

THE NEWFOUNDLANDER

tion took place. There was, for instance, the article of Bread, which, by the strict application of the Canadian Tariff, forms an item of Revenue to the amount of £7894, which is not exempted by that Tariff at present, merely because it is not an article of importation there, and consequently escaped their attention. This, of course, would be free under the general Tariff, but supposing for the sake of argument that its retention were senselessly persisted in, the effect then would be to shut the article out, and oblige us to get our supplies from the local bakers, which are quite capable of furnishing all we want. He put this, of course, as an extreme and most improbable case, but he would deprecate any such tax on Bread, for while our local bakers did good service in breaking down the Hamburg monopoly, he would be sorry to see the monopoly placed in their hands. Then there was the article of Kerosene Oil which paid £120, which after Confederation would come free from Canada. Ale and Porter pay £507 by our Tariff, and by the Canadian they would pay £799. As considerable supplies would of course come from Canada under a free Tariff, he would assume the future duty under this head at £300, leaving £499 to go to the account of abatements. The article of leatherware was most important. By our tariff it paid in 1863 £5628, and by the Canadian it would have been £12791. The leather manufacturers are amongst the most extensive in Canada, and as the articles can be got there, as appeared by the statement of the hon. member for Carbonear, on as good terms as from England, we should doubtless receive a considerable amount of our supply from Canada under the new arrangement. He did not wish however to overstate the case in any way, but he did not think he was open to the charge when he estimated that two-fifths of the import would be from that country, which would be an abatement of £5000 from the sum the Canadian Tariff would produce from our import of this article. Soap gives £645 under our Tariff, and would pay £1760 by the Canadian. As soap is largely manufactured in the other Provinces he assumed that one-half our import would be from them, reducing the Revenue by the sum of £880. Candles pay £467, and by the Canadian Tariff £849, would be realised. Here he estimated that the revenue would remain as it is with us, leaving £382 to be deducted from the calculation of the Canadian Tariff. He confined himself to the articles on which he felt no question could be raised as to the justness of his estimate, rejecting all those which, though they will probably come into more or less extent under a free Tariff, cannot be purchased at the English price, and on which consequently, though no duty would be paid, the purchaser would have little or no advantage. He had not taken into account either, the article of Tobacco, which comes in now from Canada in competition with Tobacco from the United States, but as it is subject to an excise, he felt he could not claim it as a free import, though doubtless this restriction will be removed to enable Canada to supply the Lower Provinces. The woollens and furniture and other Canadian goods, he had not taken into account, though these articles would, to some extent, advantageously find their way here; neither had he made any abatement for the short coming of Revenue, as compared with the *pro rata* increase of taxation which in cases like the present all experience shows to be necessary. The sums he had estimated however amounted to £17182—which would make the Revenue actually payable in 1863 under the Canadian Tariff £118,000. That however was the result of account of one year only. He would now deal with an average of years, and though five years was the term usually employed in such cases; still as the last four had been unproductive Tariffs, he would in the present instance take the average of the past ten years as a fairer criterion for the present purpose. He found that this gave an average Revenue of £100,000, on which the Canadian Tariff would make an increase of £42857. Taking the estimates he had made for account of abatements by reason of the import of free goods from the other Provinces, it would give £18086, making the nett Revenue £124,771 as the annual produce of the Canadian Tariff if applied to our Imports for the past ten years. Against this we had to set off the sum of £112,000 guaranteed by the Resolutions at Quebec. Then there was the Steam Communication between Newfoundland and England and Canada, which would be reasonably estimated at £10,000 a year. We had besides a second Postal Steamer which would cost £4000 a year, and the cost of the Mineralogical Survey £500, making £128,500 a year. He invited the most careful examination and scrutiny of his statements, and did not doubt they would commend themselves to candid and dispassionate minds as being the result of a careful and reasonable consideration of the case. He believed he had understated the probable import of free goods from the other Provinces, and he had little doubt that before the measure was five years in operation, owing to the increase of the free list, the revenue payable by this colony would be less than at the present time. Of the capabilities of Canada to supply a good part of our wants, we have evidence in the following statement of her manufactures, which are every day extending, and to which a great stimulus would be given by opening the trade of the lower Provinces for their free import:

"To commence with the manufacture of lumber. Canada contains over two thousand saw mills, and in one year cut nearly eight hundred million feet of lumber! She has over two hundred distilleries and breweries, which last year produced over nine million gallons of spirits and malt liquors, yielding an excise duty of over seven hundred thousand dollars. These breweries and stills consumed over one million six hundred thousand bushels of grain and malt. There are at least one thousand flour, grist and oat mills in this country; two hundred and fifty carriage factories—perhaps more; quite two hundred foundries; one hundred and fifty carding mills; one hundred and thirty woolen factories, and five hundred tanneries. Other and less important factories are numberless. In speaking of the exports of Canada only millions can be used. Canada produces annually between twenty-five and thirty millions bushels of wheat; twelve millions bushels of pease; forty millions bushels of oats; over a million and a half tons of hay; thirteen million bushels of buckwheat; twenty-eight million bushels of potatoes; nearly twenty million bushels of turnips; kuls thirty million pounds of beef; shears five and a half million pounds of wool; kilns four million pounds of pork; and makes forty-two to forty-five million pounds of butter."

It must be borne in mind, though the Tariff of Canada may be upheld in its general features, it was framed for Canada alone, and cannot be expected to be closely adapted to the Lower Provinces, which were not in the view of its framers. It would therefore necessarily undergo revision, as stated to him by Mr. Galt, "in deference to the circumstances of the Lower Provinces." But let us imagine the extreme case that Canada had the power, and force on the Lower Provinces a measure of oppressive taxation, must we not see that such a course would defeat itself—that in a country like this with a long line of coast offering such facilities for illicit traffic, the Revenue would be but partially collected, and the law would be wanting in that moral support on which all law are dependent for their successful operation. Can we reasonably suppose that the Confederation would be governed by men so deficient in statesmanship as to legislate in disregard of the circumstances

and feelings of the people their measures would affect. It requires but little reflection to satisfy a thinking mind of the groundless nature of such apprehensions and of the ample guarantees we have against the imposition of heavy taxation. The Provinces were not entering on this scheme with the idea that they would be so many distinct antagonisms, requiring each to guard themselves against the encroaching spirit of the rest; but on the contrary, they propose to come together for purposes of mutual co-operation which all stand in need of, and which can only be secured by a course of action in which the just rights of all are respected, and upheld. The common interests of the Lower Provinces, at least are acknowledged by all who speak on this subject, and their views on the question of taxation would necessarily be identical. If Canadian statesmen had the will any one assert that they would have the power to press taxation against the combined resistance of the Lower Provinces. Experience gives as no warrant for assuming that an attempt could be made so hostile to the spirit and genius of representative combinations, but such strange argument had been used in relation to this question that even such remote and almost impossible contingencies it became necessary to examine and rebut. He had shown the utter futility of such legislation if it were enacted, but in the case he had imagined the weight of public opinion throughout the confederacy would come to the support of those against whom oppression was directed and the influence would be such as no Government would be able to resist. But he would go further, and suppose such a measure accomplished we should still have the security that lies in an appeal to the Imperial Government to whom all the legislation of the Confederation must be sent for approval. He would now refer to the question of the General Expenditure to show that it would be sufficiently provided for by combining the present revenues of the Provinces; and the extended application of something like the scale of Canadian duties of 1863 would give a surplus sufficient to provide for the new requirements. [Mr. Shea here read the statement as inserted below.] The sum of one million of dollars was set down for purposes of defence. He knew many persons thought that an insufficient amount, but they were of a class who made that one of many objections. When this estimate was made in Canada an engineer officer was there sent out by the Imperial Government to report on this question, and he (Mr. Shea) presumed the Canadian Government knew something of that officer's opinion when this sum was set down as sufficient. Besides the statements of men acting under a sense of the responsibility of their official position must assuredly be taken as better evidence than the notions of incompetent and irresponsible opponents of the whole scheme. It is constantly being asserted, with the air of unanswerable argument, that in the railways and public works of Canada we have no interest. The objection takes that special view that characterises so much of the argument offered against the whole measure. In every improvement that facilitates trade and cheapens the means of transport in those countries we are connected with by commercial relations, we have an interest. We have an interest in the railways of Spain, which have improved the means of communication in that country, and which have done more than all other causes to sustain the high prices of our staple produce for the past few years. We have an interest in the railways in the United States, which lessen the cost of carriage from the interior to the seaboard, of those articles of commerce which we import from that country. The railways in Brazil are also of consequence to us in increasing the means of transporting our fish to parts of that country that were before inaccessible, and enhancing its consumption and value. But in the proposed Intercolonial Railway to Halifax we have interest of a more direct and significant kind. The present state of our relations with America is not so satisfactory as to render a rupture with that country a very improbable contingency. It is most wise then for all circumstances as we are to consider the position in which we should be placed in that event. At present we receive nearly all our supplies of food from the States, and for five months of the year the river of St. Lawrence is frozen. War with the States during this time when navigation is suspended would cut us off from all our ordinary supplies of food. It is in this view that the Railway to Halifax becomes so important and gives an answer to those who ask us what interest we have in its construction. It would be the means of saving us from want if England and the United States were at war, by establishing a communication between Canada and the seaboard through British Territory. The people of this country might be starving, while the granaries of Western Canada were full-stored with wheat, unless the Railway communication with Halifax were established. This is a new view of the subject, for it was urged by Mr. Howe, in 1862, when he said that "the Intercolonial Railway being finished, we shall not only control the telegraphic and postal communication of the Western States, but secure to the people of Great Britain at all seasons a steady supply of breadstuffs, should unhappy the ports of the United States, in war, be closed against them." We have too another interest in the prosecution of these public works. They will give a great impetus to labour during their construction, and this cannot take place so near to ourselves without affecting its value in this country. He knew that on another point much stress had been laid for want he felt of a full consideration of the circumstances. It was objected that without regard to the future increase of our population and revenue, the amount of the contribution we are to receive from the General Revenue is fixed. It will be seen that such a stipulation as this was necessary in the interest of the smaller Provinces. They cannot be expected to grow in population so as to keep pace with the increase of the larger Provinces, especially Upper Canada, where population must grow rapidly not only from its inherent attractiveness, but from a great exodus from the States which has commenced, to escape from the ruinous taxation which the law will impose on that country. If the question of local subsidies were left open, the Revenue would be absorbed by Canada, and increased taxation for general purposes would then become necessary. No better check could have been devised to guard against excessive taxation, and who in even should our population increase no material increase of our Local Expenditure for the jumbled purposes of Government would be necessary. The larger sum would then be at the disposal of the General Government for general purposes for our fair proportion of which we should have our undoubted claim. The objection then that the amount for local purposes is limited may come with some reason from the larger and more growing provinces but the argument is strange here seeing that the arrangement conserves the interests of colonies such as this where no relative increase of population can reasonably be expected to take place. He felt that in any fair view of this subject the rate of taxation at the outset would be the maximum for many years to come, and until some great change of circumstances and relations should take place. The rate of taxation per head in Canada is now Two dollars and forty cents, while in the United States in 1860, prior to the war, the rate was but One dollar and sixty-five cents, showing that the wants of a country do not keep pace with a great increase of population, such as may be expected for the Confederation. He had heard the statement frequently made, that the

advocates of this change had not been able to point out the specific ways in which this colony would be benefited by Confederation. He did not think a specification of particular advantages necessary to establish their case. When they were able to refer to history and experience, and show by that testimony that such combinations have worked well, they were justified in the conclusion that we might safely adopt it. This was far better evidence to sustain their position than any opinions of anticipated benefits which were necessarily more or less speculative, and could more easily be disputed by men of adverse views. But though he did not consider this course necessary, he still had no objection to offer to the Committee some opinions he had formed as to its probable developments. The establishment of Steam Communication would bring us into close contact with the other Provinces, especially Canada, making our people known to them and they to us, and thus creating those relations from which mutual advantages would assuredly result. We should become better acquainted with the circumstances of those Colonies, and with the means they afford for the extension of our trade, and our middle classes would thus have opportunities for business transactions which they never could acquire while confined to our local resources. It is the inevitable consequence of Steam communication to promote trade, and create new means for its enlargement, and a slight consideration of our circumstances and those of the Sister Colonies, must show that we shall be no exception to this admitted rule. Then we have often boasted, and justly too, of the commanding position of the harbor of St. John's, and we have made great, but unsuccessful efforts to attract to it the attention to which we think it is entitled as a prominent Atlantic port. It is at all unreasonable to suppose that when we become united to Canada, the advantages it offers as a half-way house for their ships, will not be recognised when brought to their notice by us, and the very probable result will be the establishment of a Dock capable of taking up ships of the largest size, which will not only make it a port of refuge for the crippled Canadian ships, but will cause to be generally visited by vessels in distress, much to their safety and convenience and the profit of our tradesmen and labourers? This project was brought before the house by Mr. Newman some two years since, and he [Mr. Shea] felt it had not received the attention it really deserved. Our Post Office arrangements being under the General Government our Post roads would claim their attention and then we might reasonably hope to see the roads to Trepassey and Placentia completed, and be freed from the reproach suggested in the petition of the Commercial Society that the question of Confederation now three months before the country has not yet been heard of by the great bulk of our outport population. There is also the great post road being opened to the Twillingate district which would be completed in a reasonable time, but it left to local means who can name a day sufficiently distant that will see it finished. We all believe the Bultow fishing on the Banks to be most injurious to our interest and it has often been contended that it was a mode of fishing repugnant to the terms of the treaty, and we have remonstrated on this point but in vain. As a part of the Confederation the remonstrance would come from four millions of people and could not so easily be disregarded. So also with regard to any matter on which we felt aggrieved, our representations would no longer be those of a weak unflinching community, but the voice of a powerful state whose just complaints would command attention and redress. These he contended were advantages of no mean order, nor were they such as might not reasonably be expected. Then when he looked to the great agricultural population of Upper Canada, it seemed to him to that quarter we might confidently look for the means of bringing our Herring fishery into active development. To do this we must have unbroken communication by water with Western Canada, and here we are brought to see one of the advantages to this country from the improvement of the Canal system, in which in which it had been asserted we had no interest. It would hardly be credited elsewhere that we have on our coasts at certain seasons, hearings in illimitable quantities, and yet we have also a want of employment for the people, and extensive pauperism. There is evidently some grave defect in our economic arrangements, or these facts could not co-exist. It does not appear to suit the interest of our Merchants to prosecute this fishery, though the Americans carry on the trade to some extent in Fortune Bay to their profit, no doubt, and much to the advantage of our people in that locality. It is evident it will never acquire the importance it should have but through the agency of strangers who in their own country may see the means of bringing this fish into extensive consumption, and we have no more likely field of operations than amongst the great agricultural population of Upper Canada when our increased intercourse brings our capabilities in this respect more clearly before them. These seemed to him to be a few of the benefits that would arise, but when they looked at the result of the calculations often before made as to the operation of great changes, they would find even where general success attended those measures it had often been in ways that had not been predicted. It was so with the Railway system of England, and with the Commercial Treaty with France, both great successes and both satisfactory in other respects that had been foretold. He certainly augured much advantage to this country from the fact that Canada had a great interest in our prosperity, apart from the general principle that would lead her to promote the welfare of every member of the Confederation. But from the circumstances that we produce so little in this colony, our imports of Canadian produce would probably be larger than those of any of the Lower Provinces and as good customers, her interest in our welfare is assured even on the most selfish grounds. On the question of the general powers of taxation of all kinds which are to be given to the general Government the fears of many persons had been excited, owing to their partial and imperfect consideration of this portion of the plan. The rights of levying Duties of Customs is given to the General Parliament, and Direct Taxation is reserved for the Local Legislatures. Over both these is given to the General Legislature a sort of sovereign right which must necessarily reside in a body to which such large powers and responsibilities are confided, and which in this case can only be possessed by means of direct provision, the Constitution being a written one, and therefore conferring no authority but what is expressly given. This power over us is held by the Imperial Government at the present time, and the Government of the United States possess the same right of taxation in regard to all the separate States. But it must be taken and construed in connexion with the special powers of taxation they are reserved, for it would be a mockery to give the Local Legislatures the right of Direct Taxation, if as in a general rule or in ordinary circumstances the right could be set aside by the controlling Body. No fair reading of these several stipulations can lead to any other conclusion than that the taxation of houses, and property of that kind, belongs as at present to the Local Government, and cannot be applied except by their agency, and that practically our position is not changed in this respect. None of the Provinces would give to the General Government an authority that could otherwise operate, for this power of direct taxation is an inherent right in the local bodies, and should not be alienated.

In case of great emergency or danger where the lives of the people and all they hold dear were put in peril, then the general power would be exercised for the preservation of the interests at stake, and in view of such emergencies the wisdom and necessity of clothing the Government with full authority must be apparent. In the United States where this power exists, Mr. Shea had not been able to find that it was ever exercised until the breaking out of the present war where necessity brought it into operation, and when that power had not been provided, would have been exercised as were many others without any constitutional authority. And so in the present case, if it were omitted in the proposed constitution, and that at any future time an exigency arose demanding its exercise, the General Government in the interests of the people would be compelled to usurp the authority as was done by President Lincoln, whose course was so fully justified by his recent election. How much wiser then to provide as is here proposed for all possible contingencies when the power is in the hands of a responsible Government rather than leave the country exposed to a resort to authority unknown to the Constitution which involves dangers of a grave character. As regards the brethren the confederation would entail an army and navy are held out in prominent relief, and the alarm of tax payers is sought to be excited. He had already on a former occasion explained his views on this head, and they are not changed by farther consideration. The Colonies are expected to assist themselves, but no intention exists of placing on them so great a burden as an army and navy would create. While we are dependences manifestly unable to sustain so great an obligation, its imposition would be opposed to all sense of justice, and the relation we hold to the mother country. No doubt the day will come when the Confederation will, from its increase of population and wealth necessarily cease to be a dependency, and with the best wishes of the Mother Country from which these Colonies would never voluntarily separate, an independent national position will be assumed. When that time does arrive, an army and navy, and the other obligations of national existence will doubtless become necessary, and the country will have the ability to sustain these burthens. But at present we have no need to deal with such considerations. Mr. Mill, the great writer, he had already quoted, though belonging to the school that holds the Colonies of light value to England, yet admits that "as the Mother Country claims the privilege, at her sole discretion, of taking measures or pursuing a policy which may expose them to attack, it is just that she should undertake a considerable portion of their Military Defence even in time of peace; the whole of it so far as it depends on a standing Army." That this is the view entertained by H.M. present Government is evident from the following paragraph in Mr. Cardwell's Despatch:—

"A very important part of this subject is the expense which may attend the working of the Central and the Local Governments. Her Majesty's Government cannot but express the earnest hope that the arrangements which may be adopted in this respect may not be of such a nature as to increase, at least in any considerable degree, the whole expenditure, or to make any material addition to the taxation, and thereby retard the internal industry, or tend to impose new burdens on the commerce of the country."

These words would be an idle mockery if it were contemplated to impose on the Confederation the heavy obligation of an Army and Navy which would involve us in serious apprehension on this account. The plan of the Confederation embraces little of what is new. Its promoters were alive to the wisdom of framing the measure by regard to the approved nature of the old foundations on which they designed that this superstructure should mainly rest. The slight variance it presents to the British model are those alone which the circumstances rendered necessary, and its whole character is typified by the unanimous voice of the British nation. But in considering the question of its adaptation to our condition, it may not be amiss that we should further consider the results of our present system as regards taxation and expenditure. He had referred to the various kinds of taxation and shown that only was oppressive from which the people at large derived little or no benefit. When he reflected on the character of our expenditure the injustice of the present system of taxation became strikingly apparent. Of the sum of one hundred thousand pounds sterling we raise, the following is the appropriation—Salaries, £22,539; Printing, &c., £2,100; Poor Hospitals, &c., £17,454; Post-office, £3,280; Pension, £2,170; Ferries, £380; Steam, £150; Protection of Fisheries and sundries, £2,501; R-pairs of Buildings, £750; Supplies of Goods, &c., £1,400; Education, £13,625; Interest on D-bt, £10,210; Contingencies of Legislature, £6,000; Sundries, £2,000; Roads, £10,000. It will be seen how small a portion of this expenditure is for any purpose of improvement by which the condition of the people would be improved. The Education Grant, from a variety of causes, gives no corresponding benefit, and the Road Grant which the people value most, is only made when all other services are provided for, and is not to be relied on as an annual grant. Nor did he see that our existing Constitution was capable of working out much better results. He trusted all these various reflections would be dwelt on by the people in a calm and inquiring spirit, so that when the time came for final decision on this most important question they would be enabled to come to the conclusion most in accord with the progress of society and the conservation of the commonwealth of the people of this country.

Comparative Statement of Canadian and Newfoundland Tariff as applied to our Imports in 1863, and for the past ten years, with the equivalent offered under Confederation.

1863.
Revenue by Canadian Tariff £135,032 14 3
Do. Newfoundland Tariff, 94,513 19 2
£40,518 15 1

ESTIMATED ABATEMENTS.

Bread	£7,894 0 0
Kerosene Oil	127 10 0
Ale and Porter	499 0 0
Soap	880 0 0
Leatherware	5,000 0 0
Candles	382 0 0
Leather and Imitation	2,400 0 0
	£17,182 10 0
Nett Revenue 1863	£117,850 4 8

Average Revenue, 10 years
Average increase under Canadian Tariff

Average abatements
Nett average produce Canadian
Amount guaranteed by Resolu-
Steam between Newfoundland
England and Canada
2nd Postal Steamer
Mineralogical Survey

Financial position of LIABILITI-
Interest on Debt
SUBSIDIES.
Canada Nova Scotia New Brunswick Newfoundland P. E. Island
GENERAL EXPENDITURE.
Administration of Justice Civil Government Legislative Expenses Defence Public Works, &c., Steam Collection Revenue Miscellaneous

ASSETS.
Canada Revenue Nova Scotia New Brunswick Newfoundland P. E. Island

ST. JOHN
THURSDAY, MAR
THE last few days have witnessed activity in our thoroughfares and Seafarers for their annual *Wolf* went out of port on Tuesday one of the fleet yet gone. The outfit is somewhat larger than that of

ERRATUM.—In last sentence Lenten Pastoral of Rt. Rev. L. words should be, "The Holy Year for gaining the Jubilee will be observed on the Easter day, for the indulgence of the Jubilee, Communion."

The following letter appears HARBOR GR
SIR.—A friend has recently a letter in your issue of perhaps had escaped my notice to be unfavorable to me. I thank you for your correspondent, who I have no doubt is right in his judgment or concurrence, to be my sentiments on this also prematurely to give public may entertain for or a Newfoundland with Canada assure you that whenever the those amongst whom provide quite my hostility to this or to affect them injuriously, I shall open and in my own name by proxy. In the meantime refuse insertion to any communication political or other views, till do so by attaching to them.

Faithfully yours,
TO THE EDITOR OF THE DAY-BOOK

SIR.—I was in hopes the entirely disappeared—all parts being thoroughly cleaned and dried in the air. But it seems people, headed by an excited master, and a couple of gallant lads, to still keep the affair in the hole where it was engaged in the grottoes of the grottoes, to kill the Fenians or sea-birds. However, Sir. Editor, I trust not go so far as to discharge the stable, and thereby make him at time to come. A severe reprimand his letter-writing propensities, his style of composition. Your obedient servt.

Feb. 27th, 1865.
DIED.—On Friday evening painful illness, Mary, the beloved E. Purchace.