

Mr. FIELDING. I understood my hon. friend to ask if there was any correspondence from the Northwest government in regard to suggesting any other methods than this, and it was to that question I replied there was no correspondence. The government of the Northwest, in the Haultain Bill, has suggested precisely the same method of dealing with this matter as that which we have adopted. I do not understand that the principle of this matter has been a failure. What is the principle? That the provinces shall receive some portion of the revenues which the people pay to the Dominion government. I do not think that principle has been a failure, and there is not a province in the Dominion to-day that would be willing to abandon it. The working out of the details has not always been satisfactory and the amount not always sufficient, but the principle that the government at Ottawa shall pay a subsidy to the provinces is a principle that has not been a failure. No province will admit that it is a failure, though they will all be glad to have a larger subsidy.

Mr. R. L. BORDEN. It is then a success pro tanto?

Mr. FIELDING. That principle will certainly be retained, the only change that might take place being a re-adjustment of details. As to the point that we are not bound now in dealing with the Northwest as we were bound in dealing with the provinces which had the power to enter into a contract and to bargain, I admit my hon. friend's argument, that if we followed the principle to its logical conclusion we would not give the Northwest anything. We would say: You are not in a position to bargain, and we will give you nothing. That would be manifestly unfair, and I am sure my hon. friend would not pretend to take that view. Inasmuch as that principle has been adopted, and inasmuch as we give back a portion of our revenue to the provinces already constituted, it is only reasonable that we should give a portion to these new provinces in like manner.

Mr. HENDERSON. I do not think the minister is justified in inferring, from anything that has come from this side of the House, that we do not propose to give the new provinces anything; that we do not propose to be generous to these new provinces.

Mr. FIELDING. I am not seeking to make that point.

Mr. HENDERSON. No, but the remarks of the hon. gentleman might convey the impression that those of us who have taken part in this debate were not inclined to deal fairly with these new provinces.

Mr. FIELDING. I certainly did not so intend.

Mr. HENDERSON. I am glad to hear the hon. gentleman say so, but his words will be read. Permit me to say that I would favour no plan that would not deal reasonably, generously with the people of the west, for the reason that if we did not do so we would be immediately called upon to do something more, and there would be a continuous agitation. I am inclined to believe that we will require to be more than generous at the start if we are to have peace and contentment in that western country, because the people who live there are a people who will stand up for their own rights. Therefore, I wish it to be understood that I am not going to be parsimonious; I do not propose anything of that kind, but I simply reiterate what I said before, that I think some new plan might now be suggested by which we could adopt conditions which would throw the responsibility on the people of these new provinces of conserving what they do get, would make it more to their interest to protect and conserve their revenues, and to economize with the moneys which come into their hands for the purpose of carrying on the government. It might be said that would perhaps be a sort of parental care, that we are a little too anxious. I think in the administration of the older provinces we have had some examples of lack of care to conserve the assets and revenues of the people. You may take, as an example, the province of Quebec; I am afraid that in past years the people of Quebec received a severe lesson. There certainly was a time when they overrode all principles in their expenditure, when they were reckless and seemed to throw money right and left, until they accumulated a very large debt indeed, which is an undesirable thing for a province having a fixed revenue. A debt is a less serious matter to the Dominion, because we have a variable revenue.

Sir WILFRID LAURIER. Hear, hear.

Mr. HENDERSON. If we require more money we simply have to adopt the plan of the Minister of Finance, reduce the taxation and get more revenue. That is, we adopt a tariff for revenue only instead of a protectionist tariff in the interest of the people of this country. We simply adopt a plan to take more money out of the pockets of the people, and therefore a debt is not so serious a matter to the Dominion as to a province with a fixed revenue. What I said with reference to Quebec applies pretty much to Ontario, which has now a considerable nucleus of a provincial debt, as has recently been disclosed. I am sorry I cannot assist with a suggestion as to what direct method should be adopted. I believe it could be worked out on the principle of allowing the provinces to retain their lands and work out their own destiny, instead of our acting the paternal part of taking care of their