

refused to ratify these arrangements, the Dominion Government refunded the duties to Prince Edward Island, and this should be taken into consideration in connexion with the matter.

The long discussion entered into by Messrs. Sullivan and Ferguson with the object of showing that the revenue contributed by the island to the Dominion, as stated in the Trade and Navigation Returns, is incorrect, and gives an inaccurate idea of the actual position of the island in this respect, opens up an interminable source of argument. Messrs. McLelan and Campbell quote this revenue as \$193,474, as against \$942,095 in British Columbia, and \$891,683 in Manitoba and the North-West. Messrs. Sullivan and Ferguson base their objections to the figures on the ground that the island's imports, upon which the revenue is collected, come from countries outside Canada, and that since Confederation a very large portion of the articles consumed come from the maritime provinces and Quebec and Ontario, having already paid duty in those provinces, which should in any revenue calculations be credited to the island. They proceed to make hypothetical estimates of the actual imports and of the actual revenue on various bases, assuming the importations had been made direct, and chargeable at an average duty of 18.64 per cent. By these methods they bring up the revenue contributed by the island to \$764,559 as the average of three calculations. Then, the larger figures of British Columbia and Manitoba and the North-West territories are accounted for by stating that at that time (1884) British Columbia possessed no direct means of communication with the settled portions of the Dominion at any season of the year, and accordingly was compelled to purchase almost all its supplies directly from other countries. These imports all paid duties at the ports of entry in British Columbia, and the amounts collected are credited to that province. The same reasons, they allege, also apply to Manitoba and the North-West territories. This does not seem to bear upon the question of "continuous steam service." It cannot, however, be too often stated that the communication between the island and the mainland has been more regular in winter since 1873 than before Confederation, and that the period of interruption is now not more than one-third of what it was, and that a regular daily steam service is an impossibility, as evidenced by the report of the Parliamentary Committee which in 1883 inquired into the matter. But apart from this, the reasons advanced by Prince Edward Island to account for its small revenue apply to every province, more or less, as there is a large general inter-provincial trade, and as the island admittedly participates in such trade it must be presumed that the inhabitants of the province find it to their advantage to do so rather than to get their imports from other sources.

The amount spent annually in Prince Edward Island (in 1884 it was \$689,954, although this is disputed also,) demonstrates the way in which the island has been treated by the Dominion Government, and upon this point Messrs. McLelan and Campbell say, "The liberal treatment of Prince Edward Island results from the policy and practice of the Dominion Government to watch over the interests of the smaller provinces, and Prince Edward Island from her isolated position, and with a population less than some cities on the mainland, has received especial consideration." Messrs. Sullivan and Ferguson admit that the exports from the island to countries beyond the Dominion in 1884 were 81½ per cent. more than they were in 1872, and that the amount per head deposited in the savings banks averages \$16.59, as against \$7.66 for the rest of the Dominion. This does not indicate that much injury has resulted to the island from the want of continuous steam service, and clearly proves the benefit derived from the connexion of the island with the Confederation, and the improved service since 1873. The total customs revenue of the island in 1872 was about \$302,000, and admitting, for the sake of argument, that it amounts to \$764,559 now, this increase of 120 per cent. does not support their case that injury has resulted to the island from the terms of the Union not having been fulfilled, and that it has obtained no advantage from joining the Dominion, and from the encouragement that has been given to inter-provincial trade and manufacturing industry.

Messrs. Sullivan and Ferguson also object to the figures given by Messrs. McLelan and Campbell as representing the expenditure upon the island in 1884. The amount specified is \$689,954, but they contend that \$79,308 should be deducted. The total they admit, however, is \$610,646, and the difference relates to controversial matters.

Messrs. Sullivan and Ferguson say, "The statement of the Committee of Council that, previous to the Union, paddle-wheel steamers were employed might lead to the supposition that since then the Dominion Government have obtained the substitution of screw steamers, but the undersigned desire to say that the identical boats which plied on the route for nearly 10 years previous to the Union are still