

well afford to pay back the capital which had been advanced to it, with the small interest rate that would carry it, and it would be the better off by hundreds of millions of dollars, and not merely by tens of millions. That is not very good statesmanship, it seems to me, which starts in to-day with a plan which will tide you over the present, but which has to come to its final block sooner or later. Do you mean to say that when you get 1,200,000 people or 2,000,000 or 3,000,000 in each of those provinces, you are going to get along without your lands and a subsidy of \$1,000,000 a year in lieu of your lands? What are you going to do when you get to that point? There is only one of two things that you must do; you must either come to direct taxation of the people there, or come back to this Dominion, and say to it: You put us off with a paltry 25,000,000 acres of land out of all this rich patrimony, and you allow only \$1.50 per acre on it to set up housekeeping with; we come back to you now, and say it was unfair; we want our full birth-right. So much for that. I listened with a great deal of attention to the Premier's criticism of the old confederation methods of settling the finances of the provinces. He criticised them. He always does criticise whatever the fathers of confederation have done. He leaves it to be inferred that if he had been a father of confederation and had lived at that time, he would have done differently. He entered into a somewhat elaborate criticism of the financial methods on which the old provinces were framed. He said: You make one set of authorities the gatherers of the money, and you make another set, the provinces, the spenders, and the spenders who do not gather it do not feel any responsibility, and consequently they are not held in check. And to-day, if there is one menace that fronts this Dominion of Canada, it is the menace of financial terms which seemingly can never be finally settled; which arises from the fact that every province has gone into competition with the Dominion in matters which it never should have taken up. Take the subsidizing of railways, for instance. For that purpose it has lavishly run into debt and lavishly expended; and when the time for payment comes, it sets its face Ottawawards, and says: We want the financial terms of this confederation opened up again. They have been opened up again and again. That is what the Prime Minister inveighed against; that is what he characterized; that is what he deplored. Well, Sir, he had a brand new slate—there was not a mark upon it. He was making too great provinces, the greatest that ever were made in this Dominion. He had only one responsibility, and no ties or bonds in arranging the financial terms of these two great provinces of the west on a better basis, such as would please himself and avoid the rocks and shoals of the old finan-

Mr. FOSTER.

cial arrangements made by the fathers of confederation, and what is the result? He has done two things; he has violated the very system which was adopted previously in arranging the financial terms of this Dominion with these provinces. He has, on the other hand, laid down no principle and adopted no financial arrangement which has avoided the very rocks and shoals of which he spoke, and which he deprecated should have been left by the fathers of confederation. Where has he been consistent with the old terms in the matter of legislative allowance? If you take population into account, the legislative allowance is not on the same level with the legislative allowance given to the older provinces. If you take the debt allowance, there is no parity between them. If you take the subsidy based on the population allowance, the others stopped at a population of 400,000. On what principle should these have a population allowance of 800,000? And so, all through, he has not improved upon the principle, but he has violated the spirit and the letter of each of the arrangements with the old provinces. What has happened? Two things have happened. The first is that all the older provinces have already commenced their march towards Ottawa to ask for a revision of the financial terms. They say: Our expenses are increasing; we have exploited all we well can for the purpose of revenue; we want more money; you have been lavish with these new provinces, and we want you to revise our terms and give us at least the equal of what you give to them. How can the Premier after this say to the province of New Brunswick and the province of Nova Scotia, your eighty cents per head stops when you reach 400,000, when you say to Alberta and Saskatchewan your eighty cents per head does not stop until you reach 800,000. Why should not the limit be placed at 800,000 for the other provinces as well as for the these two? That is the kind of reasoning which will be relied upon; and when all the provinces join together and march upon Ottawa and demand a revision, who is to withstand that demand? Not the gentlemen who are in power to-day. Of that I feel quite certain. They will make terms at once, for party and political reasons if for no other, and there will be a vast increase in the expenditures of this Dominion in the way of subsidies to the older provinces, while on the other hand there will be no finality with regard to the west. It is as impossible as it would be to make water run up hill, to limit those two great provinces, after having kept all their land, to a million a year of revenue; if a million dollars per year, compared with their needs are not at all sufficient. And so I say that you have no finality in your arrangement with the new provinces and that you are giving to the old provinces just cause for demanding a revision. I do not suppose