

(Mr. Holton) had ventured to make on a previous occasion, that a very large proportion of the Dominion stock was issued to the Bank of Montreal; and secondly, that the proceeds thereof, or a very large portion of them, were still lying in the bank in order to meet our obligations. On this amount sold to the Bank of Montreal, and the proceeds of which were lying there without interest; we had been paying interest since March. It must be obvious that a transaction thus conducted could not be regarded as a sale of stock at par. It was a sale at a discount, greater or less, according to the advantages accruing to the purchaser by the deposition of the money in his own hands.

Dr. Parker remarked that the fact that under the agreement between the Government and the Bank of Montreal, the former were bound to leave a large margin of deposit beyond which they could not draw, showed that the bank could use the Government moneys for its own purposes.

The Committee reported the following resolutions:—That towards making good the supply granted to Her Majesty for the year ending the 30th day of June, 1868, the sum of seven millions, five hundred and two thousand and nine hundred and twenty-four dollars, and four cents be granted out of the Consolidated Revenue Fund of Canada; that toward making good the supply granted to Her Majesty for the year ending the 30th June, 1869, the sum of seven million, nine hundred and one thousand eight hundred and fifty-five dollars and one cent, be granted out of the Consolidated Revenue Fund of Canada.

PERJURY

On motion of **Sir J. A. Macdonald** the Bill respecting perjury was read a second time and referred to Committee of the Whole.

The Committee reported the Bill, and it was ordered for third reading at next sitting of the House.

PROROGATION

Sir J. A. Macdonald announced that he hoped the state of the public business would allow the House to be prorogued on Wednesday.

The House at two adjourned till 4 o'clock.

AFTERNOON SITTING

The Speaker took the Chair at 4.

THE NORTH-WEST TERRITORY

A message was brought down from His Excellency transmitting a despatch from the Duke of Buckingham, Secretary of State for the Colonies, in reply to the address of both Houses, asking the annexation to Canada of Rupert's Land and the North-West Territory. The despatch, which was of some length, stated that legislation by the Imperial Parliament would be necessary before the territory in question could be transferred to Canada, and that the Imperial Government were prepared to introduce a Bill for that purpose, regard being had to the rights of the Hudson's Bay Company.

Hon. Mr. Holton asked if Government would bring this matter before the House before the session closed.

Sir J. A. Macdonald said the honourable gentleman's question might stand as a notice.

Hon. Mr. Holton said the subject could not be allowed to pass in that way. This was a reply from Her Majesty to the most formal proceeding which it was possible by this Parliament to take—a proceeding taken on the assurance of honourable gentlemen opposite that there existed grave reasons of State, which could not be decided, why the Address to which this was an answer, should pass through the House with the greatest celerity. And what had happened? They had been exposed to a great humiliation—a humiliation such as no British Parliament had ever been subjected to before. They were told, in fact, that they had acted ignorantly in this matter. He maintained that it was the duty of the Government at the earliest moment to communicate to Parliament the course they intended to ask Parliament to take in vindication of their own dignity, in view of the humiliation to which it had been exposed.

Sir J. A. Macdonald said he looked upon this not as a humiliation but a triumph. The action of this Parliament had secured action by the Imperial Government, which they had steadily refused for several years. The Imperial Government, forced to it by that Address, had now undertaken to negotiate for surrender of this territory by the Hudson's Bay Company. The despatch was now on the table, and the member for Chateaugay in

the exercise of his privileges as a member of Parliament might take such steps with regard to it as he thought proper. The Government, on their part, would take such steps as they thought befitting to them as a Government.

Hon. Mr. Dorion having risen,

Mr. Speaker said there was no question before the Chair.

Hon. Mr. Dorion said, when a matter of this importance was before the House, he had never heard any Government object to its discussion. No more important despatch had ever been sent to a colonial Parliament than this one, and he wished to know if the Government objected to the discussion going on.

Sir J. A. Macdonald said he did not object to the discussion, but he would remark that it would be a discussion to no purpose until these papers were printed, so as to be fully in possession of members. It was for the House to say whether they should have a profitless or profitable discussion.

Hon. Mr. Dorion went on to say that the course urged upon the House by the Government in the first part of the session, was this—"Let us get possession of that Territory and then the Hudson's Bay Company may take what course they like in order to make good any claims they may have". An address founded on that policy was sent home. The Colonial Secretary communicated to the Hudson's Bay Company the wishes of the Colonial Legislature, and their answer was—"We have no faith in the Colonial Legislature that justice will be done to us. The only object of the Colonial Government is to take possession of our property and put us in the position of seeking our right before tribunals they themselves may constitute." And to that, the Colonial Secretary replied—"You are right: we will not grant what the Canadian Government want. We will bring an Act before the Imperial Parliament, but shall take care that in the first place your rights shall be ascertained."

Hon. Mr. Holton—Which was the whole point of the controversy.

Hon. Mr. Dorion—Yes; that was the whole point of it. His honourable friend from Chateauguay had moved that the rights of the Hudson's Bay Company should be ascertained first, and then they should enter into communication with the British Government with a view to the transfer of the territory.

[Sir J. A. Macdonald (Kingston).]

The speech of the leader of the Government, quoted in the correspondence, gave the contrary view on which the Address was based, and the reply was a direct slap in the face. No independent country would ever submit to such a slap from another country. From this despatch it would appear that we were as far as ever from getting control of this Hudson's Bay Territory.

Hon. Mr. Johnson contended that the rights of the Hudson's Bay Company were as much entitled to respect as would be the rights of an individual who held property under a grant from the Crown.

Mr. Mackenzie was not at all clear that the reply from the Imperial Government should be considered conclusive as to there having been an error in our proceedings in the early part of the session. The only regret he felt was that they had been misled—he would say, deceived—by the course taken by members of the Government. He was certainly led to understand by their statements during the last election, and also in the debate in the early part of the session, that a certain understanding had been arrived at with the Imperial Government; and that there could be no doubt, from the communications, verbal and otherwise, which had taken place, that the result of our passing this address would be the immediate cession of the territory. He did not, however, at all regret his own action. He had looked at the question from an entirely different point of view from that of his honourable friend, the member for Hoche-laga, who had argued against the acquisition of the territory under any circumstances. The member for Chateauguay had not taken that ground, although it was not within his recollection that that honourable gentleman had insisted very strongly on the advantages of acquiring the territory. The honourable gentleman's course was somewhat of a negative one. (Laughter). He did not feel inclined to discuss to-day the course taken by the Colonial Office, as he could not bear in his mind the precise terms of the dispatch which had been read; but there was one point to which he would call the attention of the House—that, as regarded the only part of the Territory really valuable to us, the Hudson's Bay Company did not attempt to prevent us taking possession of it. His Grace suggested we might be indifferent about obtaining possession of this fertile South-West portion of the Territory if the Hudson's Bay Company still held the intervening Territory. As to that, he would say we would have enough

of the intervening Territory to enable us to find our way there without much regard to the Hudson's Bay Company. (Hear, hear). He presumed it would be the desire of the House to have these documents printed as speedily as possible, in advance of the possible—he might say, certain—discussion which might take place upon them; and he supposed he would meet the wishes of the House, if he sent them to the printer without waiting for a formal order.

Dr. Parker said the Minister of Justice had spoken of the action of the Imperial Government as a triumph for the Government. The honourable gentleman must have done so in a Hibernian sense, because to his (Dr. Parker's) mind, the despatch negatived the whole of the promises held out by our Government at the time the Address was passing the House. It was quite evident that the Bill to be introduced into the Imperial Parliament would guard the rights of the Hudson's Bay Company in a very different way from what we had been led to believe.

The matter then dropped.

C. B. AND K. C. B.

Hon. Mr. Chauveau presented the report from the Select Committee, to whom were referred the papers and correspondence with regard to the honours conferred by Her Majesty on members of this House. The Committee, after reciting at some length the facts connected with the conferring of the honours in question, and the subsequent correspondence, stated their opinion that the notice in the London GAZETTE of 17th December was open to serious misconstruction, inasmuch as it did not state that the names of Messrs. Cartier and Galt were left out at their own request. They said the House and country had since learned with satisfaction that Her Majesty had been pleased to raise Mr. Cartier to the dignity of a baronet of the United Kingdom. This gracious act would remove any misconstruction of the notice of December, so far as Mr. Cartier was concerned; but the Committee could not but feel that it rendered the position of Mr. Galt still more subject to misconstruction. They therefore recommended that a humble address be presented to Her Majesty, setting forth that the notification in the London GAZETTE of the 17th December was liable to serious misconception in regard to Mr. Galt, and praying Her Majesty to cause such remedy to be applied as may remove the grievance justly complained of by him.

Hon. Mr. Chauveau, seconded by **Sir John A. Macdonald**, moved that the report be concurred in.

Mr. Bodwell could not allow the motion to pass without saying that it was unworthy for Parliament to go down on its knees, as here proposed, in order to ask for further honours. (Kicking of desks).

Mr. Mackenzie rose and said that there was one particular desk from which these noises always proceed when honourable gentlemen on the Opposition side rose to speak. If that conduct was persisted in, he would name the honourable gentleman who was responsible for the annoyance.

Hon. Mr. Holton said that there was no proposition to go to Her Majesty petitioning for further honours. Such conduct would be beneath the dignity of the House, and was not contemplated by the Committee.

Hon. J. S. Macdonald supported the action of the Committee. All that was sought to be accomplished was that simple justice should be accorded the honourable member for Sherbrooke; and if the House were going to take such action and confer a compliment, let it be unanimous.

Mr. Mackenzie was sure the remark of the member for South Oxford arose from a misunderstanding. Honourable gentlemen on all sides of the House were no doubt desirous that simple justice should be done to the distinguished member for Sherbrooke in this matter.

Mr. Jones thought the House ought not to have taken up this subject at all. They had no business to interfere in the matter. He agreed with the member for South Oxford, and would vote against the Report.

Mr. Bodwell would not change his position on this question. The recommendation of the Committee which he read was such that he felt the House would be humiliating itself by taking the course proposed, and he objected to it.

The report was then adopted, and an address to Her Majesty founded thereon was introduced and carried.

EVENING SITTING

After recess, the following Bills were read a second time, passed through Committee, read a third time and passed:—