

After examining several witnesses and documents, a report was presented to ask the House, from which it appeared that at an early day there had been set apart by the Government in reference to these counties, an almost unsettled, a certain proportion of the purchase-money of Crown and School lands for the purpose of public improvements, and that settlers had been informed of the existence by the Crown lands agents, the intention of the fund it was stated, was to erect bridges and roads, the absence of which constituted one of the greatest hindrances to the settlement of those districts. The inevitable result of the facts found by the committee and established by the evidence, was that there was not a claim for favour, not a claim for kind consideration, but a claim to the justice of the Crown. (Hear, hear.) That it was clearly made out that these settlers were entitled, upon grounds which these circumstances, he proposed to the House to concur in the report, but it was brought in so late, and there was so much public printing in hand, that it was not possible to place it in the hands of hon. gentlemen. He consequently adopted the suggestion of the hon. gentlemen opposite, and abstained from pressing concurrence. He had felt it to be his duty, at the earliest stage of this session, to ask the House to concur in the report which had been placed in their hands. He also added two further resolutions, intended to indicate what in the mind of this House should be the consequences of the facts found by the committee. The peculiar cause of the third resolution was the difficulty that besets every private member in obtaining a grant from the public treasury. It was not competent for him to propose to the House to agree what money should be granted, and therefore he could only propose abstract resolutions which would indicate the opinion of the House. So far as he had endeavoured to trace out the course of the question in this House, it was simple justice that he should add that his hon. friend the Treasurer had from an early period pressed the question, with that knowledge of which they all knew he was capable, upon the attention of the arbitrators, and upon the attention of the Government of Canada, and, as the arbitration award just handed in would probably show, with considerable success. (Hear.) It was material to the interests of the Province that this question should be so pressed, for the reason that the funds out of which these settlers sought payment were to a considerable extent received anterior to July, 1867, by the Government of Canada. He believed that it was settled by the award of the arbitrators that the arrears on school lands, and the amount actually paid, should be set apart for the purposes of this fund, thus admitting the validity of the claim. The same view would necessarily follow in reference to future payments. In reference to the

payment of Crown lands since July, 1867, there could be no difficulty, because these payments had been received by this Province. With regard to those payments which had been received before, he was unable to conjecture what the position of the case might be. In conclusion, he believed that there was such a general sense of justice in the people of this country that these claims would be satisfied equally as if any man amongst them would determine that any honest debt of his should be paid. (Cheers.)

Hon. Mr. WOOD—After referring to the remarks of the Attorney-General, alluded to by Mr. Blake, and which he said were founded on the assumption that reference was made to that portion of the fund received by the late Province, and that the matter had not at that time been fully considered by the Government—proceeded to say that he had always been of the opinion, from his first examination of the subject in 1863, that the settlers were legally—he would not say honourably—but legally entitled to have the agreement under which they took and settled these lands honestly and faithfully carried out.

Mr. BLAKE—(Hear.)
Mr. WOOD—Yes; I repeat, legally entitled to have the arrangement which they made with the Government carried out in respect of all those who, while that arrangement existed, took possession of their lands and complied with settlers' duties. If it were a question between two private parties, he believed a court of equity would sustain the claim, and there was the greater reason why a Government should do so. Such was the state of parties from 1863 to 1866 that it was impossible that any progress could be made in the matter. So soon as the return asked for, referred to by the hon. member for South Bruce—which was a very difficult one to compile, since every payment made on every particular lot, from 1861 to 1867, had to be examined—was brought, and he had an opportunity of examining it with the Orders in Council and the Acts relating to the fund, he came to the conclusion that the settlers had a claim upon the late Canadian Government for what it had received on lands sold during the time he had mentioned, amounting for school lands to \$124,000, and for Crown lands to \$101,000, in all, to \$225,000. He urged that it was a matter peculiarly within the province of the Dominion Government to take hold of the question, but they failed to act, and he consequently introduced the matter before the House last session. He had never made an appeal more earnestly to the Government for any section than he did on behalf of these hardy settlers who had made what was almost a wilderness into one of the finest parts of the Province. (Hear, hear.) His motion was defeated by a rule of order, made by the Speaker under influence brought to bear upon him and by a misconception of what was law. (Hear, hear.) The Speaker afterwards admitted that he had been in error. Determined not to be defeated by an erroneous ruling of the Speaker in so righteous a cause, he put a new notice on the paper and pressed the Government until Sir Francis Hicks stated that the matter had been discussed in the Council, and that the decision arrived at was, that as the arbitrators would have to deal with the Common School fund, and therefore must necessarily consider and dispose of that portion of the Improve-

ment fund paid into the Common School fund between 1861 and 1867, and must determine whether or not it should form part of the Common School fund, or should be deducted from it, and go to the credit of the Improvement fund. The Government would follow the decision of the arbitrators with respect to the receipts from Crown lands; and he (Mr. Wood) was informed that an order in council was passed that as the arbitrators decided with regard to the common school lands, so would the Government with respect to the crown lands. As he decided with regard to that House, he had no simple member of that House, he had no authority to accept any such arrangement, but he stated that individually he would be content that it should be so. One-fourth of all moneys received by the late Province since 1861, on account of common school lands and Crown lands sold between 1853 and 1861; all moneys received by the Ontario Government from the first of July down to the present time; and all moneys that might hereafter be received on account of these lands sold within the time mentioned, should be carried to the credit of the Upper Canada Land Improvement Fund. As to the money coming from the Dominion, the Dominion was bound to pay it over to this Province. The moneys from common school and Crown lands received by the late Province were, as I have stated, \$225,000. Provision would be made in the estimates for payment of the moneys received on account of that fund by Ontario, amounting in all to perhaps between \$150,000 and \$168,000; but the exact amount would be ascertained before the House went into committee of supply. The only real matter of any great public interest was—who should receive credit for obtaining these funds and distributing the money among the settlers? The Government never showed any opposition that he was aware of to the doing of justice to these settlers. For his part he was willing to allow all zeal on the part of the hon. member for South Bruce; but he (Mr. Wood) must say that at the last session of the Dominion Parliament, when he was taking steps in this very matter, he was not supported by members representing constituencies largely interested in the settlement of this question, as he thought he should have been. But notwithstanding that he stood almost alone, he made such an impression on the Dominion Government that it was obliged to yield. This one thing was certain, that somehow or another the whole House at Ottawa looked to those who were particularly interested in the government of Ontario to assert and defend the rights of this Province.

Hon. J. S. MACDONALD—The Canada Central Railway, for example.

Hon. Mr. WOOD said the Attorney-General had just reminded him of the Canada Central Railway. The members of the Ontario Government did not wish to deprive the Canada Central Railway of any right they possessed, but did not wish that Company to perpetuate rights to which they were not entitled. In regard to any credit to which he was entitled he would say the records of that House, if consulted, would show what he had done, both in his correspondence, in his efforts in the committee of the public accounts, and in his motions and speeches in the Commons of Canada in reference to this fund, as well as his anxious efforts in this behalf before the arbitrators. He thought the country was aware of this and fully appreciated it. At all events success had crowned his efforts, and he had done the best he could and he was content, and would leave others to pronounce judgment. There never was any difficulty with that portion of the fund exclusively under the control of this House. The difficulty was with that portion of it, \$225,000, in the hands of the Dominion. That was the difficulty with which he had grappled, first by appealing to the Government at Ottawa, and, failing to get satisfaction from it, by bringing the subject before Parliament, to which the Government itself was subject, and pressing the case before that tribunal until a satisfactory adjustment was extorted from the Government in the manner he had mentioned. As being cognate to this subject he might mention several other matters he had taken up and pressed upon the Government and Parliament of Canada with the best results—particularly the Upper Canada Building Fund, in which he had after a desperate struggle succeeded in securing at least \$140,000 to Ontario, and 1 per cent. on upwards of \$11,000,000 for all time to come. But he would not pursue this subject further, as it was not exactly relevant to the subject under consideration.

Mr. SCOTT (Ottawa) said that the Treasurer had mentioned several cases in which he had done justice to Upper Canada; and had boasted that in the matter of the Canada Central Railway he had saved the country an untold number of acres. He (Scott) was present at the Railway Committee, and could assure the Treasurer that without his presence there the lands of the country would have been perfectly safe. The Attorney-General opposed the Bill, and the Treasurer followed; but for what reason he (Mr. Scott) could not say. The Government should be satisfied with facts, and not make use of fiction.

Hon. Mr. WOOD said that as regarded the Canada Central Railway, all he desired to claim was that he did not wish to give any additional right to persons about to invest money in the Canada Central to expect lands to which they were not entitled.

Mr. HAYS congratulated the Government on the action they had taken.

Mr. MONTEITH said that the Treasurer was entitled to great credit for the efforts he had made in the matter of the Land Improvement Fund.

Mr. McDUGALL said that great credit was due to the hon. member for South Bruce for his action in respect to the Land Improvement Fund. That hon. gentleman had introduced the matter, and pushed it strenuously; and every disinterested person, and the country generally, would thank the hon. member for South Bruce for the present result. (Hear, hear.) The counties in central Canada would remember with gratitude what had been done by that hon. member. (Hear, hear.)
Mr. FERGUSON claimed credit to the

Government for their action in regard to the Land Improvement Fund.

Mr. SCOTT (Grey) said that the hon. member for South Bruce was entitled to credit for his exertions, but so was the Treasurer.

Mr. TROW said he did not know anybody more entitled to credit than the hon. member for South Bruce, for the manner in which he had advocated the interests of the backwoods settlers before the Dominion Parliament.

Mr. SINCLAIR said that the hon. member for South Bruce had given the Treasurer credit for his exertions in the matter of the Fund; but he (Mr. Sinclair) was sorry to say that this spirit was not reciprocated. It was rather mean of the Treasurer to try to rob the hon. member for South Bruce of the credit that belonged to him.

Hon. Mr. WOOD said that if he had been understood to say that the hon. member for South Bruce did not give assistance in this matter, then he was misunderstood.

Dr. BOULTER said that no member of the committee had done more than the hon. member for South Bruce.

Mr. LAUDER said that the organs of the hon. member for South Bruce had been praising him for having done everything in this matter. He (Mr. Lauder) hoped they would now see their mistake.

Mr. BLAKE said that he had no newspaper organs, and did not know what the public journals had said on this matter. When he proposed his motion he contented himself with a bare statement; for he was not in the habit of taking credit to himself. He had stated the course the Government had taken, and had added that he thought his statement would not be just without avowing in terms he thought generous to the efforts of his friend, the Treasurer. Since he had spoken, the debate seemed to have degenerated into a question of ascertaining who should have the credit to be the first to redress a great wrong. He (Mr. Blake) was not to be blamed for the turn the debate had taken. As to what he had done in this matter, he would leave the record of his acts to speak for itself. The Treasurer had laboured hard to show what his friends and himself had done. The Canada Central was brought up, the Building Fund and the Seigneurial Fund—all to show what the Treasurer had done and had failed to do. He (Mr. Blake) could not see what these matters had to do with the question before the House. The question was not what the Government had to do with these various matters, but what they should do with respect to the rights of the settlers. He (Mr. Blake) would wish to know what was to become of the \$100,000 being the arrears of the Crown Lands received anterior to July, 1867. The Treasurer said he would adopt the views taken by the Government with respect to this sum. In that case the effect would be to increase the public debt of the late Province of Canada.

Hon. Mr. WOOD said that if the hon. member for South Bruce looked at the award he would find that there were several items still unsettled that would affect the debt. The debt was apportioned between Upper and Lower Canada on a ratio, be it larger or smaller. If the \$100,000 were allowed they would increase the debt of Ontario, as the hon. member for South Bruce had said.

Mr. BLAKE enquired, if the \$100,000 were disallowed by the Government at Ottawa, might not Ontario pay as much to the settlers as it would have to pay if the debt were allowed?

Hon. Mr. WOOD replied in the affirmative.

Mr. BLAKE said that the House might regard the question as to the \$675,000 as settled absolutely under these circumstances; and having been assured by the gentlemen opposite that they would move in this matter, it would be useless for him to press his motion that the Speaker should leave the chair. The object he had in view in pressing the matter to a satisfactory decision was accomplished. He had to congratulate the people of the east and west on this result, which was mainly attributable to the labours of the committee, the members of which had worked more laboriously than those of any committee he had known in this House. The Treasurer had admitted that the report of that committee was the groundwork of his scheme on this question. (Hear, hear.)

Hon. J. S. MACDONALD said this question had been up in the Parliament of the late Province of Canada, but his party had found that those who preceded them had set their faces against a recognition of the claims of the settlers. He was so weak when head of the Government, having only 2 of a majority, that his party never found themselves in a position to deal with the question. Unless members of the Ontario Government had been in that House he should not have had the award to day. He was proud in being connected with a colleague who knew the finances of Ontario so thoroughly as the Treasurer did. With regard to the arbitration, there was no man in Canada so able to master all the points as clearly as the Treasurer; and in consequence we had the award, which he (the Attorney-General) hoped was settled for ever. There were many members who did not take the trouble to read the report.

Mr. BLAKE said that he moved the resolutions originally in this House. In Ottawa the Attorney-General thought they were right, but here he thought they were wrong.

Hon. J. S. MACDONALD said there was never any difficulty in this House on the Land Improvement Fund; the difficulty was in the old Government of Canada.

Mr. BLAKE said that the Government had got \$180,000 they had not paid out; they had been receiving money for the last three years.

Hon. J. S. MACDONALD said there was a small sum in their hands since 1867; but it was considered to be better that each of the municipalities should get its share all at once, instead of piecemeal. After stating that the Government were anxious to get the award and the decision of the arbitrators, the Attorney-General proceeded to comment

on the remarks made by Mr. Blake with respect to the arbitration.

Mr. BLAKE said that the Attorney-General's remarks were characterized by gross unfairness; for he knew that, according to the rules of debate, he (Mr. Blake) could not reply to them. He was not going to be so irregular as to reply to those attacks. (Cries of "Go on.") He (Mr. Blake) pronounced them to be most unfair, for they were made by the Atty-General under such circumstances as prevented his (Mr. Blake's) replying. (Hear, hear.)

The matter then dropped.

QUESTIONS.

In reply to Mr. HAYS,

Hon. Mr. RICHARDS (who was almost inaudible in the gallery) was understood to say that the lands on Lake Superior had been advertised at the rate of one dollar an acre. There were no maps of Silver Island.

Mr. BAXTER asked whether the debt upon the Hamilton and Port Dover Plank and Stone Road was transferred to Ontario, as an asset by the Arbitrators.

Hon. Mr. WOOD said by the terms of the British North America Act all the finances should be the property of Canada, and should be taken in reduction of the debt of the respective Provinces. This was one of that class of debts which belonged to Canada.

In reply to Mr. McLEOD,

Hon. J. S. MACDONALD said that in consequence of the Manitoba Government not being constituted, there had been no surveyors' reports touching the boundary line between Manitoba and this Province.

In reply to Mr. McLEOD as to the Provincial moneys on deposit,

Hon. Mr. WOOD said that there were \$1,450,000 in the Bank of Montreal at 4 per cent, and about \$80,000 in the Royal Canadian Bank at the same rate.

In reply to Mr. LOUNT,

Hon. J. S. MACDONALD said that the Ontario Government had not been consulted in the appointment of the Canal Commissioners.

Mr. LOUNT was glad to hear that the Ontario Government were not to blame for these unfortunate appointments.

In reply to Mr. BOYD, for returns as to gaols,

Hon. Mr. WOOD said the report of the Commissioner of Public Works would cover the motion of Mr. Boyd for returns concerning the gaols of this Province. The Government would give all possible information.

The motion by Mr. Boyd, as modified by his own consent, was carried.

Mr. SCOTT asked and obtained leave to introduce a Bill to incorporate the North Grey Railway Company.

The House rose at 5:35.