

didates for the presidency at the next election. I am informed Mr. Butterworth has his countenance and support, and, as I have intimated on this question, he has at his back Mr. Blaine. At all events this is not being made a party question in the congress of the United States, and I happen to be in a position to know that it has the support of influential Democrats in the cabinet of President Cleveland. Therefore it is a question which has the support of statesmen of both political parties into which that country is divided.

But some one has said suppose the bill is passed, and suppose the government and the parliament of Canada enact a corresponding measure which will cause this commercial union to take effect, what will be the effect on the resources of Canada? According to the best calculations I have been able to make, and I do not depend upon my own results, because actual calculations have been made in the United States, Canada would receive under a commercial union between one and two millions more revenue than she receives under the present Canadian tariff. It is true that \$8,000,000 of the revenue we collect is derived from imports from the United States, but a commercial union implies more than the absence of customs houses. It implies the establishment of a common tariff against the rest of the world; and therefore the commercial union proposed by Mr. Butterworth implies a common tariff against the rest of the world. That tariff, of course, would be adjusted by commissioners representing the two governments; but it is unnecessary for me to say that the American tariff in such a case would largely prevail, and that we in Canada would be practically, under the American tariff, against the rest of the world. There is a tendency, however, in the United States to reduce their tariff largely. The preponderating power of the Democratic party is in favor of such a reduction. Mr. Morrison has again and again introduced a measure for the purpose of effecting what is called a horizontal reduction, because it proposes a reduction on everything, all around. There are certain men who are content to make a drop in some quarters, provided the tariff affecting their own special industries is kept up, and that is the reason why Mr. Morrison has never been able to get his bill through. Nevertheless there is a desire on the part of the people of the United States to have a reduction in taxation. At the present time the congress of the United States scarcely knows what to do with the revenue. They have been paying off the national debt at the rate of ten millions of dollars a month, until now the national debt is not half what it was at the conclusion of the war, and is disappearing rapidly. This fact is making the rate of interest on the United States debt exceedingly low. The tariff produces a revenue much greater than is necessary to meet the wants of the country, and the consequence is that bills are brought in to provide pensions for soldiers and for other purposes. Six millions were voted in a year for river and harbor improvements, when everyone knew that it was a job. Therefore, I am justified in stating that the revenue of the United States is so

large under the present customs and excise tariff that they have not only an enormous surplus, but that they scarcely know what to do with their money, and when the national debt is paid off they will have an enormous surplus every year, which they will scarcely know what to do with. The present United States tariff was established to provide a protective system and to pay off the war debt, but there is every reason to believe that under a new system there will be a large and substantial reduction in customs and excise duties, and therefore I have not the slightest fear or hesitation in allowing the amount of customs imports which would be imposed on all things imported from the rest of the world to depend on the American congress, because I know that there will be a large reduction in the American tariff. But, let no person be deceived, this will mean that we will have to adopt the American tariff against Great Britain, a tariff larger than our own tariff, but, in connection with another branch of the subject I will show that there are circumstances which will induce the British government to support this change on the ground that it will have a tendency to reduce the tariff of the United States against Great Britain, and to increase the trade of Great Britain with this continent. I have said that a customs union implies a common tariff against the rest of the world. In order to ascertain how much revenue the Canadian government would receive the only feasible proposition is to divide the gross receipts according to population, and if the division were made on the basis of collections made in the two countries the year before last, Canada would receive as her *pro rata* amount \$2,000,000 more than we receive under our own tariff to-day. The tariff, as I have said, would have to be fixed by commissioners appointed by both governments, and would be common against the rest of the world. We would then derive the benefit of the reductions, which it would be the American policy as well as our own to make from time to time.

But, sir, there is one feature I must refer to, standing as I do in the legislature of Nova Scotia, a province of the British empire and of the Dominion of Canada. I cannot ignore the fact that commercial union involves to a close degree the relationship between Canada and Great Britain herself. Such a treaty as that proposed would amount to this, that a large colony of Great Britain, numbering five millions of people, the largest dependency in connection with Great Britain that she has ever had, is to have the privilege of entering into commercial relationship with another nation, and establishing a common tariff against the rest of the world, including Great Britain herself. At the first blush that seems to be a serious matter, but I have no hesitation in saying that if the time ever arises, in connection with any duty which I have to discharge as a public man, in which the interests of the British islands and those of the Dominion of Canada conflict, then my voice and my influence will be for the Dominion of Canada every time. I have to treat things as I find them, and so long as we remain a part of the Dominion of Canada I am not going to be indifferent to the interests of Canada or to those of any province of the Dominion.