

kind since then. That being the case, he asked his hon. friend to withdraw the motion.

Motion, with leave of the House, *withdrawn*.

TRADE AND COMMERCE OF BRITISH COLUMBIA.

MOTION FOR RETURNS.

MR. DECOSMOS moved for a return, showing the receipts for Customs and Excise in British Columbia for the six months ending on December 31st last; also, a return of the Customs and Excise collected on Stickine River for the same period; also, a return of the imports and exports of the said Province for the same period; also, a return showing the imports into the said Province of all merchandise, duty free or subject to Customs or Excise, from the other Provinces of the Dominion, from and including 1871 to 31st December, 1877, setting forth the respective quantities and values the production and growth of Canada. He said the first of these returns would no doubt be very brief, but it was desirable, in some respects, to have before the House. So far as returns in reference to the Stickine, were concerned, he thought it was important that the House should know something about them. He was not aware that they had anything about the trade of that river in the returns before the House. As to the last part of his motion, he thought it would be interesting to have something showing the Interprovincial trade between British Columbia and the other Provinces of the Dominion, and he did not see that any objection could be offered by any member of the Government, or any member of the House.

MR. BURPEE (St. John) said the first part of the return could be supplied to the hon. member quite readily, but he feared the last part could not. There had been no account kept between the different Provinces since Confederation, and there was nothing to show the trade between them.

MR. DECOSMOS said he thought the hon. the Minister of Customs would be able to get the necessary information, from the fact that all mer-

MR. MACKENZIE.

chandize was passed in bond over the Pacific Railway; therefore, the ports through which merchandize was passed to British Columbia would be able to supply the information. He hoped the Government would allow the motion to pass, because he thought it was a matter of great importance.

MR. MACKENZIE: We will try.

Motion *agreed to*.

House adjourned at
Six o'clock.

HOUSE OF COMMONS.

Tuesday, 19th Feb., 1878.

The Speaker took the Chair at Three o'clock.

PRAYERS.

RECEPTION OF PRIVATE BILLS.

MOTION TO EXTEND TIME.

MR. RYMAL moved that, as recommended by the Committee of Standing Orders, the time for receiving the petitions for Private Bills be extended for ten days, and the time for presenting Private Bills for a like period.

Motion *agreed to*.

SELECT STANDING COMMITTEES.

LISTS CONCURRED IN.

MR. MACKENZIE moved concurrence in the report of the Special Committee appointed to prepare and report the list of members to compose the Select Standing Committees of the House, so far as relates to the following Committees:—On Privileges and Elections; on Railways, Canals, and Telegraph Lines; on Miscellaneous Private Bills; on Printing; on Public Accounts; on Banking and Commerce; and on Immigration and Colonization.

Motion *agreed to*.

PRINTING COMMITTEE.

MESSAGE TO THE SENATE.

MR. ROSS (West Middlesex) moved that a message be sent to the Senate requesting that their Honours will unite with this House in the formation of a Joint Committee of both Houses on the

subject of the printing of Parliament, and to inform their Honours that the members of the Select Standing Committee on Printing—Messrs. Bourassa, Bowell, Charlton, Church, Delorme, Desjardins, DeVeber, Goudge, Lanthier, Ross (Middlesex), Ross (Prince Edward), Stephenson, Thompson (Halifax), Trow and Wallace (Norfolk), will act as members of said Joint Committee on Printing.

Motion agreed to.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 6) To authorize and confirm the scheme of arrangement of the Canada Southern Railway Company.—(Mr. Thomson, Wexford.)

Bill (No. 7) Respecting the Ontario Express and Transportation Company.—(Mr. Oliver.)

Bill (No. 8) To authorize the National Insurance Company to reduce its capital stock, and for other purposes.—(Mr. Desjardins.)

Bill (No. 9) To amend the Acts incorporating the Brockville and Ottawa Railway Company and the Canada Central Company, and to provide for the amalgamation of the said Companies.—(Mr. Galbraith.)

Bill (No. 10) To authorize the Stadacona Fire and Life Insurance Company to reduce its capital stock, and for other purposes.—(Mr. Casgrain.)

Bill (No. 11) To reduce the capital stock of the Merchants' Bank of Canada.—(Mr. Jetté.)

Bill (No. 12) To incorporate the Société de Construction Mutuelle under the name of the Société de Prêts et Placements de Québec, and for other purposes.—(Mr. Malouin.)

Bill (No. 15) To give jurisdiction to the Court of Queen's Bench of Ontario, to pay to John Stewart of the city of Kingston, surgeon, one thousand dollars, deposited with his election petition.—(Mr. Haggart.)

Bill (No. 16) To incorporate the Ontario Mutual Life Assurance Company.—(Mr. Bowman.)

PUBLIC WORKS ACT AMENDMENT BILL

(Mr. Mackenzie.)

FIRST READING.

MR. MACKENZIE introduced a Bill (No. 13) Further to amend the Act respecting the Public Works of Canada. He said the object of this small Bill was to enable the evidence to be taken by shorthand by the Dominion arbitrators. It had been found to delay the

business very much in the long sittings to have the evidence taken down in longhand and signed in the usual way, and hence he proposed to introduce the stenographical system there as was already the case in the Courts of the country.

INDEPENDENCE OF PARLIAMENT BILL.

(Mr. Laflamme.)

FIRST READING.

MR. LAFLAMME introduced a Bill (No. 14) Further securing the Independence of Parliament. He said the object of the Bill was to remedy the difficulties which were manifest from the application of the former Bill, the clauses of which were to be somewhat extended by applying the disqualification clauses to those who were in public offices under the Provincial Legislatures or the Provincial Governments, and also to those who were in the receipt of retiring allowances. The clauses of the Independence of Parliament Act were also to be made to extend to Senators, who would not be allowed, any more than members of Parliament, to enter into contracts with the Government. These clauses and a better definition of the Independence of Parliament, as stated in the previous Act, comprised the principal features of the Bill that he introduced.

THE CASE OF JUDGE LORANGER.

REMARKS.

MR. MASSON said it was his painful duty to draw the attention of the House to a matter which, in his mind, if it were true, seriously affected the position and standing, as members of the House, of two hon. members, one occupying a seat in the Cabinet, and another having occupied one a few days ago; moreover, implicating two members of the Senate; and, thirdly, implicating the Assistant Clerk of this House, in an unfortunate affair,—the petition against Judge Loranger last year. There were many at that time who thought that there were not sufficient grounds for bringing on that question, and not sufficient grounds for allowing the Committee; and the Committee decided that there were no grounds against Judge Loranger at all.

At the same time, there was a general feeling existing that this whole thing had been brought up by a conspiracy. The report of the evidence showed who was implicated in that conspiracy; it was none of his business to say a word about that; but there had appeared in a newspaper of the previous day a letter supposed to have been written by the Assistant Clerk of this House, containing a most damaging accusation against the hon. member for South Bruce (Mr. Blake) and against the present Minister of Justice. It went so far as to make them believe that not only were there conspirators, but that the conspirators were on the Treasury benches, and that one of the conspirators was he who was charged with the justice of the country. He need not tell the House that he did not believe a word of that. He would not, for a single moment, believe that the member for South Bruce would lower himself to that position. The high standing of that hon. gentleman would not allow them to have such an opinion of him. Nevertheless, the charge was published; he would read the letter to the House, and the House might judge whether he was right in bringing it before them. He would translate it to the best of his ability. It was from *La Minerve*, and appeared to have been written by Mr. Piché, the Assistant Clerk.

MR. BLANCHET: When?

MR. MASSON said it was dated the 13th of March, 1876, when the first petition was brought before the House, and was not proceeded with. The writer said:

"We do not find Blake quite vigorous enough, and especially not diligent enough, though we have the certainty that he is determined to turn Loranger out immediately after the Session. He is secret upon that, and does not like to see that any manifestation should be made in the House on this subject; but he has your petition, not as Minister of Justice, but as a political friend of those who have shown it to him. He seems struck with it, and regretted that all these details have not been put in the first petition presented to him. In the absence of Laflamme,—who is always absent, when we have so much want of him, but before leaving for Montreal has authorized us to receive the petition and to do for the best, waiting his return—the Government have finished by thinking with me as follows:—As I said,

MR. MASSON.

Blake seemed to regret not having these details sooner, and he does not like these public manifestations. On the other hand, there is no appearance that the affair makes much progress during the Session. Why should not you propose to him to send him the last petition, on the condition that Loranger does not ask his resignation before the end of the Session, and immediately the Session is over he will grant a Royal Commission and proceed to the trial on all the petitions *versus* Loranger; which realized, would bring to us more than the presentation of petitions to the House, the Session being so much advanced? This is why it has been telegraphed to you this morning, to ask your permission to address the petition to the Governor in case he would not; your answer in the absence of Laflamme stopping us from acting immediately. I start for Montreal, where I shall be Thursday next for the Court of Appeal, and shall have the pleasure of meeting with you. In the meantime, Dr. Pâquet will see Blake, and you will do well to have two pages of your petition re-copied on the same paper, and by the same hand, and addressed to His Excellency. I have confidence that you will finish by succeeding; but I assure you that it is not a small job to move all these immovables. If you have your miseries, I guarantee you that I have mine: but, courage,—I will not say perseverance or tenacity, but patience and a little tact, and we shall infallibly succeed. The position, you see, is strong, and nobody will be able to resist you. As to me, you do not doubt that I am ever backward,—that my vigilance and my diligence are never at fault, and that I do everything that my embarrassing position allows me to do. Friend:hip and kind regards to ———. Let us not be discouraged; there is one that does and will do almost impossibilities for your deliverance. N.B.—The French find your petition famous and irresistible. Blake seems to find it the same.

(Signed,) "E. U. PICHÉ."

The address of the letter was—"Free. House of Commons. G. Brosseau. Esq., Advocate, Surrey." He did not say that this letter was genuine. He was not to indicate what was the duty of the Government, or what was the duty of the House in the circumstances. He would leave it to the Government and to the House to decide upon the point; he had done his duty.

An HON. MEMBER asked if Mr. Masson knew whether the letter was genuine or not.

MR. MASSON: The hon. gentleman asks me if I know whether the letter is genuine, or not. I have just said I do not. I found it in the paper.

Mr. BLAKE said his hon. friend was good enough to tell him a few moments ago that he was going to bring this letter before the House. He had only to say that he had never had any communication, direct or indirect, verbal or written, with the supposed writer of that letter, Mr. Piché. It was true that, in the course of the discharge of his duty as Minister, he was occasionally the recipient of some letters on the subject of the case against Judge Loranger; and also, in the discharge of his duty, he was the recipient of certain observations with reference to those charges; but it was not true that he ever, at any time, expressed his opinion upon the subject of these charges, except in this sense, that, it having been called to his attention during the Session, at a tolerably late period of the Session of 1876, that a petition was about to be presented, he represented to the hon. members who came to him his opinion of the responsibility which, in his opinion, devolved upon the hon. member who took that step. He stated to them that it was his opinion that the hon. member who took the very grave step of presenting a petition to this House complaining of the conduct of the learned Judge ought to satisfy himself, so far as it was possible for him to satisfy himself, that there was serious cause for the step which was proposed to be taken. He explained, verbally, his notion of the inconveniences to the general administration of justice of such applications, except for the gravest cause. The Government had several applications,—they were pending before he came into office, and they were renewed while he was in office,—applications for procedure by the way of a Royal Commission. These applications were refused. There was a particular branch of the inquiry upon which it was thought not improper to address a communication to the learned Judge himself connected with the receipt of some moneys; but upon that he (Mr. Blake) very fully explained to the House, upon the occasion of the reference of the petition of Mr. Biron and others in the last Session of Parliament, the position of the Government and himself, as their organ, in that matter. He need hardly say that he never ex-

pressed, or felt, or entertained any opinion himself upon the subject of these charges. He had felt it his duty, as he had no doubt it was the duty of every hon. member of the House, to keep his mind perfectly unprejudiced with reference to accusations made against any person, and still more against a person occupying the position of the learned Judge, which were to be supported by evidence, when they might be of no weight at all. Nor did he ever express or intimate, or entertain the slightest opinion whether Judge Loranger ought or ought not to be removed. He did not know,—having heard the hon. gentleman (Mr. Masson) read the letter cursorily,—whether he had answered all the expressions contained in it. No doubt a misapprehension of communications of conversations with him had occurred; but he desired to say generally that he had made no statement whatever inconsistent with his duty as a member of Parliament, as a member of the Government, and as Minister of Justice. His own view and wish in the matter was shortly explained by him when it came up before the House, and on the reference to a Committee, when he said it was the hope and belief of every hon. member that the inquiry in this matter would result in the refutation of every charge which might tend to affect the honour, the integrity and the standing of the learned Judge, and the administration of justice in the district. He might add that he never had any communication with his hon. friend, the present Minister of Justice, on the subject at all.

Mr. LAFLAMME said he did not think it necessary for him to say anything, as his learned friend, in the letter, as far as he understood the reading of it, accused him of being continually absent at the time, and that he could not reach him. All he could say was that he heard of the accusations frequently, and they were of a very serious character. He had no connection whatever with the management, with the direction, or with the inspiration of anything connected with this matter.

SIR JOHN A. MACDONALD said he had only seen the letter the moment before his hon. friend read it. It was rather a startling letter. If it were a genuine one,—if it were not a forgery,—it was a startling letter. Of course he agreed with his hon. friend, who thought it his duty, very properly, to bring the matter before the House. It would be out of the question, of course, to suppose that the hon. member for South Bruce (Mr. Blake) would be guilty of what was more than insinuated,—he might say asserted,—in that letter, that he was playing a game with the writer of that letter whoever he might be, for the purpose of effecting, clandestinely, the removal of the Judge. He had no doubt that the hon. member for South Bruce could afford to cast aside and disregard that imputation altogether. So far as he remembered the proceedings in the case, it was conducted according to English precedent. It was conducted with all deliberation; it was conducted with a view to protect a high judicial officer, and at the same time, there being solemn specific charges made, to have a full enquiry made. It appeared to him, however, that something must be done, if that letter were real and genuine; but he thought, it having been read, they could leave it for the present in the hands of the hon. gentleman at the head of the Government.

MR. MACKENZIE said he thought the first thing that must occur to any gentleman was that it would be very improper for him to express any opinion, or say anything about it, until he obtained an explanation from the party who seemed to be more or less accused in this matter. They must act fairly towards every person.

SIR JOHN A. MACDONALD: By all means.

MR. MACKENZIE: And all the more so because the gentleman who was supposed to be implicated was not in a position to say anything here for himself.

A RETURN.

REMARKS.

MR. PLUMB said he wished again to call the attention of the hon. the Minister of Public Works to the fact

MR. LAFLANQUE.

that he had given notice of a motion for a return of iron which had been sold to the Government, and was told that, until the Address was passed, such business could not be attended to.

MR. MACKENZIE said he had intended, in presenting some papers, to say a word or two about that, but the hon. gentleman was not in his place. His deputy had called his attention to this motion some time during the recess, and to the impossibility almost of obtaining the price, over all the Dominion, of every bit of iron that was bought. He (Mr. Mackenzie) suggested to him to write to the hon. gentleman and ascertain precisely what he wanted and to endeavour to make out a return upon the hon. gentleman's explanation of what he required. That was the reason, he believed, why the hon. gentleman was written to. He would say that the return was prepared as far as it fairly could be done. It would be very difficult to do it, and cover all the iron bought in every part of the Dominion. In the management of the harbours in the Lower Provinces, for instance, they were often obliged to purchase iron in small quantities at different places, and so over all the works which were carried on through the whole Dominion. It took a long time sometimes before they could get the accounts in, and it would take a very long time indeed to transcribe them in the shape of a return.

MR. PLUMB said that, in replying to the letter which came to him, he expressly stated that he did not want any such returns as the First Minister now referred to. He did not want a return of all the iron that had been purchased all over the Dominion; he did not want it in British Columbia, nor did he want it in Nova Scotia; he limited it entirely to a very small portion of the Dominion. He had given the Government a statement of what he wanted; it was not at all extended in its scope; but, if necessary, he would make it more definite.

THE ESTIMATES.

MESSAGE FROM HIS EXCELLENCY.

MR. CARTWRIGHT delivered a Message from His Excellency the Governor-General.

MR. SPEAKER read the message, and it is as follows:—

“DUFFERIN:

“The Governor-General transmits to the House of Commons, Estimates of sums required for the service of the Dominion, for the year ending the 30th June, 1879; and in accordance with the provisions of the British North America Act, 1867, he recommends these Estimates to the House of Commons.

“GOVERNMENT HOUSE,

“OTTAWA, 19th February, 1878.”

SUPPLY.

III. CIVIL GOVERNMENT.

House resolved itself into Committee of Supply.

(In the Committee.)

2. The Governor-General's Secretary's Office..... \$8,100
House resumed.

IMPROVEMENTS ON THE SAGUENAY.

QUESTION.

MR. CIMON enquired, whether it is the intention of the Government to appropriate a sum of money to carry out the improvements on the River Saguenay at Chicoutimi recommended by the Government Engineers who visited and surveyed that river during the months of October and November last?

MR. MACKENZIE said there was provision made in the Estimates for that work, as there was in the Estimates of last year.

MONEY PAID TO BRITISH COLUMBIA.

MOTION FOR RETURN.

MR. DE COSMOS moved for a return showing the respective sums of money paid to the Government of British Columbia, and at what time paid, in accordance with section 2, chap. 17, Vic. 37, of the Statute of Canada. In doing so, he said he wished to bring before the House the fact that, by the non-performance of their agreement on the part of the Government of the Dominion, there had been entailed upon the Province of British Columbia a loss of some \$280,000. In order that the House might follow him in bringing to their notice this equit-

able claim, he took occasion to state that in 1873 he was the Premier of the Province of British Columbia. He found that the Province was not in a condition to invite immigrants to come and settle in the country. The ordinary and current revenue of the Province was only sufficient to meet the ordinary and current expenditure. In order, therefore, to prepare that country, in the interests of the Dominion, to receive population from abroad, and thereby contribute to the revenues and the building up of the country, it was decided that he should go to the Government of the Dominion, and, if necessary, to the Imperial Government and the capitalists of Great Britain, to raise a loan of some million of dollars to make surveys, and open up colonization roads through the accessible portion of that Province. In the autumn of 1873 he arrived in this Province, some three or four weeks before Parliament met in extra Session. He placed himself in communication with the Government of that day. He told that Government that the Provincial Government wanted a million of dollars or less,—may be \$500,000 or \$600,000. The Minister of Finance of that day was absent in England, placing the bonds of the Dominion upon the London market. He opened negotiations through the hon. the then Minister of Public Works (Mr. Langevin) with respect to this loan. When the Minister of Finance returned from England,—as the loan could not be concluded with the Dominion Government until he had returned,—it was arranged that the Province of British Columbia should draw on application the sum between the allowed debt and the actual debt of the Province at the date of Union, as increased by the Act increasing the debts of the respective Provinces in 1873. In order that the House might follow him in this matter, he would read the Order in Council that was passed by the Dominion Government of that day, respecting this matter:

“In a memorandum, dated 30th Oct., 1873, from the hon. the Minister of Finance, submitting an application from Mr. DeCosmos on behalf of the Government of British Columbia, asking that the Dominion may advance for local improvements a sum equal to the difference between the actual debt of the Province and the debt allowed at the Union, such advance to be at the rate of 5 per cent, to be

secured upon the subsidy, and to be repaid by a Sinking Fund,—

“The Minister states that he considers it inexpedient that the Dominion Government should undertake a loan on the terms specified; but that there is no doubt that if the Province wishes to enter upon local improvements and borrow money for the purpose, it could be done on more favourable terms in the manner proposed than by procuring a loan elsewhere; and he suggests that the same object can be gained in another way, which would be quite legitimate: That the excess of the debt allowed over that outstanding at the date of the Union is in fact a debt of the Dominion, upon which it has to pay five per cent. annually on the subsidy, and that there can be no objection to the Dominion, if it thinks proper, redeeming this debt by paying the money to the Province.

“The Minister, therefore, recommends that authority be given to advance to the Government of British Columbia, for local improvements, such sums, from time to time, as may be applied for, to be charged against the debt of the Province to the extent of the amount by which that debt falls short of the debt allowed. Should the Provincial Government at any time wish to refund any portion of the advances so made, the refund, the Minister observes, would, on the same principle, be credited to the debt.

“The Committee concur in the foregoing recommendations, and submit the same for your Excellency's approval.”

He desired to direct the particular attention of the House to the words, “such sum or sums as may from time to time be applied for.” There was no promise or suggestion whatever that there would be any influence brought to bear against or any exception taken to any application made by the Province of British Columbia to take over the difference between the actual and the allowed debt. They had, therefore, the fact that, when the late Administration retired from office, there was an arrangement made by the Province of British Columbia with the Dominion, to obtain for surveys, roads, and bridges, &c., the means for opening up that extensive Province, an arrangement by which a large sum of money—nearly a million dollars—might be obtained from the Dominion at a lower rate of interest than the Province could obtain it elsewhere. Shortly after Parliament met, the Ministry of the day resigned. His mission was not merely to the Dominion Government, but it extended also to England, with regard to the Graving-dock. Before proceeding to England, he thought it would be wise on his part to obtain a confirmation, from the present Government, of the arrangements with

MR. DECOSMOS.

respect to the advance or loan. He did so, and he (Mr. DeCosmos) had the authority in a letter from the Prime Minister, in which he agreed to make that advance. The letter was as follows:—

“OTTAWA, 4th Nov., 1873.

“MY DEAR SIR,—Your proposal to the Dominion Government respecting the payment to the Local Government of British Columbia of such sums as may be applied for from time to time, to be expended on local improvements to be charged against the debt of the Province, until the sums so advanced will, with the existing debt, reach the amount of the debt allowed by the terms of the Union, is one which will require the sanction of Parliament. This being the case, no absolute promise can be given until Parliament meets. I see no serious objection, however, to the proposal, and we will submit a measure to Parliament to carry it into effect.

“I am, &c.,

“A. MACKENZIE.”

The House had then before it the fact that the late Government and the present Government of the Dominion, with a view, he believed, at that time of advancing the interests of Canada, and the Province of British Columbia in particular, had agreed to advance the money at a lower rate of interest than it could be obtained elsewhere, and in the same way as the Dominion had obtained guarantees for its bonds from the date of Confederation from the Imperial Government. The House had the fact before it that this and the late Government had agreed to advance the difference between the actual and allowed debt. The next question arising was what was the difference between the actual and allowed debt? The actual debt of British Columbia at the time of the Union was \$1,000,403; the allowed debt, increased by the Act of 1873, was \$1,946,284. The difference between the actual and allowed debt in 1873-4 was \$945,878. And the agreement for the advance of money, in the nature of a loan, with a right of repayment of the whole or any portion, covered this amount. The next point was as to the Statute. In order to carry out that agreement, chap. 17, 37 Vic. was enacted, the 2nd section of which read as follows:—

“The Governor in Council may, in his discretion, advance from time to time to any Province of Canada, such sums as may be

required, for local improvements in the Province, and not exceeding, in the whole, the amount by which the debt of the Province for which Canada is responsible then falls short of the debt with which the Province was allowed to enter the Union—such advances to be deemed additions to the debt of the Province, with permission to the Province to repay them to Canada, on such notice, in such sums and on such other conditions as the Dominion Government and that of the Province may agree upon; any amount so repaid being deducted from the debt of the province in calculating the subsidy payable to it."

That section was intended not merely to include the Province of British Columbia, but every Province in the Dominion. When he opened these negotiations with the present Dominion Government, for the purpose of taking over the difference between the actual and allowed debt of that Province, the proposal seemed to be a novelty, but on passing it under consideration it was discovered that it might be an advantage, not merely to the Dominion Government, to extend its influence in that manner through the Provinces, but a great advantage to the Provinces themselves. The point to be observed in that matter was this: that, owing to the negotiations between the two Governments, the Dominion and British Columbian, it was agreed that, when the Province applied for the money, it was to be paid over to the Provincial Government, and that without qualification. On enquiry, so far as he was able to gather, the amount paid to the Province of British Columbia, amounted to \$189,258 in 1874-5, and a further sum of \$150,000 was paid in 1875-6, and charged subsequently against the debt of the Province. When the Provincial Government applied for the money, they were not properly met by the Dominion Government, and there was no prompt fulfilment of the bargain which he (Mr. DeCosmos) had made with the present Government and its predecessor. The first application to the present Government was for the sum of \$439,150. \$189,000 out of that amount had been expended, and the Province wanted \$250,000 more, to meet the additional expenditure on its public works. The Dominion Government refused to advance that amount. Stated briefly,

the Province received from the present Government \$189,000, and was refused \$250,000. The question would naturally arise as to why the Dominion Government, whose word ought to be a word of honour, refused to carry out their agreement. If there were good and sufficient reasons why they should not carry it out, he believed the House and the country would be prepared to endorse their refusal. But, as far as he had examined the facts of the case, he found there was no good and sufficient reason why they should have refused, and particularly so as the Government of British Columbia was engaged in opening up that vast country, and in doing so was opening up a part of the territory of Canada over which it had jurisdiction. But, if they traced the matter to the bottom, he believed the true reason for refusing to honour their pledge would be found to be a desire on the part of the Dominion Government to check-mate the then Government of British Columbia, led by Mr. Walkem; in other words, to embarrass the Provincial Government financially, in order, if possible, to bring them under the influence of the Federal Government. It was open to the Government to explain that statement, and if they could by any possible means explain away the reasons which were popularly given in that Province for the refusal, no one would be happier to accord them full credit and release them from the charge of having attempted to embarrass the Government of that Province than he would be. It must be remembered that the demand for \$439,150 was made in April, May or June, 1875. If the Dominion Government had been without funds, or had had large claims coming due which would prevent it from fulfilling that agreement, there might have been some excuse; but, when he turned to the Sessional papers and to the statement of the assets and liabilities of the Dominion in the Public Accounts, he found that, at the end of June, 1875, which was the end of the financial year, there was to the credit of the Dominion, in British and Canadian banks, and other places \$10,462,586; in other words, a month or two after the \$400,000 and odd were asked for by the Provincial Govern-

ment, it was found, by a return laid before the House, that \$10,462,586 was set down by the Minister of Finance as the money assets of this Dominion. Against that they found liabilities due to other banks amounting to nearly \$2,150,752, leaving a surplus to the credit of the Dominion Government, at the banks, of \$8,311,834. He put it to the House whether the Government could be justified, from what they knew at present, in refusing to fulfil its obligation to the Province of British Columbia, when the Dominion had nearly nine million dollars to its credit at its bankers? He had called the attention of the House to the fact that the money was to be paid to British Columbia, when applied for. It was to be observed that the money was to be paid from time to time. There was no question that the negotiations which had taken place between himself, on behalf of British Columbia, and the present and the late Governments in regard to the advance of the difference between its actual and allowed debt constituted a *bonâ fide* agreement between the parties. Remembering that there had been a *bonâ fide* agreement entered into—for that amount of money had been contracted by the Dominion Government to be paid to the Province, what did they next find? The report of the Committee of the Privy Council, approved on 20th May, 1875, showed the following:

"Upon the application of the Government of British Columbia for the sum of \$439,150, whereof \$250,000 is asked for on account of the Graving Dock, the remainder for local improvements, the whole to be advanced in accordance with the provisions of Vict. 37, cap. 17.

"The Hon. the Minister of Finance, to whom this application has been referred, observes, in a Report dated 19th May, 1875, that, with respect to the sum asked for the construction of the Graving Dock, certificates of progress of work are required by the Terms of the Act, and that such certificates have not, so far as he is aware, been furnished by the Government of British Columbia.

"With respect to the remaining advances, he further observes that it is entirely optional with the Government of the Dominion to advance any sums on said account; and, inasmuch as inconvenience may arise if expenditure should be undertaken in any of the Provinces, under the impression that the Local Governments or Legislatures are at liberty to draw at pleasure for the balance of debt referred to in said Act, he suggests that the Secretary of State be directed to notify the local authorities of the several Provinces that the consent of

the Government of Canada must be expressly obtained before any advance on account of local improvements, as specified in the above Act, is authorized; but that the sum of \$189,150 having been spent by the Columbia Government, it is recommended that this sum be paid.

"The Committee concur in the foregoing Report, and submit the same for Your Excellency's approval."

He might remark, with reference to the closing portion of the second section of the report of the Committee of the Privy Council, that the \$250,000 referred to was not asked for in aid of the construction of the Graving Dock, but for an entirely different object. From that document they discovered that the present Dominion Government refused to carry out the obligation they had entered into with the Province of British Columbia, and they endeavoured to make British Columbia, when it had entered into a special agreement under two Governments, occupy a similar position to a Province that had made no agreement whatever. In the next place, they found that, on the 4th February, 1876, Mr. Langton, the Auditor-General, wrote as follows:

"I am directed to advise you that the \$150,000 was distinctly refused as an advance against debt, but it is granted as an advance against subsidies."

From this they discovered a second refusal on the part of the Government a year later, to do what they agreed to do in the autumn of 1873. Now he presumed that the House might gather some fair information of the state of this case. In the first place, the Provincial Government had agreed with the Dominion Government for an advance equal to the amount between the actual and the allowed debt; that the Provincial Government applied for \$439,150 to the Dominion Government, which was refused, and that the Dominion Government had the sum of \$8,000,000 or \$9,000,000 in its Treasury at its command, some of which was drawing interest and some of which was not drawing interest, and yet they refused to carry out a solemn agreement with that Province. Before he proceeded further to show the loss of money entailed upon that Province by the violation and, as he took it, the deliberate violation of the agreement with that Province by the Dominion Government, he would again call the

attention of the House to the fact that this Government had sent its delegate to British Columbia to negotiate a relaxation of the railway section of the terms of union. It so happened that the two Governments could not agree and an appeal was made to England by the Executive of the Provincial Government. He took it, therefore—and he repeated again as he said before—that the whole and sole object of the Dominion Government in refusing to advance the money that it had agreed to was to embarrass the Local Government of British Columbia. They had no other object; and that in the face of the repeated declarations made on the part of the existing Government when a party in Opposition: that they wished to keep the federal distinct from provincial affairs, and that they believed in decentralization, instead of centralization. This was his statement; and this was the view which the people of British Columbia took of it. As he had before remarked, it was open for the Government to explain away this view, and to give them a satisfactory reason for their conduct. Let the House now see what pecuniary loss the Government had entailed on the Province of British Columbia. At the time the latter had large contracts let, and with respect to part of these contracts payment on them had matured, and consequently the Government wanted money to pay the contractors; but the Dominion Government refused to advance the money. The Provincial Government then had to apply to the banks and outside capitalists in order to raise enough money to meet their liabilities, and had to pay as high as eight per cent. per annum for money; and that when the Dominion Government had enough money in its Treasury to spare for that object to fulfil its agreement. The result was simply this: that the Provincial Government, in round numbers, had lost by having to borrow money at eight per cent. the difference between five and eight per cent., and that was three per cent. The loss under that head, placing it at a minimum—and he believed that it was more like 100 per cent. more than that—was at least

\$10,000. In order then to get rid of their liabilities, they had to place bonds in the local market to the amount of \$350,000, and hypothecate them to tide through that year. If it was the object of this Government to embarrass the Provincial Government of British Columbia, the former was successful, as the latter Government was financially embarrassed. The Provincial Opposition having been tutored by agents at Ottawa, or by the present Government at Ottawa, or by writers from Ottawa, the agents of this Government in the Province of British Columbia were the first to communicate the news to the public that the Local Government was embarrassed in its finances, the Dominion Government having refused to advance them anything more. Having tided over the year 1875-6, the existing Government of the Province found it was compelled to pass an Act to enable it to borrow \$750,000 in the English money market. That \$750,000 was sold in the market of London at 95, and it cost one per cent. for commission. The loss, therefore, sustained in selling at a discount these \$750,000, which the Province ought to have received from the Dominion Government at five per cent., was \$45,000. These bonds were issued at six per cent. to mature in thirty years; and that is one per cent. more than the rate at which the Dominion Government had agreed to pass this money over to the Province. One per cent. over the five per cent. upon that amount was equal to \$7,500; and, hence, during thirty years, the Province would have to pay that \$7,500 annually. It would also have paid at the end of thirty years, \$225,000; and this amount the Province of British Columbia would have to pay to the parties from whom it borrowed, simply because this Government refused to fulfil its bargain. More than this: the management, he took it, of the Sinking Fund connected with this \$750,000 loan, during the coming thirty years, would be at least \$10,000. And adding the extra interest over five at eight per cent., the loss by discount on the bonds and the increased interest for thirty years, he found that the manner in

which the Dominion had treated the Province in this matter, would entail a loss on the Province of British Columbia of \$280,000. In other words, that was the cost to the Province of British Columbia, of having this Federal Government engage in what he might regard as the unholy work of embarrassing a Provincial Government. And not only did they entail a loss of \$280,000 on the Province, but the Dominion also, actually and absolutely, lost the sum of \$30,302 odd. Allow him to explain:—When this advance was agreed to by the late Government, the Finance Minister had just returned from England where he had sold his bonds. He believed they were five per cent. bonds and commanded a premium of five per cent. Now, paying off the difference between the actual and the allowed debt of the Province, the Dominion Government, by floating its own five per cent. bonds at five per cent. premium, would have made \$47,264.

MR. CARTWRIGHT: I may remark to my hon. friend that they were not five per cent. bonds, but bonds raised on the Imperial Government guarantee at four per cent.

MR. DECOSMOS said the hon. gentleman would have his opportunity for replying further on. He, however, thought that the hon. gentleman, if he referred to the money which was obtained on Imperial guarantees and Government guarantees, would find that both went off together. He only spoke from memory on this point and was subject to correction. This Government under pressure had advanced, as he had previously stated, two sums, \$189,233 and \$150,000; and the money saved by floating the Dominion bonds at five per cent. premium on the amount of money which was advanced by the hon. the Minister of Finance—the profit really made by the Dominion Government in this regard was \$16,961. By refusing to advance the further sum of \$606,055, the Dominion Government lost the five per cent. premium on that sum, and that was a loss of \$30,302. The aggregate loss, therefore, of the Dominion Government and the Provincial Government by the refusal to carry out the

MR. DECOSMOS.

agreement made with the Province of British Columbia by the Dominion Government was \$310,302; and he again repeated that this loss was made in the face of a surplus in the Treasury of the Dominion, of \$8,311,834. And the loss to the Province of British Columbia on this aggregate, the sum of \$280,000, would be six per cent. per annum besides the whole amount for ever. Probably his hon. friend the Finance Minister would be able, with his actuary, to find out what the total loss to the Province of British Columbia would be on that \$280,000 for ever. The interest on the sum lost by the Province of British Columbia for ever by the refusal of this Government to carry out its contract would be equal to even one-twelfth of the total annual subsidy received to-day by the Province. He appealed to the House if some explanation—if a full explanation was not required and ought to be given to the country to show how this Government could justify the taking away, by its own deliberate act, one-twelfth of the subsidies guaranteed by the Act of Union. He had only one other word to say; and this was that, if there was justice, if the equities of this case were heard by dispassionate gentlemen, and if the case of British Columbia in this matter was heard and understood, the Dominion Government owed a debt—as indemnity—to the Province of British Columbia approximating, in round numbers, to nearly \$300,000; and it would be for the present Government, or their successors, in due course of time, to pay over to the Province the penalty of their deliberate violation of the agreement, that was in the interest of both the Province and the Dominion.

MR. CARTWRIGHT said there could be, of course, no objection whatever, to the hon. gentleman obtaining the information he required. The facts connected with it, so far as his memory served him, were briefly these: he believed the hon. gentleman had correctly enough stated that, some time in the Session of October, 1873, he (Mr. DeCosmos) made application to the late Government to have an advance made in the form of which he spoke; and he had no doubt, that the hon.

gentleman had correctly quoted the Order in Council under which the late Government had consented to make that advance. He (Mr. Cartwright) understood, that subsequently, about a week after the present Government assumed office, the hon. gentleman renewed this application. He was not, himself, in Ottawa at that time, being engaged in conducting his election; but he understood that the hon. gentleman had had some communication with the hon. the Premier, who advised him upon that occasion, that in his judgment it was not possible for the Government to entertain any such application without obtaining Parliamentary sanction for such advance, probably in the shape of an Act. He must, however, correct the misapprehension under which the hon. gentleman appeared to labour regarding the letter his hon. friend the First Minister as at all implying what he (Mr. DeCosmos) appeared to conceive it meant. That letter did not, as he understood it, or as his hon. friend (Mr. Mackenzie) understood it, at all mean that the Province of British Columbia, or any other Province, was to be entitled, at its discretion, without due notice, to draw cheques upon them to the extent of the whole amount of the payment unliquidated. Now, in compliance with what his hon. friend had agreed to do, among the Acts that were passed at the Session of 1874 was the Act to which this hon. gentleman referred. That was cap. 17, 37 Vic., by which, as the House would see, it was expressly provided, and for very excellent and good reasons, that these advances should be made at the discretion of the Government, upon proper notice having been given, and on their being convinced of the expediency of the work. The reason for all this was obvious. It was quite impossible that they should make this advance to one Province without allowing other Provinces to obtain, if they desired it, the same benefit on like conditions. It was also perfectly obvious that in view of the very large engagements which this country had then assumed, it would be the most dangerous thing to allow many millions of money to be drawn at call from the public Treasury to serve the

needs of the several Provincial Executives; and it was for that reason, and after full consideration, that the Government introduced the Act entitled Cap. 17, which expressly provided that this advance should be made in their discretion and for local improvements. He regretted that no *Hansard* appeared to have been preserved for the year 1874, because his recollection was that, at the time this Act was introduced, he (Mr. Cartwright) expressly explained the reasons which had induced the Government to word this particular section in that fashion; and he then had expressly called the attention of the members, among whom, if he remembered aright, was the hon. gentleman himself to the fact that notice must be given—

MR. DECOSMOS: Of what?

MR. CARTWRIGHT: That notice must be given that these moneys were wanted, and also to the fact that it must remain at the discretion of the Government of the Dominion, because it would have been a most dangerous addition to their then existing liabilities to empower the several Governments at their pleasure to come down suddenly upon them for sums amounting, collectively, to several millions of dollars. So much for the reason why this Act was introduced, and for the construction which the Government then and now put upon it. He begged to inform the hon. gentleman and the House that they had had no intention whatever of embarrassing the Government, to which the hon. gentleman had alluded. The reasons which had induced the Government in 1875 to decline to advance a sum amounting to nearly half a million of dollars, although that was subsequently modified by agreeing to refund to the Government of British Columbia the sum of \$189,000, were, that in that particular moment, enormous sums were required to be met by the Government of this Dominion, amounting, in the space of two or three months, from the date of which the hon. gentleman had spoken, to, he thought, the sum of twelve or fourteen millions of dollars. Whether the hon. gentleman was correct or not in the statement he (Mr. DeCosmos) made that, in June or July,

1875, a large balance remained with the bankers of the Dominion, he was not sure, but assuming, for the sake of argument, that the hon. gentleman was quite correct, he could tell him (Mr. DeCosmos) that at that moment their engagements required every penny they had in their coffers, and they had had enormous sums to pay; and, further, were obliged, in consequence of the demands made upon them, to antedate the period for the negotiation of the loan in 1875, because the resources at their command were hardly sufficient to enable them to meet their then engagements, which were very large, a considerable portion of them being on the account of British Columbia itself. As to the calculations which the hon. gentleman had made regarding the loss which he stated the Province of British Columbia had sustained in consequence of this, he could only say he very sincerely regretted that the Province of British Columbia should have been exposed to any loss whatever. If he had understood the hon. gentleman aright—if not, he (Mr. DeCosmos) could correct him—the sum total which that Province would have been entitled to would have been \$900,000. Of that sum the hon. gent. himself admitted that they received \$330,000, which certainly would not leave the sum of \$750,000 available; so that, even if they had obtained the full sum which the hon. gentleman had said was promised him, he (Mr. DeCosmos) would not have been able to obtain quite the loan he wanted. However, he (Mr. Cartwright) would only point out as to the calculation the hon. gentleman had made, that he did not see on what principle he (Mr. DeCosmos) assumed that the annual payment of \$75,000, ranging over thirty years, was to be treated as a present cash loss to the Province of \$225,000. He (Mr. Cartwright) should be inclined to think that it would be much less than one half of that sum.

MR. DECOSMOS: I did not say it was a present cash loss; I said it would entail a loss of \$225,000.

MR. CARTWRIGHT said he was glad to be corrected. He had understood the hon. gentleman to add to his other enumerations the damage which

MR. CARTWRIGHT.

he claimed that Province had sustained, about \$18,000 or thereabouts, as being the cash interest on this loss, which was the loss of British Columbia from this time out on the \$500,000 which the hon. gentleman said the Dominion owed them. As to the little matter in dispute, the guarantee loan, floated in 1873, he could inform the hon. gentleman that it was not Dominion five per cents., but guaranteed Imperial four per cents, which were not properly applicable for a purpose of the kind to which he (Mr. DeCosmos) alluded. Speaking generally, the House would perceive that this Act was passed for a good reason, and he might also say that, if the application of the Province of British Columbia was declined, it was not with a view to embarrass the Government of that Province in any way, but simply because, at that particular time, the Dominion Government had so many and such heavy demands made upon them that it was a matter of very great difficulty, at the moment, to see how they were to meet the current liabilities that came crowding upon them without serious inconvenience to the general public service. He need not remind the House that at that particular time the distress in Canada in commercial circles was very serious, and very great difficulty was then experienced in obtaining from the several places in which money was deposited the sums that the Government really required to meet the wants of the public service. Any other discussion that might be had on this subject he thought would be more fitting when the several papers to which the hon. gentleman had referred were brought down, and they would be brought down at the earliest possible moment.

MR. DECOSMOS said the last excuse given by the hon. the Minister of Finance for not passing this money over to British Columbia was that distress then existed in Canada. By that, he presumed, he (Mr. Cartwright) meant old Canada; and this made up a large share apparently of the arguments of hon. members of the House who seemed generally, when dealing in their disputes about matters of finance, to refer to old Canada as the Dominion.

forgetting that there were besides the Maritime Provinces, with one million of people, another Maritime Province, which he hoped before long would also have its million of people in this Dominion. Why had not the hon. the Finance Minister, when he was dealing with the distress existing at that time in Canada, remembered that considerable distress would be entailed by his action in the Province of British Columbia as well. He (Mr. DeCosmos) thought that that Province was as much entitled to the hon. gentleman's consideration as this or any other Province, and he, therefore, took it that the hon. gentleman's excuse on that ground was neither full, nor complete, nor satisfactory. The hon. gentleman also said that he (Mr. DeCosmos) had made an error about the \$750,000 loan, and that the real difference between the actual and allowed debt not paid over, was some \$600,000 odd; but would any one suppose it to be desirable that any Government should go to the British Market, or any foreign money market, to borrow the difference between \$600,000 odd and \$750,000. If they would not do so, then the reason why this \$750,000 was borrowed was to enable the Provincial Government to meet the liabilities which had been incurred. If the Dominion Government had paid this \$600,000 odd, there never would have been any earthly necessity to issue bonds for so small an amount as the excess over \$600,000; hence the hon. gentleman's allusion in that particular fell to the ground. The hon. gentleman said the Dominion Government had no intention to embarrass the Government of his Province. The Government of that Province was embarrassed, but the hon. gentleman's kindness was shown towards the bankers and others and the commercial people on this side. The hon. gentleman's whole soul was apparently engaged in sympathy with the bankers and the merchants on this side, with whom he (Mr. Cartwright) had previously no obligation, and not with British Columbia, with which the Government had an obligation. The hon. gentleman could not say that this Act cap. 17 was permissive, and could not state here on the floor of the House

that the Province of British Columbia had to give notice. He accepted from the hon. gentleman, to a certain extent, the necessity for notice; but not to the extent in which he (Mr. Cartwright) had put it. For the Province of British Columbia had given notice, and had negotiated with the Government of the Dominion for the advance of this money. The hon. the Premier of this Government had agreed with that Province, and the hon. the Finance Minister of the late Government had agreed with that Province to do so. And the hon. gentleman himself (Mr. Cartwright) had stalked through the Privy Council Chamber when the arrangement was made with the present Premier of the Dominion. His hon. friend the Minister of Marine and Fisheries knew that it was a deliberate and understood thing by the leading members of the Ministry when they came into power, and before the hon. gentleman (Mr. Cartwright) went to his constituency, that this money should be paid over to the Province of British Columbia; and, if he (Mr. Cartwright) came down to the House to-day, and told it that the Province had to give notice, that the Act was merely permissive, and that the Dominion Government could do as it pleased, he (Mr. DeCosmos) took this occasion to state that the hon. the Minister of Finance either made a very great error in this matter, or that the hon. gentleman's memory was exceedingly treacherous. It was obvious that it would not be proper to allow the other Provinces to draw without notice—and in this he certainly agreed with the hon. gentleman—on the Dominion Treasury, at their will and pleasure, without notifying them; and in this case of the Province of British Columbia, they had given notice, and had a positive agreement, and hence the objection of the hon. gentleman would not come under that head at all. With respect to the hon. the Premier, he knew full well when he brought his resolutions to go into Committee of Supply that the advance was to be made to British Columbia—for he (Mr. DeCosmos) had spoken to him on the subject, where he now sat, several times, and more than that he had written letters to the hon. the Finance

Minister, which he (Mr. DeCosmos) had in his possession at the present moment, with respect to this matter—in which he (Mr. DeCosmos) had asked when he was going to bring down his measure—and what for?—to carry out the agreement with British Columbia, not merely with respect to this loan, but also with respect to the graving dock. Hence, the statement that this Bill was introduced into this House, and that British Columbia was placed in the same position as other Provinces, was an error; and that it was an error, he believed, was capable of full and complete proof. The hon. gentleman said he knew nothing about this matter. He would remind the hon. gentleman that, when sitting in the Privy Council Chamber, he himself was there when this matter was understood, with other members of the Government. If it was not brought to the notice of the Finance Minister of this country, he could not conceive why it was not; for it had been discussed over and over again by the hon. the Minister of Marine and Fisheries and others; and he was told, when he wanted to get the confirmation of this agreement with the late Government, that they saw no difficulty about this matter. He believed it was on his own suggestion to the Premier that this privilege should be extended to all the Provinces, that it was extended in the Act they had before them.

MR. TUPPER said he quite concurred with the remark made by the hon. the Minister of Finance, that it would be more convenient for the House to take a discussion on this question, which was certainly a very important one, as presented by the hon. member, when the papers were all brought down and the facts were all before them.

Motion agreed to.

MAILS BETWEEN QUEBEC AND MURRAY BAY.

MOTION FOR RETURNS.

MR. LANGEVIN moved for a copy of all correspondence about the carrying of mails by water from Quebec to Murray Bay, in the County of Charle-

MR. DeCosmos.

voix, for the year 1877; copy of all tenders received for said service for same period; copy of all arrangements for carrying the mail during the same period; together with a statement shewing the total cost of said service for the season of 1877, and a separate statement for the carrying of the same mails for the same period during the season of 1876, including in both instances the cost of carrying the mails to Tadousac, Chicoutimi, Eboulements and Baie St. Paul; also, for a copy of tenders received in 1877 for the carrying by land of the mails from Quebec to Eboulements or Murray Bay; also, a copy of all Orders in Council or Departmental Orders relating to the same, shewing the reasons why one special tender has been accepted; and also a statement showing the name of the late contractor for the carrying of said mails, the amount paid him, and the amount now paid and to whom for the same service, together with a copy of the correspondence on the said subject. In making this motion, he said he wished to call the attention of the hon. the Postmaster-General to this case. During the season of 1876, the mails were carried from Quebec to Eboulements and Murray Bay, in the county of Charlevoix, and thence to Rivière du Loup, on the other side of the river, and thence to Tadousac, and north to Saguenay; and the return mails were also brought. For that service, which was a daily service, the Government paid \$1,500. During last season, for a reason which was unknown to him, the Government changed that, and sent the mails from Quebec by the Grand Trunk Railway to St. Denis, and then from the railway by stage to the riverside, and thence by a small steamboat to Murray Bay. Then, when the mails were at Murray Bay, there were couriers or land agents who carried the mails from Murray Bay, first coming back up the St. Lawrence to Baie St. Paul—that is to say, 30 miles by land up the St. Lawrence to Baie St. Paul, and the mails were then distributed as before. Then, from Murray Bay, the mails that were destined for the Saguenay had to go by land by the road from Murray Bay to Chicoutimi, and the result had been, as the hon. the Postmaster General would perceive

when he saw the accounts, that the cost of the service had been greatly increased in 1877,—that it had cost a much larger sum than in 1876,—while the service had been very far from being so efficient. The mails, for example, destined for the Saguenay had arrived some twelve, fourteen or sixteen hours after the time at which they used to be received by the ordinary boat. The mails, instead of being at Baie St. Paul and the upper part of the County of Charlevoix at twelve o'clock or eleven o'clock in the morning, had to go down first to Murray Bay, and would arrive there about two o'clock, and then have to travel back up the St. Lawrence 30 miles to reach Baie St. Paul, which, of course, took a number of hours, so that the upper part of the county received their mails only in the evening at six or seven o'clock, instead of receiving them at twelve o'clock. Why all this was he could not conceive; he could not understand the reason of that change. The service was well performed in 1876, and the parties affected by that service did not complain; they were satisfied with the service as then performed. Perhaps the hon. the Postmaster-General would be able to give the reasons that induced his Department to make the change. He was pretty sure, that when he investigated the results of the service as performed in 1877, compared with the service of 1876, not only for the county of Charlevoix, but also for the counties of Saguenay and Chicoutimi, he would find that the service as performed in 1876 was far better than in 1877. He might add that, when His Excellency the Governor-General went to Tadousac, during the season, the mails had to be sent to Tadousac by special boat, which cost another sum of money which might certainly have been saved.

MR. HUNTINGTON said he could correct the hon. gentleman in one particular. The hon. gentleman stated that it was a daily service; that was a mistake. The old Gulf Ports Steamboat Company's steamships only went tri-weekly.

MR. LANGEVIN said the hon. gentleman was quite mistaken. The

service was not performed by that company; it was performed by the St. Lawrence Steam Navigation Company.

MR. HUNTINGTON said he did not rise to say what particular boat carried the mails, but to call the hon. gentleman's attention to the fact that he was mistaken in this respect; that he spoke of the mails to 1876 having been delivered daily, whereas it was only tri-weekly, and the present service by Murray Bay was a daily service.

MR. LANGEVIN said that, if the hon. gentleman inquired, he would find that, during a large portion of the season of 1876, the service was a daily service. Of course, he did not speak of Sunday, but of other days in the week. There was a boat which left Quebec every day for these ports, and that boat every day carried the mails. Then, when the tourists and visitors to the waterside left, for two or three months the service would not be so frequent; it would be three times a week, and further on it would be reduced to once, during that portion of the year; but during the five months of the season it was a daily mail. He assured the hon. gentleman that, if he enquired, he would find that the public service had suffered, and that the population of these counties had suffered on account of this change; while he would find that the service of 1877 had cost a much larger sum than that of 1876, to no purpose whatever, the service having been well performed before. He might tell the hon. gentleman another thing: that he had seen parties coming down to the boats which left Quebec for these ports in 1877, and giving the passengers lots of letters to carry down to Baie St. Paul, Eboulements and Murray Bay, because the boats would reach there long before the mail could reach, and parties in Murray Bay had time to answer their letters and send them back by the boats, so that the Post Office Department lost a large sum of money in that way. These parties could not wait to send back their answers the next day. He was sure the hon. the Postmaster-General must have been misinformed, and must have been deceived about this service.

If he could have seen it himself—if he could have seen what was going on—the hon. gentleman would never have allowed this to be done. He would have seen that the service was well performed in 1876, while in 1877 it was the laughing-stock of all the tourists that were down at the waterside. Besides that, the resident population were suffering in consequence of the change. What influences caused the change he could not say; of course, he knew very well that the Minister could not personally know all the details of his Department.

MR. HUNTINGTON: I will ask the hon. gentleman would he prefer the old service to the Grand Trunk service, by which Murray Bay is served?

MR. LANGEVIN: Of course.

MR. MASSON: There is a boat daily.

MR. LANGEVIN said it was for the public interest that the service should be continued as formerly; first, because the service was well performed, and people had time to answer their letters on the same day; and, secondly, because it cost not one-half or one-third of what it cost in 1877. His hon. friend on his left (Mr. Cimon) could also corroborate him as far as his county was concerned.

MR. CIMON said he thought it his duty to say something on the subject, inasmuch as the hon. the Postmaster-General seemed to have been incorrectly informed respecting it. Great injustice had been done last season with regard to the population of the counties of Chicoutimi and Saguenay; and he was convinced that, as soon as the facts were known by the hon. the Postmaster-General, he would see that such an injustice should cease to exist. He particularly called the attention of the hon. the Minister of Inland Revenue to this matter, as the hon. gentleman was a member for one of the divisions of Quebec city, which, having large commercial interests with the counties in question, was interested in having the mail service properly carried on between it and Chicoutimi. He hoped that the hon. gentleman (Mr. Laurier) would use his influence towards obtaining an amelioration of the

MR. LANGEVIN.

present condition of things. The facts were as follows: Until last year the mails between Quebec and Chicoutimi, during the season of navigation, were conveyed by the steamers of the St. Lawrence Steam Navigation Company, one of which left Quebec every morning, reached Chicoutimi at five o'clock the next morning, and on returning left Chicoutimi or Ha! Ha! Bay at nine o'clock the same morning, arriving in Quebec on the morning following, thus furnishing a daily mail between these places. Under this system the mails were delivered at Murray Bay, Tadousac, Ha! Ha! Bay and Chicoutimi during the whole season for the small sum of \$1,500, while, under the new system, of which complaint was made, the mail left Quebec every morning *via* the Grand Trunk Railway, and was taken from River Ouelle by ferry over to Murray Bay, whence it was twice a week taken by land to Tadousac, and thrice a week to Chicoutimi. In this manner, a day longer was consumed in conveying the mail to Chicoutimi from Quebec than was the case under the old system. Moreover, the new mode of performing this service had deprived the Saguenay and Tadousac of a daily mail; and, in consequence of this state of affairs, commercial affairs had suffered all last season. He hoped that next season the hon. the Postmaster-General would see that this injustice to the Saguenay would be remedied.

MR. BLAKE said that in his recollection the mail service in summer between the western ports and Murray Bay had not been daily in former years, but about five times a week; the service in force last year had provided for the arrival of the mail between one and two o'clock in the day; and it left at seven or half-past seven o'clock at the soonest. Delivery between Quebec and Murray Bay had taken place five times a week as far as Quebec and Murray Bay were concerned. The old arrangement was not so satisfactory as the new, for to a large number of persons who visited Murray Bay during the summer from the West and the Province of Ontario, the new arrangement was infinitely more satisfactory than the

old. As a rule, during the season, the Toronto papers of one day now reached that place at two o'clock the next day, a thing which was never accomplished with anything like this promptitude under the former arrangements; and similar results had taken place with regard to letters from the West, owing to the fact that the railway communication was direct, and that the ferry connected with the railway and brought over the letters as soon as they arrived. He would say nothing at all as to the effect of this change upon the other places of resort, or as to the cost. He was not competent to speak personally on these points. He had merely answered the appeal of the hon. member for Charlevoix by stating his own experience respecting the results of the change which, to Upper Canadians visiting Murray Bay, were highly satisfactory.

MR. LANGEVIN said the present arrangement answered the purpose of one place, Murray Bay, and the interests in this regard of all the other places—Baie St. Paul, Eboulements, Tadousac and the Saguenay district—were neglected. He thought that the convenience of the tourists at Murray Bay should not deprive the whole of the counties of Charlevoix, Chicoutimi, and Saguenay of the prompt reception of their mails during the season of navigation.

MR. HUNTINGTON said he was not aware that any such inconvenience as that which had been represented was experienced. The Department had been beset to make these changes by persons who, perhaps, were more particularly interested in Murray Bay than any other place in that quarter. He had consented last year to an experimental change by which the steamer would cross to Murray Bay, with such arrangements as to the delivery of the mails to the places below as could be made; and it might be a success or otherwise. The hon. gentleman had heard what the hon. member for South Bruce had said; and the officers of the Department reported to him that the average delivery of the mails there had not been more than three times a week, though his

hon. friend (Mr. Blake) said five times a week. He (Mr. Huntington) supposed this discrepancy could be explained by the fact that, as the season waned, delivery was not so prompt. The experiment had been made for one year, and the expense of it was nothing so dreadful as the hon. gentleman anticipated. He believed that they had spent \$300 more than during the previous year. The impression in the Department, and the information they had received, was that, while some inconvenience, perhaps, was felt in places lower down, which it might be possible to remedy, the whole service had greatly improved. They had provided a daily mail with a comparatively slight increase of expenditure. He concurred with his hon. friend (Mr. Langevin) that the interests of residents should not be sacrificed to the convenience of visitors. So far as the Department was concerned, it had no motive in the matter, save to serve the public; but he believed that the hon. gentleman's representations in this regard were exaggerated. If the inconveniences were as serious as represented, he did not consider it advisable to adopt a crab-like policy, and go back to a system of mail delivery three or five times a week; it would be better to improve the service all the way down.

MR. LANGEVIN said the object of calling attention to this matter was this: Malbaie, Baie St. Paul, Eboulements, Tadousac, and other places on the Saguenay and in Chicoutimi county were left last year without the mail service they had in 1874, 1875, and 1876, and the residents of these counties should not be deprived of the regular delivery of their mails during the season only because the mails were sent by the Grand Trunk to Murray Bay, and thence distributed by land to these other different places, thus consuming more time than if it was done by boat, which was possible from Quebec five or six times a week. These districts had no railways; the people lived in the mountains; very little of the public money was spent there; and all they now asked for, at all events, was a regular mail during the season of navigation, and the ordinary mails during the rest of the year.

MR. BLAKE said that at no time in his experience had the steamers from Quebec stopped daily or on their regular trips at Eboulements and Baie St. Paul. This only took place occasionally during the week,—perhaps twice or thrice, but certainly not regularly.

MR. LANGEVIN: That may have been so during last season.

MR. BLAKE: I am speaking not of one season, but of ten or twelve seasons.

MR. LANGEVIN said the places in question were suffering under very great hardships in this regard.

MR. HUNTINGTON said he believed the hon. gentleman had been misled as to the number of trips formerly made to these places. He rested his statement on information furnished by officers of the Department. The papers would be brought down, and it would then be seen whether that was the case or not.

Motion agreed to.

PERSONAL EXPLANATION.

MR. LANGEVIN said he desired to make a personal explanation. Certain statements had been made in his regard by the hon. member for Lévis (Mr. Fréchette), and he had not thought proper to answer them until he could obtain the letter which he would now read to the House. That hon. gentleman said he (Mr. Langevin) should have informed his electors how much it cost him to procure the Cross of St. Gregory the Great from His Holiness the Pope; and had afterwards said, in explanation, he (Mr. Fréchette) had merely referred to sacrifices, etc., made on his part. He had since sent for the letter which he had received at the time from the late Archbishop of Quebec, Mgr. Bailargeon, who had forwarded to him this cross from His Holiness the Pope. This letter was as follows:—

“ARCHBISHOPRIC OF QUEBEC,
“QUEBEC, 8th July, 1870.

“MONSIEUR LE MINISTRE,

“Compelled by illness to interrupt my visits through my Diocese, and to come and rest in town, I have found on my table, on my return, the accompanying Brief by which it has pleased His Holiness to appoint you Knight Commander of the Order of St.

MR. LANGEVIN.

Gregory the Great in the Civil Order. This distinction has been granted to you at the request of His Lordship Bishop Horan and myself, in acknowledgment of the service rendered by you to Religion as a journalist and as a public man. I am sure that you will receive it with as great a degree of pleasure as you have veneration for the person of the Sovereign Pontiff from whom it comes.

“I have the honour to be,

“Monsieur le Ministre,

“Your humble servant,

“+ C. F. ARCHBISHOP OF QUEBEC.

“The Honourable Hector L. Langevin.”

House adjourned at
Six o'clock.

HOUSE OF COMMONS.

Wednesday, 20th Feb., 1878.

The Speaker took the Chair at Three o'clock.

PRAYERS.

POST OFFICE ACT AMENDMENT BILL.

Mr. Huntington.

FIRST READING.

MR. HUNTINGTON introduced a Bill (No. 17) To amend the Post Office Act, 1875.

MR. TUPPER asked the hon. the Postmaster-General to explain the nature of the Bill.

MR. HUNTINGTON said there were only two provisions, which were intended to meet certain difficulties in the administration of the Department. The Postmaster-General had certain powers to regulate the transmission of Her Majesty's mails over railways. In consequence of the convention with the United States, it had been considered desirable to extend the provision to the United States mails. The other clause gave the Postmaster-General power to deal with correspondence which related to lotteries or gift concerts of fraudulent intent. In the United States, severe penal legislation had been found necessary in relation to these matters. It seemed now that, being driven out of the United States, those parties had set up their business in this country. One of them had recently advertised;