

bec, only \$8,856,000, and from sources other than Government only \$40,000. Now, the total expenditure on these works he had mentioned, during the period from 1859 to 1897, was \$121,659,261; while in Quebec there was expended \$31,625,000. He did not quote these figures for the purpose of showing that there was anything wrong in the agitation which brought about Confederation, nor did he say this to make anyone dissatisfied with our present position, but he referred to them to show that at scarcely any new country in the world occupied so high a position as this. We were apt to forget as we passed along, floating with the tide, the gradual growth of the land; we were apt to forget the progress we had made till we paused and looked about us—looked at the land. Now, ever since he could recollect, during all the time that such financial injustice was being done to Ontario, we had been progressing favorably. During all that time it appeared that railways, canals, telegraph lines, covering thousands and thousands of miles and involving the outlay of millions of money, that schools involving the expenditure of hundreds of thousands of dollars, that roads which cost the Government half a million of money or more, and those large public buildings which cost large sums of money; during all this time it appeared that these were going on that the country was being cleared up and settled, that great highways were being constructed, we were, in fact, growing into a large and powerful nation. Ontario was at this day equal in extent to England and Ireland, and in population almost equal to Scotland, and with as large a population as either Denmark, Greece or Switzerland. It might now be considered as one of the Powers on this continent, and equal to the second-rate Powers in the old world. (Applause.) What railways had Ontario in 1859. In 1849, in 1847, or even down as late as 1837? And what had she now? There was the Grand Trunk, extending from one end of the Province to the other. There was the London and Port Stanley, the Welland, the Erie and Ontario, the Northern, the Port Hope and Lindsay, the Cobourg and Peterboro' (laughter), the Brockville and Ottawa, and the Buffalo and Lake Huron.

Hon. Mr. McMurich.—The Erie and Niagara (Laughter.)

Hon. Mr. Wood.—Well, we had it too. Ontario had built all these. She had, in addition, the Welland, Rideau and St. Lawrence Canals. She had, besides, miscellaneous public works, such as the Burlington Bay Harbours, and light-houses, and public buildings, costing in all upwards of \$108,000,000. All these works had been accomplished within this Province within the short space of say 31 or 37 years—the greater portion within the last 16 years—but all since the union of the Provinces. He wished to call attention to another thing. Some three millions of money had been expended in running the machinery of Government within the last three years. It was admitted by all, that the present administration was one of the most economical which had ever governed the country. But it was necessarily expensive to organize a new state of affairs, and to carry on the Government. It had been said that in the past Upper Canada had sustained great injustice with reference to the revenues of the country. Now, what was the public debt of the Province of Canada? It was \$18,000,000. He asked any gentleman to look at the assets and see what caused that debt. The Ontario Loan Fund caused \$7,500,000 of it. The Montreal Loan Fund of Lower Canada \$3,000,000. These two items alone amounted to over \$10,500,000. The Dominion Legislation, about which so much had been said, caused \$8,000,000 more. Of the \$18,000,000 then \$18,000,000 was at once paid out. Add to this sum \$1,000,000 for other small items, and there was a total of \$17,000,000, which formed in fact the entire assets to be divided between the two Provinces. So that out of the debt of the late Province of Canada all that could be counted was this \$17,000,000, of which \$7,000,000 had been expended in Lower, and \$10,000,000 in Upper Canada. The decision arrived at was to allow the Province in which the debt was contracted, to pay for it. That was Lower Canada to pay her \$7,000,000, and Upper Canada her \$10,000,000 of the debt. Under the old Union, Ontario occupied an enviable position, but the people could not be brought to see it. They were dissatisfied, and wanted to enter into Confederation with the other Provinces. Very probably it was right, and in their interest to do so, but, of one thing he was certain, it was not in her financial interest to do so.

FREE TRADE vs. PROTECTION.

No. III.

PROTECTION tends to the diminishing and not the increase of the public revenue.

Where, by high duties, certain manufactures are secured home markets to the exclusion of foreign goods, it is plain the revenue to the country, to be obtained on importations of those goods must be reduced in exact proportion to the success of the protection afforded. A striking example of this is afforded close at hand. The manufacture of boots and shoes in Canada was once deemed worthy of encouragement, and a duty was imposed on boots and shoes sufficiently high to be almost, if not entirely, prohibitive. The manufacturers have certainly gained thereby, and succeeded in creating a large business, and in amassing within a few years considerable wealth. At the same time the imports fell off almost altogether, and the Government, instead of realizing a large amount annually from duties, has received for a number of years sums which were mere bagatelles

in comparison with what would have been received, had the duties been framed for purposes of revenue, instead of protection.

We should not consider the loss of revenue any loss to the country provided, firstly, that there was a corresponding saving to the consumer, and secondly, that the goods could be produced as economically here as abroad. And if it can be shown that the boots and shoes made by our manufacturers are furnished now at as low a price as similar goods are sold in the United States, then there is at least a show of reason why a protective policy should have been a wise one; but there is no reason why such policy should be continued indefinitely. If the manufacture is ever going to be able to hold its own against foreign competition, it should be able to do so now, and although the home competition is keen, still, if foreign goods could be imported, manufacturers here might be compelled to redouble their exertions, and introduce still greater economy and power of production into their workshops.

If it should turn out, on examination, that goods of any particular class could permanently be imported from the United States or elsewhere more cheaply than the same class of goods could be made in Canada, then we must come to the conclusion that any compulsion exercised on the consumer, depriving him of the power to purchase wherever he can do so most cheaply, by means of a high tariff, is unjust to the consumer, and wasteful as regards the productive powers of our country.

High duties decrease the revenue of a country in still another and very injurious manner. They afford a great temptation to two classes of smugglers to cheat the Government of their dues, namely those who are smugglers in the ordinary acceptance of the term, and who do not report their goods at the Custom House at all, and those who, while nominally honestly paying on their imports, really, by the use of false and fraudulent invoices, succeed in getting a portion of their goods without payment of duty. Where duties are low, the gain is not great enough to tempt an; but the most reckless to run the risk of smuggling, where they are high, a whole community on an extended frontier may be banded together to make it safe and easy to bring in goods on which no tax gatherer had been able to collect a shiver. The moral evil arising from this cause is worse than the direct loss to the revenue, producing as it does, a reckless disregard of all law, both human and divine, on the part of those who perhaps originally, embark in the business of smuggling, without any very clear appreciation of its being wrong at all, but merely a fair taking of business risks, with certain penalties accruing in case of failure.

THE ONTARIO LEGISLATURE.

(From our own Correspondent.)

TORONTO, December 15, 1893.

Adjourn before Christmas! Such is the edict that King Sandfield has enunciated, and consequently all is bustle and activity in the Ontario Legislature. Hard work has now become the "order of the day" with members, but it must be confessed that, during the portion of the Session already past, they have taken it very easily. A great fault of all our Parliamentary Sessions has been very marked during the present one in this city; members kicking their heels for want of something to do at the start, and then being completely over-worked at its close. This mode of procedure may be a good card for Governments, who hope thereby to get their measures passed with less criticism and opposition, but it largely defeats one of the chief objects of Parliaments—a rigid scrutiny into the acts and legislation of the Government of the day.

NOVA SCOTIA SUBSIDY.

Since my first let to Mr. Blake's resolutions protesting against the action of the Dominion Government in regard to the Nova Scotia subsidy, came up for discussion, and an exciting discussion it was. The first three resolutions, in effect, asked Her Majesty to disallow the Dominion Act, because of its unconstitutionality, and injustice to the other Provinces, and the third, requested that the interests of the country required such legislation as would prevent the Dominion Parliament from making any alteration of the subsidy basis hereafter. The Government strongly opposed Mr. Blake's proposal, but after voting down the first twelve resolutions, the House adopted the

thirteenth—saying in effect: "We won't disturb what the Dominion Parliament has done, but we will try to prevent its doing it again!" The Government did not emerge from this struggle very creditably. After having spoken strongly against Mr. Blake's thirteenth resolution when they found the House had voted down six months' wait, they suddenly changed face and voted for the resolution themselves! This strange episode of tactics was repeated when Mr. Blake brought in his address to Her Majesty on the subject, the Government presenting the singular spectacle of speaking one way and voting another.

THE GUELPHIAN RAIL CANAL PROJECT.

Must have as many lives as a cat. The irrepressible Caprell is still running the machine, and a committee of the House has been wasting its time in examining into the merits of the project for several weeks past. There will no doubt be, as usual, a favourable report, and—that's all.

THE FINANCIAL STATEMENT.

The Treasurer, Hon. Mr. Wood, made his Budget speech on Friday night last. In 1893, he had a surplus of \$170,000 instead of \$115,000, and this year he will have \$230,000 instead of the \$200,000 he had estimated. The income which he anticipated for the incoming year, from all sources, was \$7,002,185, and as he only expected to spend \$2,022,500—the surplus, he estimated, would be nearly a million of dollars! This certainly shows a happy condition of the Ontario treasury. At the present time, Mr. Wood said the Government had an invested surplus of \$2,500,000, and by the end of next year, it would be at least \$3,000,000. The local ministry is good at hoarding money, that's certain. Would it not be better to spend some of it in public improvements?

NOW THE M. T. P. ARE PAID.

During the first two Sessions, the M. T. P.'s were paid \$5 per diem for their services. But this Session the Premier decided to grant, instead, a sessional allowance of \$450, if the Session extends over thirty days. The country need have no fears that the House will ever adjourn inside the thirty days, but I do not think, however, it will be disposed to quarrel about the amount of the allowance.

RAILWAY AND INTRIGUES LOBBYING.

Railway lobbyists are about as thick in Toronto just now as "blackberries in the month of July." The latest on the subject in regard to the railway scramble is, that the Hathaway-Littlejohn interest has struck hands with the Great Western Railway Manager, and that the latter will construct the southern line from Glencoe eastwards to the Niagara river, and the former westwards to the St. Clair river. Arrangements have been agreed to by which, the lines will run in connection with each other (?) Thompson has been deserted by the St. Thomas delegation, and everything at present indicates that his schemes will come to grief. The above is the position of affairs at the time I write; but as intrigues are constantly going on, and the situation has changed almost daily for the past week, what may turn up before this is published, it were hard to tell. The excitement on the subject runs high, and is at fever heat this week.

THE LAW OF EVIDENCE.

An important measure introduced by Mr. Clarke, allowing plaintiffs to give evidence in their own behalf, is now certain to become law. This gentleman had to go home on account of an attack of bleeding at the lungs, but the measure was left in Mr. Blake's charge, who carried the third reading on Friday by 21 to 26. The Government opposed the measure, but were left in the minority. Similar laws are in existence in England and the United States, and what is good for those countries cannot be injurious to us. Much injustice has often been done because plaintiffs could not go into the witness box and prove transactions of the particulars of which probably they alone were cognizant, and I do not fear that perjury will be increased by giving such a privilege.

THE DRAINAGE BILL.

Has been adopted. The opposition tried stoutly to prevent the Commissioner of Public Works being allowed to spend the \$250,000 he is to have under his control for drainage purposes, without submitting the places and plans first to Parliament. Ministers said that if the House could not entrust them with spending that amount they had better vote "want of confidence" in them. They were sustained by good majorities.

A "FOUNDATIONLESS" LIE.

I observe a statement in circulation, that some