme which would involve great expense. They would be confined to work in the way of results and lessons,—the dealing with questions concerning the every-day work of the every-day farmer. Their plan would be severely practical. He had no doubt they would find farmers in every distinct locality who were interested in experimental work, and would be willing to carry it on. He thought there would be no difficulty in finding good farmers to devote a few acres to experiments with seeds, grains, vegetables and other things in return for a small amount to cover the cost of the labor expended in the operations. The next item related to hide inspection. Possibly he was anticipating committee work by explaining these small items, but explaining them now might save time in committee. Under the old Ordinance hide inspectors were appointed who were remunerated by fees. Owing partly to a fault in the law, and to an unfortunate turn taken by certain cases being prosecuted, certain inspectors had not been able to enforce the collection of their fees. This direct loss to the inspectors was occasioned by a fault of the Ordinance and by difficulties in regard to proof which would have attended the prosecution of the cases, and the Government thought it right that the recompense of the inspectors should be made good. The House was asked to vote an additional $1000 for the 16 months to hospitals. They had never been able to give to hospitals the amounts which it would be desirable to give if the Territorial financial conditions were more favorable. The hospitals of the Territories were doing splendid work. Under an Ordinance the Assembly provided for certain grants which were divided proportionately among the institutions according to the actual work done, but the amount they were enabled to vote had never equalled the amount held out in the Ordinance. The Ordinance held out 50 cents per patient on a certain calculation. They had never been able to pay more than 26 cents. The present year had been a heavy one upon some of the hospitals, particularly at Macleod and Lethbridge, on account of the building of the Crow's Nest railway. The one at Macleod had had to be enlarged twice to meet the requirements of the many additional patients. A large amount of private aid had been given. The same remark would apply to Lethbridge. Of course the patients who were railway employees were paid for, but the dollar a day charged did not cover the whole expense, and a large part of the work of every hospital was left to be sustained by private generosity. The present year was a prosperous one for the Assembly financially, and the House could well afford this year to increase the amount of aid for hospitals. An item of $1200 was asked to defray the expense of checking certain outbreaks of disease, occurring respectively at Saskatoon, Edmonton, Pincher Creek and Yorkton. Such votes would doubtless be found necessary from time to time. Hitherto the expenditure in this connection had not been large, and he was sure they did not grudge a single cent voted for Hospitals, Charities and Public Health. There were in the Territories none of those institutions which were found necessary in older communities,—for incurables and indigent people. We had not those poorer classes in any number in this country. While the people here were not rich, comparatively, yet partly because the country was young, and the population youthful, there were not many widows, orphans or incurables, who have to look to government and legislature for support under their trying conditions. He did not think it would be wise yet to hold out definitely any promises of support to those classes. The holding out of a promise would to a certain extent develop a demand. But he was sure the public did not grudge what was voted for charitable purposes. The average man in this country was not over-burdened with legitimate claims upon his charity.

It being half-past twelve o'clock, Mr. Speaker left the chair.

THE YUKON ADMINISTRATION.

Resuming his speech at 2:30 o'clock, Mr. Haultain took up the item of $6,000 for expenses of administration of Territorial affairs in the Yukon district, to cover a special warrant. The Government's policy on that question had already been variously and very generally discussed, but at the expense of repetition he would recite a few of the points which led to the organisation of the expedition, and to the exercise of the powers conferred upon this Government of administering certain affairs in the Yukon. Between the Dominion and the Territories the question was not one admitting of controversy. It had to be admitted that the question was one of ordinary law, in which any question of constitutional law had no relation. It was an indisputable fact of ordinary law that certain administration devolved upon the Lieut.-Governor of the Territories, which meant that the Lieut.-Governor was to administer by and with the advice and consent of an Executive Council. The position of affairs in the Yukon threw a clear duty upon the North-West Government, and the Government proceeded to take steps to fulfil the duty. They organised an expedition to be sent to the district. They sent an officer or plenipotentiary clothed with full power to carry out the law within the scope of the responsibilities of the Territorial Government. The Government had been attacked with charges of having usurped the functions of the Legislature in not getting the sanction of the House for their course. That charge had already been met and explained. The Government had stated to the House that it was not the intention to bring down a proposition respecting the Yukon, but that as soon as the House rose the question would be taken up by the Government and the steps taken which seemed advisable; and the statement met with a certain sort of approval in the House. It was further charged that the Government usurped the functions of the Legislature in relation to the prohibitory sections of the Act. Such charge could have no other foundation than complete ignorance of the Act. The N.W.T. Act was the only law on the subject. Section 92 of the Act provided that "Except by special permission of the Governor General in Council" (at Ottawa) no intoxicants should be manufactured in certain parts of the Territories. The mere fact that there was such provision in the Act showed that it was contemplated that at some time in the course of the development of the country there might be necessity or desirability of allowing the manufacture of liquor. That provision placed beyond the chance of argument the contention that the Act intended a prohibitory law. Regarding the sale or possession of liquor the Act provided that there should be none excepting by the special permission in writing of the Lieut. Governor of the Territories. The Act prohibited the manufacture, sale or possession of liquor only until special permission was given. The Act could not be read partially. To get the intention of it the whole law had to be read together, and even the most casual reading would lead to the belief that the original intention of the Act was that there should be prohibition only so long as conditions required prohibition, and that when the conditions changed the provision made for allowing the manufacture, sale or possession of liquor should be utilized. This was the reasonable interpretation of the law. As to the point that the Government usurped the functions of the Legislature in regulating the importation and sale of liquor in the Yukon, he need only point to the Act, which failed to show that the Legislature had any functions under the section dealing with liquor permits. The power of administration was given distinctly to the Lieut.-Governor. The only thing the Legislature could possibly do in regard to the subject would be to adopt resolutions to guide the Executive Council. It was extremely unlikely that the Government, being subject to the will of the House, would exercise their executive functions in a manner contrary to the wish of the House; but the Legislature could not make regulations or Ordinances. All the House could do would be to express an opinion, which could be done in such a way that the Government would have to take it for guidance or give place to a Government which would be so guided. As to the date upon which the Government acted he would not say more than that they acted at the very earliest possible moment. The Legislature at last session understood and acquiesced in the position which practically prevented earlier action. In support of his argument on the interpretation of the prohibitory sections of the Act he might quote a notable precedent, Governor Royal's 4 per cent. permits. It had of course been urged that Lieut.-Governor Royal infringed the spirit of the law; but the spirit of the law, he thought, depended upon the particular critic for the time being. It seemed plain to him that the law intended that liquor might be sold in this country whenever the circumstances of the country warranted the sale. The Territorial expedition itself had not been entered upon until the sum of $6,000 had come to the Assembly funds from the Yukon source. The expense was not undertaken until the way opened up to meet it without charging the ordinary revenues. The mission had been called speculative. In common with successful speculators, if the Government were obliged to seek excuse, they might make an excuse of their success. But they did not need to do that. They had been confronted with a plain duty, and they undertook to carry out their duty. If they had not had means for an expedition they would have attempted to apply the law and the regulations otherwise. He would admit that the need of an expedition had not seemed so pressing when they lacked the money for it. Poverty was the root of a great deal of evil, and poverty might have obliged the Government to conclude not to send an expedition. It was fortunate that the money appeared, and from the moment that it was in sight they had no more doubt about the desirability of the expedition. He would point out that when the Legislature was in session the money was not in sight, even if the policy had been in sight. It would have been difficult for the Legislature to point out the plain duty of the Government in face of lack of means. When the money did appear and when the policy was framed and adopted the Legislature was not in session, and the appropriation had to be made under order in council. The result of their policy and their expedition was eminently satisfactory from the financial point of view. Apart from the large receipts from wholesale permits, the actual work of the expedition itself had resulted in the collection, if his information was reliable, of a sum aggregating $28,000, which in itself would very much more than pay its expenses. As to the desirability of the expedition, he expected no one would question it. In sending it they had simply followed their plain duty, and attempted to do what in the circumstances ought to have been done even if their jurisdiction had embraced nothing but the administration in relation to liquor. It had become a matter of common knowledge that open and unrestricted sale of liquor prevailed, with bars open night and day and attended with gambling and immoral devices. And liquor was only one of many matters within this jurisdiction which would appeal to the knowledge of the House. There were a great number of administrative duties arising with the increasing population in Klondyke. So good an authority as the Minister of the Interior expected an influx of 40,000 people last winter and spring, and this Government thus became responsible for seeing to the administration of all Territorial laws relating to municipal matters and public health. The expedition was not a whisky commission; it was sent to carry out all the laws the administration of which, so long as the Yukon was a part of the Territories, devolved upon the Territorial Government. There was the possibility that the district would demand and deserve representation in the Assembly. When the expedition went out there had been no word of the cutting off of the territory,—not the slightest indication, beyond the vague fears expressed in the House of the possible lopping off of territory. In face of last year's resolution adopted by the House, no Government existing on the sufferance of the House could have dared to assume that Parliament would act directly in the face of the unanimous wish of the representa-