

ation was poor. During the construction of the Intercolonial Railroad the rolling stock of the railroads of the Province was taken to that line, and it was only last year that they were able to replace it with new rolling stock, and to renovate the track with improved rails. It was felt that the expenditure for this purpose should be charged to capital account, and the appropriation for that object was voted by the House. If the policy of the Administration of the day was to charge such expenditures to income, they should change it as soon as possible. He could understand why it was desirable this year that the accounts should show that the past Administration had run the country to a very low ebb, and in order to do this it was advisable that this large expenditure should be put into income and taken out of capital account. He did not mean to say that was the object of the Finance Minister, but it was a very plain conclusion to arrive at as to the policy of the Administration. One word about Mr. BRYDGES. This was not the time, and he was not going to animadvert upon his conduct, or on that of the Administration by whom he had been employed. He believed Mr. BRYDGES to be a very able man, but he also believed that in the course he had pursued in relation to the construction of the Intercolonial Railway if he had given as much attention to that as to the commission with which the hon. Premier had charged him, we would have had the railway running to-day. With regard to the tariff established by Mr. BRYDGES he, Mr. MITCHELL, would say that when the railway was built by New Brunswick it was not with the expectation that it would bring a commercial return, but as a great Provincial work for the benefit of the Province; and the tariffs that were fixed were not based on commercial principles, but with a view to the extension of commerce, and the settlement of the colony. When the Province entered Confederation the railway which represented actual cash for every dollar expended on it was handed over to Canada. It was not less remunerative than the Grand Trunk Railway in which Canada had £3,000,000 sterling invested which yielded no return, or than the investment in the Northern Railway which the House had been asked to give up for a mere song. Hon. gentlemen

*Hon. Mr. Mitchell.*

should remember these facts when they said that there must be commercial return for the millions expended in the construction of the New Brunswick Railway. When Mr. BRYDGES went down and established a tariff on a commercial basis he outraged the opinion of every sensible man in New Brunswick who knew the way they had been taxed to build that railway. Were the St. Lawrence Canals, or the Welland Canals works which had been managed on a commercial basis?

Hon. Mr. MACKENZIE—Yes.

Hon. Mr. MITCHELL said they were not, and challenged the hon. gentleman to prove his assertion. He, Mr. MITCHELL, could show that they paid only two per cent. on outlay, and even that would have been lost if the Reciprocity Treaty which was so nearly forced upon us—which, thank God, had been burked—had passed. There had recently sprung up a trade between Montreal and Toronto, and the Lower Provinces. That trade Mr. BRYDGES' tariff was killing. Thousands of barrels of flour, which formerly went by the Gulf of St. Lawrence, would now go by the Boston, and the New York routes, which before could not compete with the Canadian route. Seven years ago only one small steamer was engaged in this inter-provincial trade. Last year thirteen steamers were employed in that trade. With these high tariffs the merchants of Montreal and Toronto would not be able to compete with the millers of Ohio. He believed that Mr. BRYDGES had been sent to the Lower Provinces with instructions to place the Railways there on a commercial basis, whether in doing so the country was injured or not. He warned the Premier that the sooner this tariff was altered the better, if he did not want to destroy the trade which was helping to build up Ontario, as well as the Maritime Provinces. He believed he was uttering the sentiments of the people of New Brunswick when he said that the tariff gave universal dissatisfaction.

Hon. Mr. SMITH said the hon. member for Northumberland had professed to speak for New Brunswick, he, (Mr. SMITH) knew something of New Brunswick, and he wished to state distinctly that he did not acquiesce in all that had been said by his hon. friend with reference to that Province. At a fit and proper time, when Mr. BRYDGES' report was before the House, he