

The amendments by the Senate to the following bills were concurred in:—

An Act to enable James K. Ward to place booms in the channel near Isle St. Ignace in the Richelieu River.

An Act to incorporate the Canadian Metal Importation Company.

* * *

CRIMINAL PROCEDURE

On the motion of **Hon. Sir JOHN A. MACDONALD** the bill from the Senate to amend the laws relating to procedure in criminal cases was read a first time.

* * *

DOMINION DOCK BILL

On Motion of **Mr. CURRIER** the amendments made by the Senate to the bill to incorporate the Dominion Dock Warehousing Company were concurred in.

* * *

NEW BRUNSWICK LUMBER DUTIES

Hon. Mr. TUPPER suggested that the hon. gentleman would consult the convenience of the House if he would have his speech considered as read, and re-print his speech on the Nova Scotia resolutions of which this was a repetition. (*Hear, Hear.*)

Hon. Mr. WOOD denied that he was repeating his former speech, charged the Minister of Customs with wilfully misrepresenting Ontario, and after commenting on that hon. gentleman's personal appearance and alleging that he had never heard him utter a patriotic sentiment, proceeded in an almost empty House to enter into the statistics in detail.

He resumed the debate on the resolutions respecting the New Brunswick export duty on lumber, after being interrupted by **Hon. Mr. Tupper**.

He maintained that the hon. Minister of Customs had persistently and systematically misrepresented Ontario in his own Province. He said \$20,000 of the \$70,000 collected on these dues was levied upon American timber, and consequently the remaining \$50,000 was collected on their own timber, and therefore it would be a relief to the country to discontinue these dues. They were asked to increase their public debt by \$3,000,000 for the loss to New Brunswick of \$20,000 or \$30,000 per annum. He admitted New Brunswick must have more money. The resolutions proposed the payment of \$150,000 yearly forever, but for that the Dominion might carry goods from one port in the United States to another port in the United States, provided they would unload their cargoes and carry them some portions of the distance over Canadian soil. He

would much rather New Brunswick should keep their own dues, and that the people of the Dominion should endeavour to do without the advantage he had described. He thought there might be established a body of police without great expense or difficulty, to prevent any defrauding of the revenue. He thought it was a great pity the matter had been brought before them as it had. The Constitution was being gradually broken up, and if this went on it would result in the final overthrow of the Confederate system.

Mr. MERRITT pointed out the advantages of that section of the Treaty which permitted the transportation of goods from one American port to another over Canadian territory. He had confidence that this Treaty would be a great boon to the United States, and would be of great benefit to the inland trade of our country.

Mr. PICKARD believed it to be in the interest of the Dominion to give the amount now asked.

Mr. CURRIER did not see why the lumbermen of New Brunswick should not be taxed. The lumbermen of Ontario were, to raise the money required for the Province. On this ground he was opposed to the resolutions.

The resolutions were read a first and second time, and a Bill was introduced on the resolutions which was read a first and second time.

Hon. Mr. HOLTON was very much struck by the proposition of the hon. leader of the Government, namely, that the British North America Act, while it served as a protection against any reduction of the payments to them stipulated for in that, yet it did not restrain that House from increasing to any extent the payments to be made to any or all of the Provinces. He (**Hon. Mr. Holton**) thought the proposition of the hon. gentleman was fraught with infinite danger to the whole system of this Government. By this means a Government could confer some advantage on one of the Provinces in order to convert an uncertain majority or minority into a majority. He had no doubt that before the measure passed to its formal stage he would have an opportunity of emphasizing his protest against a doctrine which was fraught, as he believed, with a danger to our present system of Government.

Hon. Sir JOHN A. MACDONALD said this was no new doctrine so far as he was concerned. He had taken the same ground when the Nova Scotia resolutions were discussed. He was fixed in that belief, and he was happy to say that he had the support of Her Majesty's Government in that belief. Some hon. gentlemen had said that the better terms should only be granted to Nova Scotia by an Act of the Imperial Parliament, but the Imperial Government had said they could not introduce such a measure into the Imperial Parliament, because it would be an infringement on the constitution and jurisdiction of the Canadian Parliament.

So far as was consistent with our colonial position, the Dominion Parliament was clothed with the same powers and responsibility as the Parliament of England, and it need not be afraid to exercise

May 17, 1873

those powers. The people would take care that if Parliament acted improperly they would soon dispose of it, and send other representatives to supply their places.

Mr. MILLS said he dissented from that contention when it was given utterance to before, holding that it was subversive of the best interests of the country. The Minister of Finance (Hon. Mr. Tilley) has said that about \$30,000 was collected from American lumbermen, the rest upon the people of New Brunswick. They asked for compensation for a remission of taxation to that extent, and it was saying that the House had power to remit taxation to the extent of \$100,000, to which those dues could have been increased, and diffusing it over the whole Dominion. He would not discuss the propriety of this step. The responsibility rested with the Administration, but he deemed that they had made out a case on which they could come into the House and make the demand.

Mr. MATHIEU was of the opinion that the House had a right to dispose of its money as it pleased. He submitted, however, that to grant money to any Province would be unconstitutional, unless the consent of the Provincial Governments were first obtained.

Hon. Mr. MACKENZIE adverted to the remarks of the member for Vancouver (Hon. Sir Francis Hincks) that the Opposition had raised the sectional cry in Ontario respecting the increased subsidy in Nova Scotia. He invited the hon. gentleman to look at any of the speeches he or his friends had made during the election campaign, and he defied them to point out a single word that would bear out that accusation.

The Bill was then read a second time.

* * *

ASSUMPTION OF PROVINCIAL DEBTS

The House went into Committee on the resolutions respecting the assumption of the surplus debts of Ontario and Quebec.

[Editor's Note: Pages are missing and therefore not certain if Hon. Sir John A. Macdonald is the speaker.]

Hon. Sir JOHN A. MACDONALD said the Dominion had now arrived at such a position as to be justified in assuming the whole debt of Ontario and Quebec, giving to the other Provinces like considerations.

When he made his financial statement he showed that during the first five years of Confederation the surplus expenditure chargeable against income was equal to the interest, after providing for the sinking fund of an increased debt of thirty million dollars with a tariff equal to twelve and three-quarters per cent. He estimated that on the present year with very largely increased expenditure, there would be a surplus of \$700,000. He therefore asked if there were any reasons why the Dominion should not, if it were possible

without increasing the taxes, assume this additional responsibility. He showed that by the change in value of money since Confederation the dollar then was now only worth eighty cents, and that the object of the proposition was to place the Provinces in the same position as regards finances that they occupied at the time of Union.

He considered the Government were justified in making this proposition, because while the value of the subsidies to the Provinces had been reduced, the value of the goods imported into the Dominion had increased from twenty to fifty per cent, and since an *ad valorem* duty was mainly imposed, the advance was equal to an increase of twenty per cent in the Dominion revenue, and, therefore, the revenue had been largely increased, not only from the increased importations, but also from the increased value of the articles imported. He then showed that, notwithstanding the additional charges imposed upon the revenue of the present year, the surplus would reach \$700,000. The surplus next year he had estimated at \$913,000, but the supplementary estimates and propositions before the House would require \$1,542,000 odd, which would leave a deficiency of about \$628,000. Owing to the surplus in the present year no deficiency would arise.

The proposition now before the House did not increase the debt of the Dominion as was contended by hon. gentlemen opposite, but merely changed it from the Provinces to the Dominion, which received the benefit of the increased prices of goods in the increased revenue, whilst the change reduced the value of the subsidies of the different Provinces.

[Editor's Note: Pages are missing and therefore not certain if the subject is still Assumption of Provincial Debts.]

Hon. Mr. MACKENZIE: But the Lord Chancellor is a judge.

Hon. Sir JOHN A. MACDONALD said it was quite true, but the Prime Minister was responsible for all the important legislation of that great Empire, and was, in fact, the highest judge in the land. It was true there were some officers of the Crown who only had 5,000 pounds, and some had as low as 2,000 pounds, but those officers were originally departmental, and the salaries proportionated to the nature of the duties entailed, without reference to the political position of the holders. The Lord Privy Seal for instance, was a mere honorary position. The holder was always selected from the wealthiest peers of the land, and the matter of a few thousand pounds to him was not worth even the slightest consideration. He repeated it would not be for the good of the country to introduce a principle of inequality in the salaries of the advisers of His Excellency, and he had even had some grave doubts about introducing the resolution giving the First Minister an additional \$2,000. The hon. gentleman opposite would no doubt be called in some day to form an Administration, and the very fact of an inequality is the emolument attached to the different offices would be in itself an element of discord.