

be a gain to Canada, as will be seen by the following statement:—

Local revenues retained, £1,207,048

Deficit local appropriations after up, £2,280,129

Gain by Canada, £1,048,085

This gain to Canada would amount to about 4 cents per head of the population, while the Maritime Provinces by giving up their customs' revenue and only receiving 40 cents per head in return, besides having the Judges' salaries and a few others paid, would be under the necessity, in order to carry on their local governments, to resort to direct taxation, together with having to submit to an increased Tariff. But it is said that after the Union their Tariff will be reduced from 50 to 15 per cent. Why should their income be reduced and theirs be increased? Under Confederation, the tariff could be made 15 per cent, it must be on account of the flourishing state of the Maritime Provinces. But why should our tariff be raised to over 45 per cent? I must say again this is a justice and liberality which I cannot understand. As a set off, however, to an increased tariff we are told that we would have an interest in the vast public works of Canada, costing over 20 millions of dollars, and that we would be united to a country possessing great wealth. It is a strange thing that Canada with all these advantages is running so rapidly into debt. The following statement of her financial affairs for several years, compiled from authentic sources, does not show that she is a prosperous country:—

	Receipts.	Payments.
1867	\$4,081,062	\$11,846,690
1868	8,076,536	11,168,039
1869	8,157,586	9,680,592
1870	9,014,681	13,565,652
1871	9,738,258	11,982,554
1872	10,672,394	11,395,928

In 1868 an attempt was made to reduce the expenditure, which was accomplished to the extent of \$228,837, and still the result, as officially stated, was:—
Expenditure, increased by 10 per cent, \$10,742,507
Receipts, increased by 10 per cent, \$10,742,507

Deficiency, \$ 972,491

These annual deficiencies, amounting in the aggregate to \$16,964,000 have passed into the funded debt of Canada, and now form part of the debt of \$82,500,000 which that Province asks the Confederation to assume.

Here in a few short years we see that her debt has increased over 10 millions, and for the great privilege of contributing towards paying the interest of this debt, we are to receive 30 cents per head! But Galt says that last year Canada would have a balance of revenue in her favor, and talks of reducing the debt under Confederation. Now, Sir, when the members of a country propose to lower their tariff and reduce their debt, they must intend to do it by taking some person. But even though 30 cents per head should be sufficient for our present wants, it would not be sufficient in a few years. Our Prince of Wales College costs us a large sum, and our common schools require a small portion of our revenue; but if in a few years our population were to increase to 300,000, and we should want larger Colleges, and almost twice as many schools, we would not receive a single farthing more from the General Government. Is this justice or liberality? Our revenue in 1860 was \$70,000, and last year \$260,000 or nearly 270,000; making a difference of nearly 200,000. Supposing, then, that this Delegation had taken place in 1860, £15,000,000 would have been taken as the basis to work upon, and the increase in 24 years, namely \$62,500,000, would have been the interest on the debt which we

would annually pay into the general treasury under Confederation. But to begin with, the difference between the Tariff of Canada and this Island, would give us at once nearly £27,900 additional to pay. Some, however, may say that the Tariff under Confederation would not yield so great a revenue as would appear by adding the difference between the Canadian Tariff and our own. The amount could be very little less, for the principal items which go to make up our revenue are the duties on articles not produced within the bounds of this great Confederation. In 1863 the revenue which was derived from the following articles was:—

	1863
Molasses	2,488 2 0
Sugar	1,662 0 0
Tea	7,048 0 0
Tobacco	1,906 0 0
Wine	8,506 0 0
Brandy	561 0 0
	£18,514 2 0

On these six articles alone—which are only some of the number that must be imported—you see we had a revenue in 1863 of £18,514, while the whole revenue for the year was merely £38,550. But we are told to look at the advantages of intercolonial free trade. This is only a very weak argument, for free trade could be obtained independently of a Union of the Colonies. The following memorandum under date 18th September, 1869, signed by the Premiers of the three Provinces, is conclusive on this point:—

"The delegates from Nova Scotia and New Brunswick, and the Government of Canada, having under consideration the report of the Hon. the Finance Minister of Canada, of the 8th September, instant, on the subject of Intercolonial Reciprocity, agree:—

1. That the free interchange of goods, the growth, produce, and manufacture of the Provinces, and uniformity of tariff, are considered to be an indispensable consequence of the construction of the Intercolonial Railway.
2. But in consequence of the recent diminution of the revenues of the respective Provinces arising out of the war in the neighbouring republic, and the increased liabilities incurred by the additional obligations necessary to the construction of the proposed road, the delegates from New Brunswick and Nova Scotia regret that they are not at this moment in a position to adopt measures to carry this important principle into practical effect.

(Signed) J. S. McDONALD, (For Canada.)
(Signed) JOSEPH HOWA,
(Signed) S. L. TILLEY.

Then, again, it is said Canada will furnish a market for our produce. We are to have nearly 4,000,000 of people to deal with. It, however, will be a strange thing if Canada, which exports large quantities of the same kinds of agricultural produce that we have to spare, will afford us any advantages in this respect. The Board of Trade returns for that Province show:—

"In the year 1868, Canada exported 8,906,678 lbs. of butter; 668,306 dozen eggs; 8,944,272 lbs of pork; 1,183,576 lbs of ham; 1,201,819 barrels of flour; 1,906,980 bushels of oats; 6,741,479 bushels of wheat; 2,147,977 bushels of barley and rye; 17,660 barrels of oatmeal; 29,168 barrels of fish, and 187,699 cwt. of dried fish."

So that in almost every way we can view this Report, it presents nothing to us but increased taxation on the industry of this Island. And I now come to notice some of the more prominent items of expenditure of which we would have to bear a share under Confederation. The 67th clause, says: "All engagements, that may, before the Union, be entered into with the Imperial Government for the defence of the Country, shall be assumed by the General Government." This question of defence seems to have been the burden of nearly every speech of the delegates. At one of the dinners given to them the Hon. George Brown said:—