

goods, per head, than we do. (Hear.) But let this principle be extended to county and township matters, and it would necessitate appropriations to the wealthier townships, in the proportion each contributed to the revenue of the county—a principle which has never been contended for, and facts will go to show that it is seldom done even upon population, as is proposed by this scheme. But as it was necessary to establish some basis for contributing to the expenses of the local governments, without compelling them to resort to direct taxation, I think the principle adopted, that of population, is not unjust. (Hear, hear.) Again, it is argued that as Canada West contributes in the proportion already alluded to, that in the payment of subsidies she will contribute more than her fair proportion in the proposed Confederacy. To this I reply, if the hypothesis that the proportion which Upper and Lower Canada respectively contribute to the general revenue be correct, and that the subsidy should be based upon revenue and not population, then undoubtedly the argument is a good one. But, sir, let us see if the proposed arrangement is not a great improvement on the present method of distributing the public funds. It is well known, sir, that the complaint which Upper Canada has made in the past was that the appropriations were made, not upon revenue, nor even according to population, but in utter disregard of both. Under the system which has hitherto prevailed for dividing money grants, of the proposed subsidy to the two Canadas (\$2,005,403, or 80 cts. per head),

Upper Canada would have received one-half.....	\$1,002,701
Whereas, according to population	1,116,872

Difference in favor of the proposed system over the old one.....	\$ 114,171
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As the moneys have been distributed equally in the past between Upper and Lower Canada, I maintain that the balance of the public debt, say \$5,000,000, to be apportioned between them, should be divided in the same way, and not, as proposed by the Hon. Finance Minister, on population. But it is said the scheme will lead to extravagance. I had hoped, Mr. SPEAKER, that an alliance with the frugal and thrifty population of the eastern provinces would induce the very opposite, and lead to greater economy in the public expenditure than we

have had in the past. (Hear, hear.) With reference, sir, to the cost of the local governments, that subject has been left in the hands of the local legislatures entirely, the resolutions shewing whence their income shall be derived, and what the subsidy shall be without compelling a resort to direct taxation. I claim for this scheme, Mr. SPEAKER, that it will give us national importance. (Hear.) But here again it is objected that to obtain this we must have a vast population. When the colonies now forming a portion of the American union severed the connection from the parent state, their population was set down at 2,500,000, and although an impression has very generally obtained that they have increased in population faster than we have, an examination into the facts shows that such is not the case—for in 1860 their population reached 30,000,000, an increase of 1,200 per cent, while ours in the same period had increased from 145,000 in 1784, to 3,000,000 in 1861, or over 2,300 per cent. (Hear.) Confederation, sir, would give us nationality—I speak of British nationality—a nation created from the fragmentary portions of the provinces of Britain on this continent, but still retaining its allegiance to the British Crown. Then, sir, it is claimed that the commercial advantages which may arise from Confederation of the provinces can as readily be obtained by a Legislative as a Federal union. This is admitted; but as that is not obtainable, and as a union would remove the barriers to commercial intercourse and foster the trade between the colonies (each of which now effects more exchanges with the United States than with all the rest of the provinces), it is desirable that the union should take place. (Hear.) This leads me, sir, to remark upon the probable abrogation of the Reciprocity treaty. The country will be glad to know, from the announcement made to the House on Monday last, that the Ministry is alive to the importance of entering into immediate negotiations, through the English Government, with that of the United States, for the renewal of this treaty. (Hear, hear.) I am not of the number who believe that the advantages accruing from this treaty have been all on the side of Canada; for, from the statements lately published, it appears that the whole trade of 1854 was... \$24,000,000 And in 1863 43,000,000

An increase in ten years of