

Hon. Mr. McMillan said the arguments advanced by his honourable friend the member from Hants and the honourable member from York, who had just now addressed the House, were more against the distribution than the amount to be raised by those duties. He shared with them in that opinion, the necessities of life should be as exempt as possible from taxes. His opinion always had been that in Union the revenue would to a large extent be raised from the luxuries of life, that with a population of four millions and always increasing there would be manufactured within the Dominion those articles which are largely consumed by the mass of the people, and the duties would have to be imposed on those articles consumed by the richer portion of the community. He regretted that the Government had not relieved some of those articles that are viewed as the necessities of life, and imposed a higher duty on those which may fairly be considered luxuries of life. True, the Minister of Customs states that this is only temporary, and that the whole tariff will at an early date be revised—that it will take some time to ascertain the effect of free intercolonial trade on the Revenue of the country. He agreed with his honourable friend that it required some time to arrive at a correct conclusion on this point; he would, however, feel it his duty to vote against some of the sections. His honourable friend from Gloucester charged the Minister of Customs with making statements against his own Province, but that honourable gentleman forgets that he has made statements that cannot be borne out by facts against the whole Union party from New Brunswick. He states that the people had no time to deliberate. The people were twice appealed to on this question, they rejected it the first time because they had no time to deliberate, but after further deliberation they accepted it with an overwhelming majority. His honourable friend takes the revenue of 1866, by far the largest that was ever collected in that Province, to base his calculations on what New Brunswick will contribute to the Revenue of the Dominion, but let him take an average of ten years, and he will find the result very different. The average Revenue from all sources for the past ten years is \$815,000, deduct from that the Canal and Territorial Revenue and Export Duty \$90,000, and you have an average of \$725,000, which the Dominion Government will control, then take the other side of the account. The Dominion pays the interest on \$7,000,000 subsidy of 80 cents per head, subsidy of \$50,000, and for ten years \$63,000. Governor and Judges'

[Mr. Connell (Carleton)]

salaries, Penitentiary, Colonial and Provincial Revenue, deficiency of Post Office, Military and Militia, Steamboat Subsidy and Inspection, amounting in all to \$877,500. I regret to be obliged to go into these particulars, but feel in duty to myself and the party with whom I have always acted, to show that New Brunswick has not suffered in the arrangements. His honourable friend from Carleton complained of the Bill now before the House, but his honourable friend was largely responsible for the present state of things in his own Province, and for the increased tariff that would have been required there whether Union was accomplished or not, the subsidies which were forced upon the people of the Northern part of the Province to build railroads, connecting every county in the East and West will amount to one million eight hundred and fifty thousand dollars, and the honourable member from Carleton and York are largely responsible. He (Mr. M.) did everything he could to prevent it, and when he could not prevent it altogether he tried to make the burden as light as possible. This money is expended in his honourable friend's neighbourhood, and their counties West and East are connected by railway at the expense of the Province of New Brunswick, and I have no doubt when the Intercolonial Railway Bill is submitted to the House these honourable gentlemen will have the boldness to advocate the Frontier route, or the Central route so-called, which is also within a short distance of the frontier. The interest on this one million eight hundred and fifty thousand dollars would have to be paid in addition to the present liabilities of New Brunswick, and that could only be met by increasing our tariff whether in the Union or not, again if we built the Intercolonial Railway assuming $3\frac{1}{2}$ twelfths as by law we undertook to do. This would incur an additional debt of one hundred and seventy-five thousand dollars, that along with the one hundred and nine thousand dollars the interest on the subsidies for Western and other extensions could only be met by an increase of tariff, very much larger than will be required under this Bill.

Mr. Metcalfe, in reference to the explanation of the member for Sherbrooke the other night, charged the Bank of Montreal with the responsibility for the failure of the Commercial Bank, and with creating a panic in order to ruin Western Banks, especially the Royal Canadian. So far from the explanation of the member for Sherbrooke satisfying him of his innocence in the matter, he (Mr. Metcalfe) believed that there was a collusion