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taxpayers. This was a question that met the House *in limine*, and should be explained by the Finance Minister.

Hon. Sir FRANCIS HINCKS had not expected at this early period to go into the financial aspect of the question. As to the railroad, the idea had been that it could be constructed by a liberal land grant and liberal money subsidy. It was not expected to bring this subject forward this session. But various plans would be considered and proposed to capitalists, including land grants. The money charge was estimated at one million to a million and a quarter dollars per annum, which would not involve additional Dominion taxation. No capitalists were likely to survey the road at their own expense. Government thought it necessary that they should assume the responsibility for survey and location of line, this expenditure to be afterwards made by first charge in the road. The charges to the Dominion in connection with British Columbia were estimated at \$460,000 a year, and the revenue from all sources about \$360,000 leaving an annual charge of about \$100,000 upon Canada.

Hon. Sir FRANCIS HINCKS in reply to Mr. Jones, of Leeds North and Grenville North, said the road would cost about one hundred millions of dollars.

Hon. Sir A.T. GALT said the admission of British Columbia into the Union was desirable to all parties, the only question being as to the terms upon which it was to be based. He was willing within two restrictions to accept any terms with this object. The first involved the avoidance of the violation of any constitutional rights of the people of that colony, and the second the abstaining from the imposition of onerous burdens on the people of Canada. In view of the many important public or natural works claiming our attention, it behoved us to guard carefully against unduly augmenting the demands upon our resources. Not only had railways and canals and other works to be provided for, but the defence of the country, according to past contracts and legislation. Now there was no doubt that the union of this colony and the Dominion would be productive of little benefit—would probably, but prove a source of fruitless expense unless it could be also united by means of a good railway communication. That was why a railway had been made one of the terms of the compact. But its conditions necessarily required consideration. We should have to take care not to cripple the powers and means of the Local Government by those conditions, in regard to future enterprises. While it was desirable a road to our Western territory and through the colony should be made for the settlement of that vast region, the Local Government should not be deprived of the means of securing works of local value and promise.

The object of the House then should be the creation of this needed communication in conditions not antagonistic to British Columbia local improvements, without provisions for which we could not expect it to enter the Union. The resources of that country naturally presented themselves to our notice in this connection. What were they? A reliable authority in British

Columbia lately stated the population at 10,000 whites and 40,000 Indians. Now these aborigines should not be placed on an equal footing with the whites for the purpose of framing the financial basis of the Union. They could not be regarded as the equals of the whites for revenue purposes at least. The imports and exports also deserved our notice. The exports were principally furs, lumber and some gold and coal. The imports included articles dutiable in Canada, besides breadstuffs and such like commodities, from which the bulk of the revenue was derived. In 1867 the total amount was estimated at \$537,000, of which the customs yielded \$350,000. The Dominion would receive this, the remainder arising from excise and amounting to over \$150,000 falling to the Colony. The present terms of the Union were considerably less advantageous to Canada than the former both as regards the railway and other matters. Before it was left optional with us when we should commence the work, which, however, was to be completed within a reasonable period, but the subsequent conditions required the commencement of the road within two years and its completion within ten. We might have finished the work within ten years, but were not compelled to do it. The cost of the road would be very great, one hundred million being the Government estimate, and a considerable proportion of this amount must come from the Dominion exchequer. The present engagement as to time was much beyond what British Columbia asked at first, and in the second place the road was rendered more burdensome from the extension to Nipissing, further than at first spoken of. The present terms were enormously more burdensome to Canada than the former. The estimated revenue from Columbia was \$386,000, and payments by Dominion \$536,226 apart from indirect engagements. But this revenue from British Columbia depended upon maintenance of its tariff.

The result was that the colony would receive \$150,000 to \$170,000 a year from Canada for Union, including in trade guarantee for the works at Esquimaux. He would not object to that price for a political union, and did not think it too great an equivalent for valuable lands extracted from the colony for the railway. But there were other conditions of a serious and objectionable nature in view of our circumstances and prospects. He objected to the hands of the country being tied as to the period within which the Dominion should commence and complete the railway. As it was, after the British Columbia delegates came to Ottawa, Canada's obligations became enormously enhanced. If the colonists did not command this condition as compensation for the reduction of the estimate of population from 120,000 to 60,000, or to provide means needed for local purposes, why should our Government have voluntarily assumed this serious obligation not at first proposed. He deprecated interference with one of the principles of our constitution, namely, representation by population, by these resolutions. He indicated the evils of admitting colonies or territories on the footing of present members of Confederation.

The American territorial system presented an attractive contrast with ours in this respect. If not admitted till they