

HON. J. S. MACDONALD—Whilst the honorable gentleman was with us, we kept him as close as we could, and it was a hard task. (Laughter.) We managed, however, to keep him right, and he took his part in settling the principles which were laid down in the answer we gave to the Duke of NEWCASTLE.

HON. MR. MCGEE—Some of the views laid down in that document are very good.

HON. J. S. MACDONALD—And no doubt, when he disagrees with the gentlemen with whom he is now associated, and leaves them as he left us, he will have different views again.

HON. MR. MCGEE—I will never go back to you.

HON. J. S. MACDONALD—The honorable gentleman was glad to come to us. It was the first lift he got in Canada.

HON. MR. MCGEE—I never sought you.

HON. J. S. MACDONALD—I was led into this digression in consequence of the taunts and imputations cast upon us this evening by the leader of the House. We were obliged to him for saying, in his speech at the opening of this debate, that we are all loyal in this country; and yet the Attorney General East in his speech made on the following day, said there were annexationists here—there were the JOHN DOUGALL party and the extreme democratic party. It is not for me to reconcile the statements of the two honorable gentlemen. One says there are no annexationists, the other says there are. The Hon. Attorney General East spoke of an annexation sentiment in Montreal. Whether he is right or not, we know that that city became notorious for its annexation proclivities at a former time. With regard to the prosperity of the country, and its condition at this present time, I have some observations to make, and will leave the House to deduce therefrom how far the Administration will be justifiable in asking from this House authority to make the outlay which they may propose for purposes of defence. I have said that the cry of annexation has arisen from the attempt made by honorable gentlemen opposite to shape our Constitution after the American model. And there is nothing more natural than, when the commerce of the country is at a stand-still, when indebtedness presses hard and heavy upon the farmers and mechanics as well as merchants, and all branches of trade are depressed—nothing is

more natural than that people should look somewhere for relief. This leads me to state that the desire for change—which it is said this proposed scheme is intended to meet—has not been produced so much by any sectional difficulties, as by the embarrassments which have overtaken the country. Make the institutions of this country analogous, except in some very trifling instances of difference, to those of the United States, and let us feel that our commerce is too limited, and embarrassments have overtaken us—and the result will be that the policy of honorable gentlemen opposite with regard to this question will make people look to the States, in spite of themselves. I wish to shew that the state of the country ten years ago was much more prosperous than it is now. The condition in which we found ourselves in 1852 and 1853 justified us to a great extent in going into a large indebtedness for the Grand Trunk. And probably the healthy condition of the farming interest and of every branch of trade at that time, justified to some extent the enactment of the Municipal Loan Fund Act, which enabled municipalities to borrow money for all sorts of improvements. Having referred to the state of prosperity which then prevailed, I shall next allude to the cause, which, in my judgment, more than anything else contributed to produce the disastrous difficulties which have since overtaken the country. I first quote from the despatch of Lord ELGIN in 1852, to show what was our condition about that period, when transmitting to the Colonial Office the Canadian *Blue Book* for the previous year:—

I had the honor, with my despatch, No. 2, on the 9th September, to transmit two copies of "Tables of the Trade and Navigation of the Province of Canada for 1851," and I now enclose the *Blue Book*, together with a printed copy of the "Accounts of the Province," and of a Report by the Commissioner of Public Works for the same year. These documents furnish much gratifying evidence of the progress and prosperity of the colony, and justify the anticipations on this head expressed in my despatch, No. 94, of the 1st August, 1851, which accompanied the *Blue Book* of 1850.

That is the official statement made by the then Governor General to the Mother Country. And what does he say in the following year? In 1853, after going over a number of facts, shewing the advancement of trade and commerce, and the general progress of the country, he says, in the last sentence but one of his despatch:—