THE BUDGET DEBATE.

Premier Haultain Makes an Interesting Statement of the Territorial Financial Position.

NO ADVANTAGE TAKEN OF CAPITAL ADVANCE.

Statement of the Revenues and Expenditures of 1903 and Estimated for 1904.—Interesting Statistics Relative to Hail Insurance and Extension of School System—A General Increase in Salaries of Government Officials—Can Get Along at Present Without Expenditures on Capital Account.—Messrs. Patrick, McDonald, Smith, Bennett and Brown Express Their Views.—The Capital Grant Should Have Been Accepted, says Mr. Smith.

FRIDAY, Nov. 20th.

When the House re-assembled in the evening Mr. Haultain at once moved that it resolve itself into Committee of Supply. In doing so he said he would refer at once to the revenues which he proposed to deal with and the expenditures which they proposed to make. The estimates, he said, are of a double nature. They first make provision in the form of supplementary estimates for the financial year which is now coming to a close, and they make provision for the coming year, commencing Jan. 1st next. When we get the money in the spring session for a certain amount of expenditure we provide for. For instance, we made provision for the expenses of a special session of the Assembly.

REVENUES OF 1903.

We will now come to our total revenue for the year. Our sources of revenue are twofold; first, the amount received from the Dominion Parliament, and second, the amount received from local sources. The revenue which might have been, or was, available for the current twelve months was made up as follows: Portion of Dominion grant due on Jan. 1st, $228,989.50. Of this amount we were obliged to expend to apply on expenditure during the previous year $204,664.35, leaving, as a matter of fact, of that portion of the federal grant only a balance of $25,15. Then there was the other portion of the Dominion grant payable on Jan. 1st, $353,989.50. In addition we have $250,000 to meet the overdraft of the previous year, making a total revenue from federal sources for the twelve months of $628,314.65. There are also here $34,000 which the Dominion Government refunds to us for expenditure made by us on certain federal works over the Belly and Old Man rivers. We have received $2,658.74 rent on school lands. Our revenues from local sources, including a small amount for the balance of the year, $118,187.99, making our total revenue up to the end of the year $783,000. We have already voted on account of the year $711,843.50. This is the amount of the appropriations of last session. We are now asking for a supplementary vote of $130,741, making a total expenditure for the current year of $842,584.50, which leaves a shortage on the whole year of $59,584.50. This shortage is largely made up by three items; an additional grant of $20,000 required for schools and above the amount voted last year, which has been caused by the coming of an even greater number of pupils than we could possibly estimate, and an expenditure in connection with roads and bridges of $20,000 each, for the two items. The case for schools is a matter over which we had no control and was due to the large influx of population. The roads and bridges were pressing matters which required immediate attention, furthermore, it is always hard to exactly what a large amount of public works may run into. This large sum will have to be provided for out of the amount due during the coming year. The large item of $59,000 in the Supplementary Estimates is for the expenditure under the Hail Insurance system. The revenue under the Ordinance will to a certain extent offset this. This is an expenditure which could not be estimated for beforehand.

WORK UNDER HAIL INSURANCE ORDINANCE.

Though it does not come exactly within the scope of this statement I may give for the information of the House and country some facts and figures concerning the operations of the year under the Hail Insurance Ordinance which may prove interesting. In 1902 there were 675 persons insured; in 1903 there were 1,613 persons insured. The House will remember that last year we did a very good business from a financial point of view because the farmers of the country did not take enough advantage of the system provided for them and those who did were those who, in almost every instance, were carrying on operations in the portions of the country which were hailed out. In 1902 there were 40,000 acres of wheat insured; in 1903 there were 57,000 acres. In 1902 there were 15,500 acres of oats; in 1903, 52,000 acres. In 1902 there were 1,941 acres of barley; in 1903, 11,964 acres. In 1902 there were 900 acres of flax; in 1903, 3,049 acres. In 1902 no spelts was insured and in 1903 there were 201 acres. These figures are interesting as showing a large increase in certain products, namely oats, barley and flax, and particularly in Alberta. In 1902, $81.13 was paid by applicants for insurance, and in 1903, $17,635.00 was paid. This will go to offset the vote of $59,000. The balance of the appropriation represents the cost of the Ordinance. In 1902 we paid $12,862.38 in losses and in 1903 we paid $16,500. The experience of the past two years proves that we must take steps to push the business still more. (Hear, hear.) I do not think sufficient advantage is taken of what is really a very excellent system. For some reason or other, after urging the Government to provide such a system, the farmers of the country have not responded in the way they ought to have done. We are always able to do a large business after a hail storm. In nearly every instance this year it was in localities where little insurance was taken where the severe storms occurred. I look for a large business from the Moose Jaw district next year judging by the large amount received from there within a few weeks after the big storm this year.

REVENUE FOR 1904.

Now, with regard to the main estimates, I will make another statement of revenue. The amount we will receive on January 1st for the ensuing six months will be $353,989.50, but an amount which will be approximately $53,989—that is the amount of the shortage which will be reduced to this figure by credits—will have to be deducted to meet the over-expenditure this year. That means that for the twelve months beginning January 1st next we will receive $653,989.50 from federal sources. On account of growth of population, which requires larger appropriations at Ottawa, we estimate to receive $100,000 for the year, half of which will be available from the 1st July to the end of the year, that is $50,000. We also estimate, because we are asking the House to vote it, an amount of $50,000 to complete the work of the two bridges already referred to. We estimate to receive an amount of $75,000 next year in interest on the school fund. I may say that there is actually at the present time an amount of $33,000 to our credit at Ottawa, not taking into account the amount which will be paid next year by reason of the school lands sales this year, which realised, I think, $1,300,000. This estimate, therefore, is a very small one. I estimate the local revenue at $152,000 for next year. The total estimated revenue for next year is $950,989.60, less, of course, the fifty odd thousand already expended.

SALARIES GO UP.

Mr. Haultain then proceeded to take up the various items in the estimates. The increase of $11,000 in the vote for Civil Government is due, he said, to a general increase in the salaries of all Government officials. The reason for this is that during the past two or three years the cost of living in this country has increased to a very remarkable degree. Ordinary living expenses have increased by 25 per cent. With regard to the North-West Government staff I would say that it is as good as they have in any of the provinces. (Hear, hear.) More than that, no matter what other service is starved, it is very poor economy to have underpaid officials. They are the men and women who are doing the permanent work of this country and who will continue to do it when legislatures and governments disappear and change. They are after all the officials who must be looked after and receive adequate salaries. I believe governments should lead in that respect. If railway and private corporations are paying very large salaries the Government should do so. My own opinion is that the Government should do better. (Hear, hear.) The Government should have the best men and women it is possible to get for the work to be done. As the country grows and develops the work is becoming more difficult, more technical. During the past year we have been confronted continually with the difficulty of losing valuable officials. They have gone one after another. I believe we have lost thirty in the last fourteen months, from the highest officials in our employment down. In every case I believe they have left us to better their position; not to do any better or more important work, but they have gone to places where they are getting better salaries. If we propose to carry on the work of this country effectively we must pay such salaries as will induce people to remain in the service. As soon as any man becomes very valuable in the service the C.P.R. or some private individual bids for his services. Consequently we must raise salaries and keep these men.

MINISTERS RECEIVE A SHARE.

The Members of the Government have also asked for an increase in salary. This is a matter which a person in my position might naturally approach with a certain feeling of delicacy but I do not experience any such feeling. I look at it this way. The money is not being voted to any one or more individuals but to the most important positions in the gift of this House and the salaries should be commensurate with the duties and responsibilities of those positions. I have no hesitation in saying that the salaries at present paid to the Members of the Government do not stand at all in proportion to the salaries paid to men, not any more fit or competent, in other undertakings in this country today. (Hear, hear.) Bank managers, managers of implement companies, managers of ranching companies, and numbers of others, who are not doing nearly like so important work, not in my opinion at least, are being paid larger salaries than the Members of the Government. Again in no province in Canada do the Members of the Government devote their whole time to their official work. In Manitoba Members of the Government do not devote one quarter of their time to official work. Every Member of that Government is, I think, engaged in private business and devotes a large amount of his time to private business. I know as a fact of an Attorney General of Manitoba who did not put in more than two days of the week in his office and spent the rest of his time on private business. This is not possible with the official business at Regina and an office 600 miles west. The changing population would not permit of it anyway. I am quite free in saying, apart from any delicacy and without any apology, that this particular item is justified.

Referring to the increases in the vote for Administration of Justice, Mr. Haultain said the increase in the number of liquor licences also made an increase in the work. They were working into a system of having permanent inspectors on the road all the time. This system resulted in more efficient work than having local men who were underpaid. The other notable increase was $4,000 to provide for Court reporters.

SPRINGBANK IRRIGATION DISTRICT.

The increase in the vote for Public Works from $372,000 to $500,000 he hoped would fairly well meet the growing needs of the country. They would never be in a position to meet all of them. Regarding the special grant of $10,000 to the Springbank Irrigation District, the Premier briefly reviewed the history of this unfortunate undertaking and said the present vote was for the purpose of closing the district up. The work in the first place was undertaken at the urgent request of the people of the district. Petition after petition for this work had been received before the legislation was enacted. It was begun in the dry seasons when the rainfall was not adequate. The work was carried on by the district itself for a time. Later on when the dry seasons ceased complications and differences of opinion arose in the district, and votes and counter votes were taken, resulting in a great deal of loss and damage. At a certain point it was considered necessary that the Government should intervene. Whether that intervention was desirable or wise could only be judged by the circumstances and conditions of the time when it was made. He said frankly now that it was an unfortunate thing that the Government ever asked for legislation to permit them to intervene. He was now speaking in the light of today and the experience of the past and not of the time when intervention was decided on. They had now taken the advice of a gentleman who ranked as one of the three best irrigation engineers on this continent, Mr. Anderson, and his report was such a sweeping condemnation of the project and advised so strongly in favor of closing up the district that the Government had no other course open to them than to act on it. When the Government intervened they compelled the people to go on with certain work and make certain expenditures which might otherwise not have been involved. The vote of $10,000 was for the purpose of closing up the district and refunding the money which the Government had compelled the people to spend. The Government did not take the whole responsibility for the matter but they must take some, and having forced the people to do this work they should refund the money spent.

REMARKABLE GROWTH OF SCHOOLS.

Coming to the vote for Education the Premier said there was an increase and there always would be an increase. In 1902 grants were paid on 783 rooms—the room with a teacher, rather than the school, being the basis on which grants were paid—and in 1903 on 903 rooms, an increase of 120 rooms during the year. Judged by the increase which had taken place this year he estimated that they would have to make provision for paying grants on 1,050 rooms in 1904. At the present moment there were 976 organised school districts in the Territories. There has actually been formed 140 during the present year already. This was a very striking comment on the way the population was growing, because they only began to feel the effect in school matters some time after the population had come in. It could be said to the credit of the population they had received, and to the satisfaction of every man who likes to think of it, that in almost every instance as soon as a community was even beginning to be established a demand for a school came in. This was a very healthy sign. Correspondence was now being carried on in the Department dealing at some stage or other with some 60 more school districts, so that he could make the statement that during the twelve months just closing they would have formed, or be in the process of forming, 200 new school districts. This was a splendid statement, although embarassing to those who had to do the financing.

BACKBONE OF THE COUNTRY.

On the vote for Agriculture Mr. Haultain said that any Government which did not provide adequately for this Department would not be doing its duty in a country which is an agricultural country pure and simple. It was, however, more an administrative Department than a spending one. A few expert officials in their offices at Regina or travelling about the country instructing the farmers, studying conditions, etc., while only representing a small vote, might yet do a lot of very valuable work.

CAPITAL ADVANCE NOT VOTED.

The Premier continued: The Estimates proposed are on the basis of our current revenue and do not include any capital advance. This is a question upon which I have no doubt at all there might be very large differences of opinion both in the House and country for a great many reasons. Some of these might be mentioned in the House but I think ought not to be. One of the reasons which I think would be an argument, and possibly a strong one, is that the country generally is always in favor of expenditure. It would be a catching cry to go into the constituencies and say: The more money for roads and bridges the better, prepare for the population to come in, and to say we will give you a road or a bridge and charge it to capital account.

So far as the Government is concerned we have come to the conclusion that, in view of the fact that we are not getting anything like what we consider we ought to get in current income from the Dominion authorities, we are not justified at this stage in accepting any other financial proposition or going into debt. The fact that we are not going to be charged interest is not of particular importance so far as my opinion is concerned. If there is anything in our claims, if they are well founded, then certainly we must anticipate a very large amount being to our credit on the balance sheet when it is struck. So to offer us $250,000 out of an amount possibly running up into millions of dollars without interest in the meantime does not involve any astounding proposition. If we are entitled to an amount running up into millions then I am not astounded at all at an advance of a certain amount without interest. The point is this, that we asked for a certain amount on current necessities, based on not what we considered all the necessities, nor three-quarters of them, but based on the practical conditions under which we have to ask for it and under which it has to be given. I would ask the House to remember that in making claims at Ottawa, and in the responses made to them, two points have to be taken into consideration. In the first place there is our point of view, that we do not ask for all that we want because we know very well there would be no use asking for millions this year when we only got hundreds of thousands last year. We made a general demand in favor of the provincial proposition and we made the other demand for current revenue as reasonable as we could. We only asked what we might reasonably expect to be given to us and only what would meet our barest necessities.

In regard to the general question, our position is this, that so long as the Dominion authorities do not meet our demands in full so long we would not be justified in practically incurring a debt. There is another proposition. That is, that there will be a larger number of items of various sorts incurred for a large number of years which will be the subject of negotiation. When those items are all subjected to dispute we are perfectly free to say we object to this and we object to that being charged against us, but there will be no question of the propriety of charging an amount like this capital advance against us. We must either take it on the terms offered or not at all. We could not reasonably take it and say when the negotiations are carried on that we should not be charged with it.

Mr. Bennett. Hear, hear.

Mr. Haultain. The advance is offered to us under the terms of a Dominion Statute and remains there for our acceptance or otherwise. In the present session we do not propose to ask the House to authorise any expenditure on account of it. We speak for the time and the conditions of the present. We do not consider until we have exhausted every means of obtaining a fair amount of revenue for current purposes we would be justified in incurring a debt. It is quite true that through all the correspondence with the federal authorities we have laid stress on the fact that we have been compelled to make expenditures out of current revenue which ought to be met out of capital account. That is not in itself an argument in which the propriety of expenditures on capital account can be made, because that argument and that expenditure can be made only after we get all we have got out of income. If the income is large enough to make all these expenditures out of it, it is best to make them that way.

Mr. Haultain illustrated this point by citing the case of a man with an income of $100,000 a year, whose ordinary expenses were only $25,000 a year, and who desired to build a $50,000 house. It would not be considered good financing, said Mr. Haultain, for a man with a slender income to attempt to build a house out of his income, but it would be bad financing for the other man to allow his income to accumulate and go to a mortgage company and borrow money with which to build his house. We are perfectly justified, he added, in saying to the Dominion that while we are quite willing to consider a capital advance under certain conditions we should not be asked to consider it until we are put in a fair position in the matter of revenue. This is shortly the position we have taken in regard to this important subject.

One of the reasons for autonomy is because the financial conditions would be better than they are today. I think this has been successfully proved, for, as I showed when speaking to the resolution moved in this House three days ago, under autonomy we would have an amount ranging from $400,000 to an amount of $1,500,000 more this year than we have had. That amount, then, we are not getting and are being practically "done out of it" by the postponing of provincial institutions. If under autonomy we would receive it, and by reason of the delay we are getting so much less, then I am not using too strong an expression to say we are being "done out of it" and are this much less well off. Now while waiting for a province to be formed, although possibly we cannot ask to be given this sum we would have under provincial institutions, we should have something more nearly approaching to it. There is no reason why we should not get a fair amount of money with which to carry on the duties entrusted to this House. I do not say the present Government, or former governments, but all governments are under a distinct pledge and have a distinct duty to perform to this country, and that is the duty of making proper supply for carrying on the government, that is, to provide sufficient means for the government of this country. So long as the federal authorities retain control of our revenue producing property, and our institutions as well, so long that liability and responsibility rests upon them. For the double reason of being kept back from autonomy and by reason of it the Government at Ottawa has a duty and for these two reasons we are entitled to larger means, and again, until we get something nearer to what we are entitled to we should not be asked to go into debt.

WHAT WAS ASKED FOR.

With regard to the amount we asked for, I would like to make a short statement on that point in view of the misapprehension which seems to exist and the erroneous statements which are made. In December, 1902, Mr. A. L. Sifton, the then Territorial Treasurer, in his statement to the Minister of the Interior requested an amount of $880,000 for the current twelve months, which, he stated, was "the most moderate computation" which he could possibly make up as Treasurer of the amounts necessary for the coming twelve months. In a further letter written by myself at Ottawa I made an additional statement that we required an amount of $898,000 for the twelve months beginning Jan. 1st last and an amount of $250,000 to meet the overdraft. In this letter I stated that this was "the least possible amount" we could get along with. Now, as I said, there has been a considerable amount of misapprehension as to what we really did receive, which I now wish to set at rest. What we received for the twelve months, leaving out of sight the $250,000 of the overdraft which belonged to the previous year, was $457,979, plus $125,000 which is one-half of the additional amount of $250,000 voted as an increase to our current vote. The House must recollect that while as a matter of fact Parliament voted an additional amount of $250,000 to the current vote we only get half of it this year and the other half for the first six months of next year. Let me repeat these figures. For the twelve months beginning 1st of January last for the present calendar year we asked for $898,000, together with an amount of $250,000 to meet the overdraft. What we have actually received is $457,979, and $125,000, which is one-half of the additional vote, and $250,000 for the overdraft which stands by itself. For the current year we have received $582,979. That is to say, for the expenses of the current 12 months, and in the light of our request for $898,000, we have actually received $582,979, or in other words we have received $300,000 less than we asked for and that was in our estimation "a most moderate computation," to use Mr. A. L. Sifton's words, or "the least possible amount that we can manage to get along with," to use my own. We can show necessities for a million dollars more but anyone going to Ottawa must be governed by actual business considerations. I do not think the House would have listened with much tolerance if we had come back and said we asked for $2,000,000 because we had needs for $2,000,000. The records in the Public Works Department will show demands totalling over one million dollars sent in by the Members of this House. But this House would not think we had done a reasonable thing if we had asked for $2,000,000 because our needs required it. It would be true but it would not be expedient. There are certain precedents which must be recognised and which would prevent any Government meeting our demands. Our demands, as I have said, were based upon the least possible amount we could get along with and bear a proportion, and should bear a proportion, to what we have been receiving. The question to consider is what proportion does the amount received bear to what we have asked for and what proportion does it bear to our necessities. We must deal with the facts, and necessities, and year, and business and questions before us today. The question is not what did some government do 25 years ago, or prior to a very significant date, but what are we entitled to now; what should we get now.

MR. FIELDING CORRECTED.

Another misconception has arisen from the statement made by the Finance Minister in the course of a debate in the House of Commons. The Finance Minister made the broad statement that we were getting something over a million dollars this year, and he also stated that last year we got $707,000, or an amount similar to that which we were actually voted this year. In making this statement he lost sight of two facts. He was counting the $250,000 for the overdraft a second time, and he was also counting the whole of the other $250,000, only one-half of which we get this year. This statement was repeated only the other day in a Winnipeg newspaper. It was no doubt a mistake in computation on the part of the Finance Minister, which might easily be made, but, coming from the source it did, it has created a wrong impression. The Finance Minister summed up the position and said "We gave them $707,000 for last year and we are giving them over $1,000,000 for this year." This latter amount again included the $250,000, the $84,000 for the bridges over the Belly and Old Man rivers, and the increase of $250,000. I may say that here again there was a slight misunderstanding. It is said that we asked that these works be undertaken. This is incorrect. These bridges were built originally by the Dominion Government. They were swept away and it became the duty of the Dominion Government to replace them, the North-West Government agreeing to look after the actual work of construction.

A LAST WORD ON THE ADVANCE.

Referring again to the capital advance in concluding his speech Mr. Haultain said: "This is the most important financial question which we have had to deal with. It is also a very delicate subject as well. When, however, we are getting $300,000 less than the barest amount necessary to meet our needs, and in view of the large population coming in, we have a fair ground for making a further demand and asking for more money, and until this House has come to the conclusion that every effort in that direction is exhausted it should not consider the question of going into debt. This is the stand we have taken. The money is there whenever we want to take it, but we say it is not desirable to take it under present conditions." Mr. Haultain thanked the House for the very attentive hearing given him and resumed his seat amid applause at 9:50 o'clock p.m., having spoken for one and a half hours.

Upon the conclusion of Mr. Haultain's speech it was decided to dispose of the Estimates and resume the debate the following day, consequently the House immediately went into Committee of Supply. Good progress was made and the House adjourned at 11:30 p.m.

SATURDAY, Nov. 21st.

The House met at 11 o'clock this morning to resume the consideration of the Estimates. On the vote for the brand book, Mr. Finlay drew attention to the long delay which had occurred in the issue of the book and the great inconvenience which resulted. He suggested that a supplement to the book be issued every month and sent to all inspectors so as to enable them to identify and trace stock. Mr. McDonald suggested that the Government should endeavor to ascertain how many export cattle there were in the country. An interesting discussion occurred on the vote for education, in which it was shown by several speakers how the foreign population coming into the Territories was adapting itself to our conditions and particularly in the desire to have educational facilities for their children. The Estimates were passed through committee and the House rose at 12.30 o'clock.

DR. PATRICK RESUMES DEBATE.

When the House re-assembled at two o'clock Dr. Patrick resumed the debate on the budget. He commenced by again referring to the reasons which the Opposition had to congratulate themselves on the legislation of the past three sessions. There had not only been an improvement in legislation but also in the policy of the Government respecting several important Ordinances.

On the question of provincial autonomy and one or more provinces Dr. Patrick said the first resolution they passed did not commit the House one way or the other. Later the Government in their negotiations at Ottawa declared for one province, but now the House had once more urged for autonomy regardless of the number of provinces. The Premier in his last election address had said, if he remembered rightly, that one province would do for the present time; the other question could be considered later.

Mr. Haultain. I said nothing of the sort.

Dr. Patrick. Maybe my memory is at fault.

Mr. Haultain. It is.

Dr. Patrick then took up the question of the capital advance. At first he said he feared that it might be accepted but the announcement made in the House yesterday cleared the Government when the Premier declared that it was not intended to accept it. It would be a mistake for the Government to borrow money from those who owed us. The question as to whom the advance would be made also arose as they did not know the boundaries of the provinces which were to be. As to the statement that it would be loaned without interest, the speaker declared it would be charged against us for all time to come and after the settlement when we became a province we would be mulcted for five per cent. for all time to come. The interest which we would lose would amount to $12,500 a year. He believed when we became a province we could borrow money as low as three per cent., which, capitalised at three per cent., meant $166,000. This represented the loss which would result to the country from the acceptance of the capital advance. The Opposition felt constrained to support the Government in its policy. The Legislature was powerless to do more than it had done. Unfortunately the Territories had been placed in an equivocal position by reason of the fact that the Territorial representatives at Ottawa thought one way and the representatives here thought another way. That was a position which the Assembly could not help or end without surrendering its opinions on the matter. The position could only be ended by the people of the Territories themselves and could only be done by sending to Ottawa men who believed in the immediate granting of provincial institutions, men who believed in granting to the people of the Territories their rights of local self-government. Until that time arrived they must be content with things as they were. In conclusion Dr. Patrick said that while the Opposition supported the Government on its general policy they would examine their actions with a critical eye, but otherwise they would not oppose it, "not in the life of the present House at least."

THE OPPOSITION LEADER.

Mr. McDonald said the present session of the House was the most important held for many years. Some of the legislation which they had to deal with touched them in a most important way. On that side of the House they had not said much in speech on the question of autonomy, but on looking into the matter fully he was satisfied that the Government had done the proper thing in refusing to take advantage of the capital account placed within its reach by the Dominion Parliament. (Hear, hear). They should let the authorities at Ottawa know that we are not going to be satisfied with money only. There were principles at stake. (Hear, hear). They were pressing for autonomy and all the advantages that should go with it. If they had accepted the grant it might have placed them at the mercy of the Dominion Government forever. If at any time it was agreed upon by the Assembly to authorise the Government to seek for a capital advance from the federal authorities they should first decide on what works the money was to be expended. When matters came to be finally dealt with, when the time arrived to make two provinces, the matter of a final adjustment of capital account between the different parts of the Territories would have to be dealt with. The House should be unanimous on this question. The people in the country had watched the Opposition on this question as closely as they had watched the Government. They had suspicions that some Members of the House were going to treat this other than as a North-West question. It should be treated purely as a North-West question. (Hear, hear).

Mr. McDonald did not consider the present the most favorable time for holding the session of the Legislature. It was neither at the close of one financial year nor at the beginning of another. If they considered the best interests of the whole country the best time for holding the sessions would be in the early part of the calendar year, both for the convenience of Members, the benefit of the country and the transaction of business as it should be transacted. He looked with favor on the amendments brought in at the present session but he wished to again record his disapproval of establishing local districts of only four townships. The people would find that that area was much too small for any proper system. He also wished to take exception to some language used in the House the previous day with reference to our demands upon the federal government. He did not think it was a wise thing for the Leader of the House to say that no Government at Ottawa could grant their demands. They should not place ourselves in the position of saying that we have not got a good case, as the language used would lead them to believe. They had good demands and had evidence to support them and should urge them in that spirit. If, said Mr. McDonald, the Dominion Government believes that we do not believe in them ourselves, or that they cannot grant them, that is a very good argument for not meeting them. He trusted also that in future the Government would leave out the question of one province and simply seek for the granting of provincial rights and then this point of contention would not be brought up in that House. They could agree with the Government on the main question of the day; other questions should under existing circumstances be left alone. (Applause.)

FAVORED ACCEPTANCE OF ADVANCE.

Mr. A. S. Smith (Moosomin) congratulated the Government on the very large amount of money they were able to vote during the session. The requirements of the country were very much greater than they were a year ago or even six months ago and they would continue to increase. The demands on the local Government would continue to increase and our demands on the federal Government would also continue to increase until provincial autonomy was granted. He neither agreed with the Government nor the Opposition on the question as to whether the capital advance should be accepted or not. In the past they were all well aware that the amounts of money sufficient to carry on the government of the country were not forthcoming. They voted and spent money and created debt and the federal Parliament had paid it. The country required roads and bridges today more than ever. The transportation question was the big question in the West and roads and bridges were a part of that question and affected it as much as anything else. He believed the Government should have accepted the capital grant. He would not like to go back to his constituents and say that he had not raised his voice against the Government refusing that grant. He understood at the summer session that it was because the amount necessary to construct the two bridges in the western portion of the Territories was being charged against this advance that the local Government would not accept it. That was the position then but it was altered now because the federal Government was paying for those two bridges and that objection was therefore withdrawn.

In the House and in the country he had discussed the provincial question as strongly as any Member, and, while perhaps not with the same ability as some others, he had always brought the question before the people as forcibly as he had been able to do. As to the question of one or two provinces, if the time ever came when the Assembly and the country thought there should be two provinces it would then be for the people of the Territories themselves to decide. His opinion was one province and that it would be best for the whole country. It was never expected that the Dominion authorities would at the very first see eye to eye with the Territories in their demands. He hoped that eventually the settlement would be on the lines suggested by the Government of the North-West and the people would thank the Government in years to come. He regretted that on the question of the capital advance he had to take a different view of the question to that taken by the Members of the Government. His convictions forced him to it and he would stultify himself to do otherwise. (Applause.)

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congratulated the House on having been able to provide an expenditure which would not place the Territories in debt or which contemplated any overdraft, but the only solution of the difficulties with which they were faced was the granting of the provincial status. The Premier's speech appealed to the sound common sense of the House and would appeal to the country. It was not the speech of a party leader but of the leader of a great people crying out for a change. There had been two sets of reasons advanced by two sets of persons as to why the granting of provincial autonomy should be delayed. There were what he might call the official reasons and the semi-official reasons. The first of these were those given by the Premier of Canada and the Minister of the Interior but it was not his purpose to discuss these. They were not sound. The House by the adoption of the resolution that week had said they were not sound, that they were insufficient, inadequate reasons, and he would leave them there. If by an accident there should be two sides at Ottawa seeing matters in a different light, that was no reason why one side should be considered to know our affairs better than ourselves, or why if one side supported our claims and were willing to grant our petition we should not support them. He referred to the fight against railway monopoly in Manitoba, where, he declared, the Conservatives had opposed their party friends at Ottawa in the interests of the province and he appealed to the patriotism of the Members of the House to stand united in the struggle whether it be against a Liberal or a Conservative government until the Territories received that measure of justice to which they were entitled.

He would refer to the semi-official reasons for delay. The Member for

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