

the clearest terms on this point, Canada must have it, "political union or no":

"Recounting the recent unfriendly act of the United States, he said it must be manifest that we needed a new outlet to the ocean—new channels for trade when the old one was taken away. It seemed astonishing to him that any one desirous of seeing an independent Power here, separate from the United States, could oppose this scheme. With reference to the *Intercolonial Railway* he thought it was brought unnecessarily into prominence in this scheme. We must have that, and pay for it whether we have political union or no. It was needed for commercial, social, and defensive purposes."

Then we have the testimony of Mr. Rose, who sits for Montreal, and was formerly a member of the government:

"We were now almost commercially dependent on the United States, and were dependent for access to the ocean on them. If they do away with the *bonding system* or increase the difficulties of the passport system we would be practically shut out. Give us a railroad to St John's and Halifax and we would become commercially independent and free. If they know we have those avenues they will not shut us out. * * * We were told to remain as we are. We could not. How could we remain for ever commercially dependent upon the United States and their fiscal legislation, so that the Upper Canada farmer could not send a bushel of grain or a barrel of flour to Europe except by the permission or at the whims of the States. They were piling up vexations on the transit trade by consular certifications, passports, &c. The Senate was recently considering the *bonding system*. If abolished before the *International railway* is built the merchants of Canada would be ruined. They would have to import six months supply of goods, and farmers must keep their grain and lose their winter markets. The railway would cost a good deal of money but it was one of the unfortunate incidents of our position and a necessity for us."

And last, but not least, the venerated Premier, Hon. E. P. Tache, said that Canada could not hope to maintain "a separate national existence" without the intercolonial railway. Hear him:

"There never was a great nation without any maritime element, and Canada shut out for five months, by icy barriers, from the sea, could not develop so long as she had not ports accessible in winter, nor hope to maintain a separate national existence, but must be at the mercy of other powers. Canada was now like the man with excellent farms, but without access of his own to the highway, depending on the good humour of a neighbour for it. If the neighbor grew angry he might shut up the road and the gate. They had threatened the repeal of the *Reciprocity Treaty*, and had established the passport system, which almost amounted to non-intercourse. The gate being almost shut we must secure another way to reach the highway."

So I maintain now, as I have always maintained—as I did in Canada three years ago—that the *Intercolonial Railway* is more a necessity to her than to us. And I am glad to perceive that during the past year the Government of Canada, awakening at last to the importance of the work, at their own expense appointed Mr. Fleming to make a survey of the route for the *Intercolonial line*, and I have no doubt, Confederation or no, we will get the road ere long completed,—unless indeed the British Government require Canada to contribute too much for fortifications. It is quite clear that Canada cannot maintain a separate existence, unless she has access to the sea through friendly territory.

LOCAL GOVERNMENTS.

The hon. Provincial Secretary has referred to the local governments, and declared that

they will not be insignificant in character—that the Houses will still be a place where men of as great ability will aspire as those who sat here in former times. At that time there was only one place of political preferment that those gentlemen could aspire to, that was this House. Now there will be two—one at Ottawa, where the salaries will be large; and the government liberal to a degree unknown in this country. I would like to hear the Provincial Secretary tell us what kind of local government we are to have—is there to be one House or two?—and if only one Chamber how many members are to sit there? Are we to have responsible government as now with Heads of Departments? These are matters of great importance to the people of this country in connection with this subject—they are interesting to those gentlemen who do not expect to go to Ottawa, but aspire to come here again. They wish to learn whether this body is to be only a little more important than a Court of Sessions or a City Council. I pause for a reply from the Provincial Secretary, but I know in vain.

TAXATION UNDER CONFEDERATION.

The hon. Provincial Secretary referred to the large majority by which this scheme has been adopted in Canada. That country understands her own interests too well not to receive the scheme favorably. She knows that we have a surplus revenue, that we are a largely consuming people, and would be a valuable acquisition as contributors to the central treasury. I am not going into the financial argument, I will leave that in the hands of a friend perhaps more familiar with the subject than myself, but I cannot refrain from quoting one or two authorities on the subject of taxation. Mr. Galt, in that celebrated speech of his, which has so often been referred to, says:

"In the case of the Lower Provinces, the average tariff was about 12½ per cent, and where now collect 2½ millions dollars, under a higher tariff like that of Canada at least three millions dollars would there be raised."

Now, mark you, our taxation is to be increased from two and a half millions to three. Our *ad valorem* duties are ten per cent. New Brunswick has an average tariff of fifteen and a half per cent.

It is proposed by Mr. Galt to reduce the *ad valorem* duties from 20 to 15, but my firm belief is that they will have to be advanced to 25, or resort had to direct taxation in order to enable them to meet the increased expenditure that confederation will bring. He says the maritime provinces, under confederation will have to contribute half a million more than now. New Brunswick is nearly as heavily taxed already as Canada, and Prince Edward Island being a small colony, we would have to bear the larger proportion of the half million. On this subject the *Toronto Globe*, government organ, not very long ago said:

"There can be no doubt that (under Confederation) the Lower Provinces would be heavy tax-payers."

And the *Leader*, then supporting Confederation, remarked:

"The tariff of Canada is higher than that of any of the other Provinces. There can be no doubt that Confederation will involve an increase of expenditure, and perhaps a very large increase."

I will now turn your attention for a short time to another branch of the subject, having