

Tuesday, July 16, 1867.

The SPEAKER took the chair at 3 o'clock. A number of petitions were presented, and several bills introduced and read a first time, in reply to Mr. Bourassa.

Hon. A. T. GALT said, he hoped that when the discussion on the tariff was over, the labors of the Committee on the Interest bills would be resumed.

Hon. A. T. GALT moved that the Speaker do now leave the Chair, with the view to the House going into Committee of Ways and Means.

Mr. MCGIVERN said that in pursuance of the intimation he had given yesterday, he rose to make a few remarks. He deeply regretted that circumstances had compelled him to take this course, as he had been a consenting party to the formation of the Coalition for the carrying out of Confederation. On that occasion a solemn compact had been made, not to introduce any measure that was calculated to provoke division, and this compact had been violated on several important occasions. The subjects now before the House, the great schemes introduced by the Finance Minister, had many features which required amendment, but the most objectionable feature of the measure, was its being introduced and attempted to be forced through in contempt of the compact to which he had referred, simply because ministers had a large majority in the House, but he thought members could

support a government in all reasonable readiness without being bound to accept everything submitted to them. All the great interests of the country, except that of Agriculture, are most seriously affected by the proposed Local Legislation. Had the Minister of Finance confined himself to raising the excise on spirits he believed the country and the House would have approved of his course, but when doing this why should he have disturbed the whole commercial and manufacturing interests of the country within a few months of the time when the Confederate Parliament would be called upon to revise the whole system over again? A few years ago, the manufacturing interest of Canada was very small, but of late, through the protection of the tariff, manufactures had sprung up in almost every town and village in the country from Sandwich to Gaspe; and though he was no protectionist (Hear, hear) these manufactures required a continuation of that protection which they formerly enjoyed. If the government only knew the general feeling of opposition to the proposed tariff, he felt assured they would consider it their duty to postpone its consideration for a few months, until after Confederation. There was also a question of fact involved in this question—Ministers did not appear to know themselves what was the intended policy of their colleagues. He had received a telegram from Toronto, asking "what about tobacco."—The Finance Minister was not in his place, and he handed the despatches to the hon. Postmaster General, who told him, "Oh, Tobacco is not going to be touched." But the greatest point that should be considered was the indignity and the insult offered to the Liberal members from Upper Canada, who had supported the Government in good faith on the distinct understanding that such great questions would be held in abeyance until after Confederation. Mr. MCGIVERN referred to the proposed issue of legal tender notes, and the subject of free trade. It had been said that his course might endanger the carrying out of the Confederation, but he blamed the government for not having called the House together at an earlier day, that there might have been ample time to discuss the great question of the local constitutions, and other matters connected with the proposed change, and if the delegates were not sent home in time to perfect the measure this year the fault would be with ministers themselves. He next attacked the estimates, pointing out several items which he contended should be postponed until after Confederation. He and other members of the House had been called upon to defer every measure of useful legislation until that period, and why not the Minister of Finance? He next said the whole policy of the Minister of Finance was to force the trade of Canada by way of the St. Lawrence in the interest of Montreal, and referred to the extra duty of 3 cents per lb on Tea, asking how could any representative of a rural constituency justify his support of that additional tax. He believed he would have the support of the great majority of the Liberal members of the House, who had been treacherously dealt with by the Government; and those of them who did not would either be rejected by their constituents, or they would be returned, as supporters of the hon. gentlemen opposite. He then moved, in amendment, seconded by Mr. Estantrel.

"That all after the word 'that' be struck

out and the following inserted in lieu thereof:—This House, while prepared to make adequate provision for the public defence, for the maintenance of the public credit, and for the efficiency of the public service generally, deem it inexpedient in view of the probable early consummation of the Confederation of the British North American Provinces, an event which will render necessary a comprehensive revision of the Commercial Legislation of all the Provinces, now to adopt measures which will have the effect of unnecessarily disturbing the Trade, the manufacturing industry, the currency, and the Banking system of the Province.

Mr. EVANTREL spoke in French in support of the amendment.

Hon. Geo. BROWN said he would not detain the House long, and he begged of hon. members who had formerly given him their support in matters which had, perhaps, broken up their party ties, to dismis from their minds all thoughts regarding these matters, and to consider only the subject before them. He was convinced that any one who would give the policy of the Government serious consideration, would come to the conclusion that no man could support it without doing injury to the best interests of the country. Referring to his own resignation, and expressing his satisfaction with the manner in which the country had received his explanation, Mr. Brown continued, the Government had delayed calling Parliament together from January to February, from February to March, from March to May, and from May to June, all for the reason that the Confederation Scheme was to have been the only question of the session. Again, when an hon. member had asked the Government to remodel the militia system, the Atty.-General West had risen in his place and said that the Militia question should be deferred until confederation, when a general system would be devised for all the Provinces. So it had been with everything in the House, and yet the Local Constitutions had been delayed from day to day, and the time allowed to pass without giving the House an opportunity of discussing these important measures. There had been no action of the House to have prevented Government from proceeding with their measures, and the only way in which he could account for the delay except that Ministers were not ready with their measures. Yet the Minister now comes down with a scheme to change the whole fiscal and monetary system of the country, disturbing the relations of trade from one end of it to the other. The trumphy greenback proposition had even been laid before the House, but the Hon. Finance Minister had gone from place to place, and from bank to bank, with a set of resolutions, without meaning and without purpose, except to destroy the banks; and get the circulation of the country under the management of his own department. He had heard it reported that the Government was pledged to the Lower Provinces to get through the necessary legislation preparatory to Confederation, and to dispatch delegates on the 21st July to arrange the measures in England. He thought it due to the House, and due to the members themselves, that the Attorney-General West should at once explain to the House whether this was the fact or otherwise, as it made a great deal of difference whether they had to the 21st of this month, or to the first of February next, to discuss these important measures. He asked the Attorney General whether it was the intention of the Government to obtain the adoption of the Confederate Constitution during this session of the Imperial Parliament, or the next? He hoped he would receive an answer on these points at this stage of the proceedings.

Hon. J. A. MACDONALD said the resolutions on the subject of the Local Constitutions would be submitted to the House, and when disposed of he would acquaint the House with the intentions of the government.

Hon. G. BROWN would then hold that the Ministry was pledged to send delegates to England by the steamer leaving on the 21st July.

Hon. J. A. MACDONALD—The hon. member may hold what he pleases.

Hon. G. BROWN said it was impossible to discuss these two questions—the fiscal system and the Local Constitutions—within that time. He also referred to the Trade Commission, to the other measures which the government had yet to bring forward, and to the Fenian raid, contending that this was not the time to upset the whole commercial and monetary systems of the country. But apart from these considerations, he endorsed most firmly and without reservation the remarks made by the hon. member for Lincoln, that the government was bound by a solemn compact not to introduce this measure. The Coalition was formed solely on the subject of Confederation; on all other questions the parties were understood to retain their own views,

and there was a positive understanding that all measures upon which they differed were to have been postponed. He knew not how far the Provincial Secretary and the Postmaster General now respected this understanding, but he believed they had respected it. He himself had respected it while in the government, regarding himself in the double capacity of a Minister of the Crown and a Trustee of the Reform-party. In case of a difference upon any question which could not be postponed, then the minority of the Cabinet, had the privilege of withdrawing from the Cabinet as had been the case on the reciprocity question; but with regard to the measures proposed by the hon. Minister of Finance, he apprehended it would be impossible to prove that they could not have been very properly postponed.

Hon. Mr. MACDOUGALL begged to ask the hon. member who was speaking for the Liberal party, what were the objections to the measures which his hon. colleague had introduced. He had looked with anxiety through the papers, and especially in the Toronto Globe, but he had failed to discover a single objection urged against the policy of the government.

Hon. Mr. BROWN said he would answer the hon. gentleman presently as to the objections to the policy of the government, but he begged to tell him that he spoke for no party in the House but himself. He spoke only of the Liberal party as to its views in former days, when he and the hon. gentleman had fought side by side for fifteen years, for a fair share in the government of the country, and for the triumph of the principles they had so long held in common. With the single exception of the reduction of the 20 and 30 per cents to 10 per cent, and the additions to the Free List, there was not a principle involved in the policy of the Government which the Reform party had not persistently contended against, and rather than sit, like the hon. Provincial Secretary, on the treasury benches, and assist in destroying the very principles he had gained so much honor in defending, he would submit to have his right hand cut off. In what position would hon. gentlemen be on his (Mr. B.) side of the House when the Confederate Parliament would meet—and he hoped they would all find seats in the Assembly—when they attempted to enter on a readjustment of the fiscal system, and would be met with "Oh, you must not touch that, it was all settled six months ago." How would they feel in meeting gentlemen from the Lower Provinces, with the corn laws and the tax on butter, and the tax on cheese, which they were now called upon to impese. He knew the Lower Provinces, and he could tell the House that the proposed policy would not be acceptable to them. Mr. B. continued some time, when six o'clock was reached, and the House rose, Mr. Brown having the floor.

Evening Sitting.

The SPEAKER took the chair at 8 o'clock. Hon. Mr. BROWN resumed his speech. He said that unless the hon. Provincial Secretary and the hon. Postmaster-General had had reasons of which he was ignorant, he considered they had acted most wrongly in consenting to the introduction of this policy. And if they had reasons for their course these reasons were such as he could form no idea of. No set of propositions could well have been framed more directly opposed to the principles of the Liberal party, and not a proposition coming from the hon. Minister of Finance, as could be proved by the journals of the House, embracing provisions such as those now before them, but had received the united opposition of that party. He knew that members supporting the government were opposed to the policy, and that protests against it had come from Conservative members, and it was a most extraordinary spectacle, to see a Ministry formed for a special purpose, forcing these measures upon the House against its own sense. If the hon. Minister of Finance could prove that so much more money was required for the public service; if he could prove that an addition of \$960,000 must be added to the taxation of the country, then he (Mr. B.) had no hesitation in saying that the House was bound to grant him this measure, or to grant him something. Mr. Brown then compared the expenditure of the past year with the estimates for the year ending June 30th, 1867, showing an increase of \$20,757 in the ordinary expenditure of the country. He next read a statement, showing the cost of civil government to have been in 1851, \$169,294; in 1857, \$298,328; in 1861, \$437,285; an increase in ten years of nearly three fold, when the population had not doubled. In 1866 it rose to \$494,726, and this year, when we were to have a short session, and when our whole system was falling to pieces, it had been put regarding the expenditure in other branches, and said that during the short period in which the hon. Finance Minister had been in office,

he had raised the expenditure of the country from \$4,000,000 up to \$10,280,000; and during the same time he had added largely to the public debt, raising it from \$50,000,000 in 1857, to \$70,000,000 at the present time. Mr. Brown next attacked the Supplementary Estimates, pointing out some as extravagant, others as altogether improper, and the rest as belonging more properly to the Confederate Government, and should be deferred to next year. He then said he had caught the Minister of Finance in his own trap—he had admitted that if there were no deficit there should have been no change; but he (Mr. B.) had shown how he had needlessly swelled the estimates, underrated the revenue, for the purpose of creating a deficit that he might find an excuse for forcing his policy upon the House. Mr. Brown next attacked the tariff, saying that it was a piece of patchwork, and no man could tell whether it was free trade or protectionist. At one time his hon. friend had been the champion of industrial protection; now he discarded it altogether; a short time ago free ports were the great means of enriching the country, now, they were all wrong; *ad valorem* duties were the only duties that should be imposed; now, the specific one made the right one. He had brought a large increase of trade to the St. Lawrence by the *ad valorem* system of duties, but the American Government had taken umbrage at it, as well as at the free ports established on their borders, and hence the cool reception the hon. gentleman had met with in his efforts to renew the Reciprocity Treaty; and now when he had failed in renewing that Treaty he went back to the old system of specific duties, and abolished the free ports. Free trader as he (Mr. B.) was, he felt bound to say that the resolutions on the subject of manufactures was most extraordinary one, coming from the Minister of Finance. After men had been encouraged and induced to invest their capital in special branches of business protected by the tariff, to come forward now and ruthlessly sweep away every vestige of the protection they had formerly enjoyed, and expose their business to destruction, was cruel towards them, and he (Mr. B.) would not stand in his hon. friend's shoes to-day, and bear the responsibility of his conduct towards them. He did not doubt of the favor with which the people of England would view the free test, and the reduction of ten or fifteen per cent on manufactured goods, but what would they think of a tax on corn, a tax on flour, a tax on butter, a tax on cheese, a tax on almost everything that entered into daily consumption? He did not think it fair to force such a policy on the country before it had been discussed by the people, and he did not think the people of the West, if the question were well understood, would approve of these taxes on the necessities of life.

Mr. FERGUSON (S. Simcoe) was perfectly satisfied that the farmers of the Country anxiously desired protection, and they would have been glad even to have had the Finance Minister put a duty on wheat.

Hon. Mr. BROWN had no doubt the statement of the member for Simcoe was in a great degree correct, especially if the question had been explained to the farmers in the way his hon. friend would have done. The tariff had been changed in one way to meet free trade views in another to suit protection. Nothing more unstatesmanlike than the position in which the hon. gentleman had placed the government he could not possibly conceive, that they should come down at the very last minute, when we were just about to enter on an entirely new system, to change the tariff, to change the banking system, and to disturb the whole relations of trade. Is it possible to concede for a single moment that the scheme now before us will be adopted in the Confederate Parliament? And is it fair now to seek to obtain a judgment in advance, in favor of a system which we know will be distasteful and unsuitable as the future policy of the country. Mr. Brown concluded at twenty-five minutes past ten, having spoken altogether about three hours and a half.

Hon. A. T. GALT thought he might well ask the indulgence of the House, if he endeavored to reply to the hon. member for South Oxford's attack, not only upon the government at the present time, but for several years back, since that gentleman had had a fortnight's preparation. After such a lengthened preparation he was surprised at the results at which he had arrived, being willing to defer to the present future the carrying out of those on which he had built up his party in the country and in this house. He (Mr. G.) had not been surprised to hear the old charges of corruption and extravagance with which the House had been refreshed, while the period during which his own friends had been in office had been stirred over. It was like the echo of a long told tale, coming back upon the House, to hear those old familiar charges revived by the hon. member. The Reform

members of the Cabinet had always, both before and since the hon. member for South Oxford had resigned, expressed their opinions fully and freely upon every question coming compact entered into, such as the hon. member described; the record of the whole negotiation might, at any time, be referred to, and what a private construction his hon. friend may have put upon what took place, neither he (Mr. G.) nor his friends in the Government, understood that any compact of the kind existed. The hon. gentleman had accused him of a design to upset the banking system of the country, but he denied that the paying out of a certain number of legal tender notes, instead of an equal amount of specie, would be upsetting the banking system. He understood and was willing to make allowances for the inexperience of the hon. member for Lincoln, in introducing want of confidence motions, and he therefore excused him for having introduced into it anything with which he found he could not agree. He (Mr. G.) would, however, treat the motion as that of the member for South Oxford, who, though desirous of attacking the government, had not had the courage to do so until the opportunity afforded by the member for Lincoln. The first charge against the policy was that it would endanger Confederation, but he could not see in what respect, since the Confederation scheme was in a most satisfactory state, and he had received reliable assurance that the commercial policy now before the House had met with the approval of the Lower Provinces. Even in the view of the member for South Oxford they had not delayed the measure. Again, it had been charged by the hon. member, that the western country was in a great state of excitement upon the question, though a few nights ago he had professed his own ignorance of it. Where were the evidences of this excitement? There had been no large numbers of petitions brought in against it; the petitions had come from Montreal, not from the West.

Hon. Mr. HOLTON—London, Hamilton, Toronto and Montreal had petitioned against it.

Hon. Mr. GALT—The Montreal petition said the change was inopportune. It was a very convenient word that—inopportune,—and he supposed it was upon this suggestion the resolution of the member for Lincoln had been framed. A change, it was admitted on all hands, must be made after Confederation, and that change would be in the direction of free trade. Now, by reducing the duty to 15 per cent, the merchants would have an assurance that no very great reduction below that rate could take place, and they would make their arrangements accordingly. By this reduction, the Lower Provinces would be taught that Canada did not intend to force a high tariff upon the Confederation, and thus their fears of having to pay high duties to correspond with ours would be removed. But the hon. member had admitted himself that a large portion of the tariff would be satisfactory to the Lower Provinces, though he said they would object to interference with the banking system, though he (Mr. G.) did not see why they should complain if we took five millions of our own currency for our own purposes. The hon. member had left the Government, because he believed they proposed making too great concessions to the United States; because he believed our policy too liberal, and now he turns round and takes quite the opposite course, blaming him (Mr. G.) for not having carried out a policy more conciliatory towards the United States. The hon. gentleman had, in fact, spoken as if he watched the interests of the United States more than those of Canada. The hon. gentleman had said that this was a time of danger, and therefore not a time to make changes, but he would look upon the danger with very great apprehension if the means were not fully provided to avert it. The danger was not in dealing with these questions in the way to put the country in a better position; the real danger would be to leave our legislation inadequate to our requirements. The hon. gentleman had again referred to what he called the compact against introducing measures on which the parties disagreed, but in this very tariff which they now proposed to change, changes had been proposed by two governments, both of which the hon. member for South Oxford had supported. These proposed changes were in the direction of free trade. The hon. member was now refusing, by his support of the member for Lincoln's motion, to adhere to those principles which he had advocated for sixteen years.

Hon. Mr. BROWN—Oh!

Hon. Mr. GALT—The hon. member may wish to say "Oh," but he will find it hard to reconcile his present course in going against a reduction in the tariff which he always professed to support. He will find it hard to go

down special duties after having affirmed the opposite system was wrong. In fact, his objections against the hon. Provincial Secretary and the hon. Postmaster-General was just this, that these two gentlemen were acting with far more sincerity towards their own principles than he (Hear, hear.) The hon. gentleman had also said both sides of the House were now being forced into supporting the tariff for the sake of Confederation, and then, that when Confederation was accomplished, if they attempted to touch it, they would then be told they must not disturb it now—it had been so recently settled. He (Mr. G.) would merely ask the hon. member to reconcile his statement with the other he had made that the tariff should not be dealt with now, because it must be changed again when Confederation was accomplished. In one of these he must be mistaken. After referring to the reasons which induced the Government to revert so generally to the specific system of duties, he proceeded to notice the charges of his having made important changes since the tariff had been laid before the House, and denied that any one could point to a single material alteration which had taken place. Mr. Galt next replied to Mr. Brown's strictures on the estimator. He referred to one particular, the cost of the civil Government for the past, and the estimate for the current year, showing that the actual expenditure for that year was only \$2,000 less than the estimate for the present year, and not \$200,000 as Mr. Brown had said. He also entered at some length into explanations concerning grants to Colonization Roads, and other items, which had been the special object of censure by the member for South Oxford. The hon. member for South Oxford desired that all legislation should stop until after they had met in the Confederate Parliament, but he (Mr. G.) considered it the duty of the Government to deal with every question at the time when it was the interest of the country to do so. They had not one, but various interests to consider, and the hon. member knew that these questions had to be met and dealt with. Then with regard to the imposition of duties upon certain articles imported from the United States, such as cheese, butter, corn and so forth, he believed it would be advantageous to give the Americans the opportunity of feeling the effects of a duty upon such articles as had hitherto been freely interchanged between us. And were these duties not put on, so long as our people had to contend against the high duties imposed by the American Government, they would have a just cause of complaint against their own government. He did not advocate the imposition of duties as a matter of principle, but he recognised them as the result, and a necessary result, of the actual circumstances in which the country was placed. The increase in the excise on spirits, and the decrease in the duty on goods, had been proposed with a view to meet the exigencies which have arisen by the abrogation of the Reciprocity Treaty on the one hand, and the increased expenditure of the country on the other, when the House was in committee it would be the proper time to discuss particular resolutions in the tariff, and he need not refer to them. The amendment had been insidiously framed for the purpose of catching votes; for the purpose of giving members an excuse for voting, and he (Mr. G.) would say that any member that believed that the principles of the tariff were wrong should vote against it, but to vote against it on the pretext that any change was inopportune at the present time, was wrong and unfair. The fact was, the hon. member for South Oxford had aimed in this movement at a very paltry personal gratification; that of embarrassing the present Government, delaying Confederation, and with the assistance of the party of which he had been so long the leader, but of which he (Mr. G.) hoped he would be leader no longer, obtain the position for himself, and have the glory of carrying out the measures which he saw in the hands of others. (The hon. gentleman was loudly cheered on sitting down. He concluded at 25 minutes past twelve, having spoken about an hour and three-quarters.)

After a few minutes' conversation between the leading members on both sides, the debate was adjourned, and the House adjourned at 25 minutes to 1 o'clock.