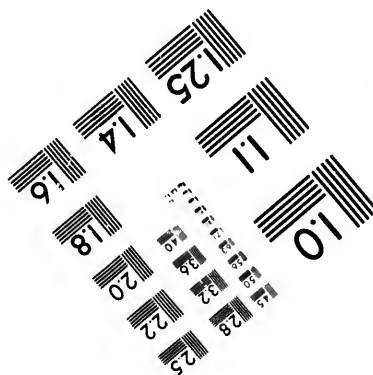
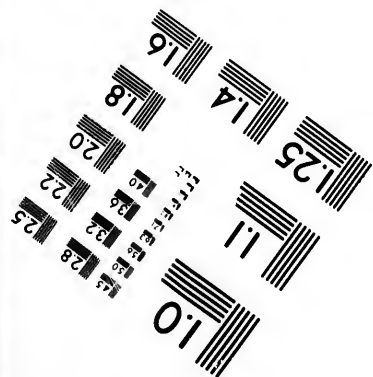
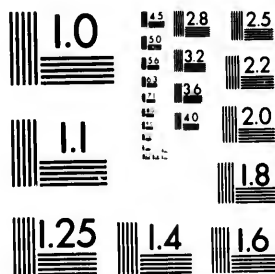


# IMAGE EVALUATION TEST TARGET (MT-3)



**CIHM/ICMH  
Microfiche  
Series.**

**CIHM/ICMH  
Collection de  
microfiches.**



Canadian Institute for Historical Microreproductions

Institut canadien de microreproductions historiques

**1980**

Technical Notes / Notes techniques

The Institute has attempted to obtain the best original copy available for filming. Physical features of this copy which may alter any of the images in the reproduction are checked below.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Certains défauts susceptibles de nuire à la qualité de la reproduction sont notés ci-dessous.

☐ Coloured covers/  
Couvertures de couleur

☐ Coloured pages/  
Pages de couleur

☐ Coloured maps/  
Cartes géographiques en couleur

☐ Coloured plates/  
Planches en couleur

☒ Pages discoloured, stained or foxed/  
Pages décolorées, tachetées ou piquées

☐ Show through/  
Transparence

☐ Tight binding (may cause shadows or distortion along interior margin)/  
Reliure serrée (peut causer de l'ombre ou de la distortion le long de la marge intérieure)

☐ Pages damaged/  
Pages endommagées

☒ Additional comments/  
Commentaires supplémentaires

Original copy restored and laminated.

---

Bibliographic Notes / Notes bibliographiques

☐ Only edition available/  
Seule édition disponible

☐ Pagination incorrect/  
Erreurs de pagination

☐ Bound with other material/  
Relié avec d'autres documents

☐ Pages missing/  
Des pages manquent

☐ Cover title missing/  
Le titre de couverture manque

☐ Maps missing/  
Des cartes géographiques manquent

☐ Plates missing/  
Des planches manquent

☒ Additional comments/  
Commentaires supplémentaires

Blank leaves which were added during restoration may appear within the text. Whenever possible, these have been omitted from filming.

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

The last recorded frame on each microfiche shall contain the symbol → (meaning "CONTINUED"), or the symbol ∇ (meaning "END"), whichever applies.

The original copy was borrowed from, and filmed with, the kind consent of the following institution:

Library of the Public  
Archives of Canada

Maps or plates too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:

1	2	3
---	---	---

1
2
3

1	2	3
4	5	6

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole → signifie "A SUIVRE", le symbole ∇ signifie "FIN".

L'exemplaire filmé fut reproduit grâce à la générosité de l'établissement prêteur suivant :

La bibliothèque des Archives  
publiques du Canada

Les cartes ou les planches trop grandes pour être reproduites en un seul cliché sont filmées à partir de l'angle supérieure gauche, de gauche à droite et de haut en bas, en prenant le nombre d'images nécessaire. Le diagramme suivant illustre la méthode :



THE POSITION  
OF  
THE PROVINCE OF QUEBEC,  
IN THE DOMINION OF CANADA.

SPEECH OF THE HON. J. A. CHAPLEAU,

SECRETARY OF STATE,

DELIVERED IN THE HOUSE OF COMMONS ON THE RESOLUTIONS PROVIDING  
FOR SUBSIDIES TO LOCAL RAILWAYS,

12th APRIL, 1884.

---

OFFICIAL REPORT.

---

Montreal:  
GAZETTE PRINTING COMPANY.  
1884.

1884

(5)

71258

# THE RAILWAY SUBSIDIES.

## QUEBEC'S FINANCIAL POSITION.

### SPEECH OF THE HON. J. A. CHAPLEAU.

The following is the Hansard report of the speech of the Hon. J. A. Chapleau, Secretary of State, on the railway resolutions:—

Mr. Speaker,—I will not undertake to answer all the questions that have been raised in this debate by the hon. leader of the opposition. According to his custom, he has included in the discussion of the subject on which we are engaged the whole range of questions which it comprises, and has dealt with them in a manner no less lucid than comprehensive. I will leave to those of my colleagues to whom that task belongs to reply to the charge of undue pressure exercised by the government, according to the hon. member for West Durham, on the representatives of the Province of Quebec. I would, nevertheless, inform my hon. friend that he has revealed only one aspect of that period so full of anxiety, and I will try and show him what the other is. It is true, the hon. member, "the government awaited with anxiety, when the great Pacific question came before the house, the attitude which a portion of the members would assume regarding it. Everyone was asking what would happen; parliament was not sitting with its ordinary number of members, and the *dénouement* was anxiously expected. After interviews between the ministers of the Quebec Government and the members of that province—after interviews between the heads of the Canadian government and the representatives of the Province of Quebec—the result was announced. Faces brightened up, peace was restored to the camp, and the Pacific bill was voted." My hon. friend should have said that it was on the side of the opposition that the faces of members betrayed most anxiety. The smallest rumours that escaped through closed doors were eagerly caught up, and whatever secrets were thus exposed were immediately transmitted by telegraph, corrected and enlarged to the great organ of the liberal party in Ontario. On one occasion

that journal announced that the members of the Province of Quebec had thrown themselves into the open arms of the leader of the opposition who, in return, promised them an era of prosperity before unheard of in that province. But the *dénouement* soon destroyed that hope; the loan was voted and the faces of the opposition fell accordingly. It is a wonder the *Globe* did not come out in mourning the next day, as if for the loss of a political friend. Certainly its cherished dream had faded away into thin air. For the fact is that all those conjectures were false. The conservative party had remained faithful and united as in the past. The leader of the opposition may be assured that the Quebec conservatives were unanimous in following the government on that great question. It is true that a certain number of members had asked that all the questions connected with the Pacific should be settled at the same time, and it was quite legitimate for them to enquire if the government had the intention, not to purchase their votes, but to make good a claim which had been made constitutionally by the Quebec cabinet and which had already been for several days before the Privy Council.

#### THE QUEBEC CLAIMS.

What! Mr. Speaker, will the hon. chief of the opposition deny that the Quebec members had a right to ask just treatment for the province that they represent? Do such rights belong only to the other provinces? Did not British Columbia submit to the government the questions in which it was concerned, and who hesitated to acknowledge its right to ask if the government had given them due attention, and had come to a decision regarding them? Did not the *Globe* cry out indignantly because the grievances of Manitoba had not been definitely redressed when the hon. premier of that province left Ottawa for Win-

nipeg? What reason is there why the same consideration should not be shown to the Province of Quebec? That province had laid its claim before the Dominion authorities. The Federal Government had concluded not only to give it attention, but to take it into favourable consideration, and that is the business which occupied the attention of the Quebec members. No, Mr. Speaker; the hon. member for West Durham has no reason to reproach either the members of our province or the government for their action in the circumstances.

#### MR. BLAKE'S AMENDMENT.

The hon. member, as I have just said, looked at the question from every point of view. I will only answer him on one point which has been raised in this debate, and that is, in my eyes, a most essential one. It is embodied in the motion which the hon. member has just placed in your hands. It is a captious motion, directed evidently against the Province of Quebec, and all the more dangerous as it asks the members of the other provinces to refuse Quebec what is legitimately its due, by giving the representatives of the other parts of the Dominion to understand that what the hon. member calls a great favour on the part of the federal government should be shared with all the provinces. This motion is most insidious, as, while seeming to be based on a principle of equity for all the provinces, it is really directed against the Province of Quebec, whose claim is qualified as extravagant and the result of maladministration. This motion, Mr. Speaker, will not be more successful than those which the hon. member has already presented, and to which the house has done justice. The leader of the opposition said that in all the provinces there had been an excess of zeal in the construction of railroads, and that several provincial governments had, in their desire for progress, exposed the financial means at their disposal. Mr. Speaker, I would not on this occasion have broken the silence which I maintained since I have been a member of the house, that is, during the almost two years that I have been one of Her Majesty's advisers in the Privy Council of Canada. In keeping a silence, which is not at all my wont, I must have disappointed the expectations of my friends and no less the curiosity of my opponents. More than one person must have said: What has become of that former vivacity, that asperity

in debate which provoked combat rather than remain at rest. Others may have thought it the result of calculation. No one that I know of is likely to have attributed it to fear, and with that conclusion I am satisfied. I am the youngest member of the Council, and I think it my duty to practice here what I preach elsewhere—subordination. I have kept silence, which is useful at times, but, I must say, it is also tiresome. To-day if I think it right to engage in this discussion, it is because the question that occupies us is one that interests the province whose affairs I administered as head of the cabinet for more than two years. This question not only interests the province from which I come and which I more especially represent in the Privy Council, but it also concerns not a little the administration of which I was the head. I would gladly set aside my own personality in the observations which I have to make. But I cannot do so. My name and my administration are constantly coming up in the discussion of this question. The hon. member of Durham has asked for

#### THE REASON OF THE QUEBEC CLAIM.

He said the source of it seemed to him to be the extravagance of the government that had the direction of this province, and if he has not brought forward all the objections that are made in the press, perhaps, some of his friends may do so. I think it my duty to reply to the attacks that have been made and which have not only stirred up, but, it may be, deceived public opinion. During the last eighteen months there is no charge that could be brought against an administration that has not been preferred against that of which I was the head, especially in relation to that question of railways which is now before us. In the press I have been subjected to all kinds of ill treatment, not only by my natural enemies, who are logically impelled by their position to make war against those who differ from them, but even in the circles where I had reason to expect to find friends. The Province of Quebec has a right to the subsidy which the government gives it, because it has constructed at a great expense a line of railway which, sooner or later, must be the continuation of the Pacific to the ocean. But the expenses thus incurred are not the only causes of the deficit in the Quebec budget; other causes which I will enumerate have also contributed to that result. I will even go further and say that the

Province of Quebec has more right to the consideration, to the spirit of justice of the members of the other provinces than any other portion of the Dominion.

#### THE CHARGE OF CENTRALIZATION

Before entering on this subject, Mr. Speaker, let me be permitted to make a protest against one of the accusations made by the member for Durham—an accusation which has been for some time made a pretext for attacks on the government of Canada—the accusation of centralizing not only all the forces but even all the powers of the members of the confederation, by absorbing rights that justly belong to the provinces. I believe it my duty to protest against the charge. It has been said that the leader of the government, the leader of the conservative party, entertained ideas of centralization—was inclined, in fact, towards legislative union, and yet he protested eloquently against these very tendencies himself not very long since. “How could I,” said he, “at almost the close of my political career, after having created the confederation as the solution of political agitations so lively and so dangerous to the whole nation, destroy with my own hands the fabric erected with the toil of so many years?” How, we may well repeat, could that old leader, held in veneration by all, destroy the glorious work which he accomplished in and for the country. How could he sacrifice his reputation and the right which he has won to the gratitude of future generations destined to see in him the founder of a great nation on this continent? How could he wilfully prove recreant to the mission which he undertook and so well discharged by demolishing his own edifice? No, Mr. Speaker. And the best reply to such a charge is found in the generous, liberal and paternal measure which is just now before the house, and which, by aiding the provinces in their material development, furnishes new guarantees for their autonomy. If he had been disposed to force the provinces to part with some of their political rights in exchange for material advantages, the moment could not have been better chosen. He had only to refuse them what they asked and which he now so generously grants them.

#### PROPOSAL FOR CONSTITUTIONAL CHANGES.

The hon. member for Durham said that it was perhaps time to think of revising the constitution, so as to obtain for the dif-

ferent provinces a political compromise by the creation of conditions more advantageous. I think, Mr. Speaker, that instead of accepting that proposal it is the duty of each of us to repudiate it as an innovation dangerous and menacing to the rights of the provinces. On any occasion that presented itself, I believe that the ministry was found repudiating any centralizing tendency. For my own part, I have been accused of being too federalist or anti-centralizing. I have not been too much; I have merely been sufficiently so. I am of those who think that the autonomy of each province is one of the most solid foundations of the confederation. When I was premier of Quebec, I was charged, strange to say, with a disposition to yield to the federal power what ought to belong to the provinces, and since I have been in the Dominion Cabinet I have somehow had the name in certain quarters of being too devoted to provincial institutions and not being in harmony with my colleagues on the question of federal authority. Well, Mr. Speaker, when I had the direction of affairs in Quebec I was opposed to all doctrines that jeopardized the peace among the different groups that constitute our confederation. Now that I am a privy councillor, I consider it my duty to respect the interests of the provinces, whose harmony with each other forms the firmest guarantee of vitality and fecundity in the central power. If, when I was at Quebec, I contemplated my duties as a citizen of Canada, having come to Ottawa I did not forget that the federal compact was the ark from which none could without sacrilege remove the sacred tables on which are inscribed the rights and liberties of the provinces made one by intelligent patriotism. That is my political programme and I have never had any other, nor shall I complain if they accuse me of practising it. That sentiment of provincial autonomy is one which calls for distrust in so far as, being natural and legitimate, it may easily lead us to an exaggeration which might have deplorable consequences. And yet we must not repudiate it, far from it. But to avoid falling into exaggeration, it behooves every member of this house, from whatever part of the Dominion he may come, to study the different needs of each of the provinces, and always to bear in mind that the other provinces have as much right as his own to the protection of the central power. The Government of Canada, Mr. Speaker, is right in giving to each province of the Dominion as much latitude as possible

in the exercise of its rights, and whenever the assembled members have been asked to favour by energetic action the general interests of the country, the co-operation of all the provinces has never been wanting.

#### THE LOAN TO THE PACIFIC,

of which the hon. member for West Durham has spoken, is the most speaking evidence of the fact. It was a bold measure on the part of the government. The ministers never said to the members that the sacrifices asked were not most important as touching the resources of the Dominion. Neither the leader of the government nor the proposer of the bill denied but it was one of those pressing necessities that called for an appeal to the generosity of all the provinces. And if that measure overcame all the obstacles which it encountered, it was because the government could depend upon a party which is as intelligent as it is loyal. By the adoption of that measure, the government wished to prove to our neighbours across the frontier that this country does not fear the financial machinations of Wall street brokers, and that when the government of Canada makes an appeal to the intelligence and patriotism of the provinces, it finds a faithful echo whenever the object is to maintain the credit of the nation and the honour of the government.

#### PROGRESSIVE IDEAS AND POLICY

The leader of the government has been accused of endangering the existence of the nation by imposing upon it by such legislation a burden which it was unable to bear. He has been told that he was mistaken in his estimate of the resources of the country when he thought them capable of extinguishing so enormous a debt. But he was not mistaken, or if he was, it was on the right side of the account, on the side of hope, of confidence, of ideas of progress; and it is with such ideas, with such hope and confidence that a people becomes great. I prefer that he who has the direction of a nation's destinies should err in the direction of its greatness, by showing an exaggerated sense of the national progress, to seeing a people cramped and held back by a policy of timidity and distrust. That policy fears no comparison with that of the opposition. On the one hand the aim is greatness, prosperity, national happiness, while on the other it is a mean peddling calculation and a belittling of the country's re-

sources rather than a launching out on the broad path of progress. Nations grow great by confidence in the future. There are different expressions in the vocabulary of different nations for rendering the same idea. Thus in France there is chauvinism, in England there is jingoism, while our neighbours have their spread-eagleism. In other words, what is meant is the national pride and confidence in their own civilizing mission of the British people: the optimism of the French, and the vaunting go-aheadism of the Yankee. These are faults, it is true, but venial faults, for they have their source in a profound national sentiment. We must not forget that it is with that exaggeration of the national feeling, that it is by the confidence of nations in their own star, that they have become great in the world, while the system of blackening one's country has never led to anything but bankruptcy and ruin.

#### HISTORY OF QUEBEC'S CLAIMS.

It is a long time now since the claims of the Province of Quebec were first presented to the federal government, although the member for West Durham alludes to regard the question as a new one. The demand, it is true, was not previously invested with that official character which it has to-day, but it has not the less occupied the attention both of the present government and their predecessors. My hon. friend is strangely mistaken if he thinks the claim of the Province of Quebec only originated in the difficulties of the government during the present session. My first duty when I took in hand the reins of power at Quebec was to insist on the federal government granting compensation to Quebec for the sacrifices incurred by the construction of what was destined to be the most important link in the Pacific Railway. My hon. friends of the other side can hardly forget the defeat which they brought upon Sir George Cartier in 1872 in connection with the Pacific terminus question. Sir George Cartier, at that time, the colleague of the present premier, openly declared in the electoral campaign of that year that the Pacific terminus was the harbour of Montreal. I did not forget those declarations, when on the 13th of May, 1880, I addressed an official memorial to the federal government claiming its co-operation in the cost of constructing that road. It was not a refusal, but an encouragement that Quebec then received. Our

demand was not secret, for the Hon. Mr. Robertson, at that time treasurer of the province, said in his budget speech of June 16th, 1880:—"The Quebec cabinet has made representations to the federal government with regard to our railroad, we have represented to the federal government that it had contributed \$12,000 per mile to the construction of a part of the Canada Central Railroad in Ontario at the expense of our province as well as of the others; that the line will form part of the Canadian Pacific; that the Intercolonial was built and other lines purchased in the maritime provinces for their special advantage, also at our common expense; that Manitoba, the great west and British Columbia must have the Canadian Pacific to open up their territories, and that it will be likewise built at the general expense; that other provinces had benefited, and would still benefit by lines for which we had contributed; and, moreover, that for the lines built in this province since 1867, and particularly for the North Shore, destined, as well as the Canada Central, to form part of the Canadian Pacific, we did not receive a single cent, although we had thus contributed to lines in the other provinces. We have accordingly made those representations to the federal government. I insist that we have as much right to be aided at Ottawa for the cost of our railway as the Canada Central had. The building of that line may be advantageous and, no doubt, is so to the North Shore Railway, but this latter is of equal necessity, as it offers the shortest and most direct route from the West to the ports of St. John and Halifax, and has equal rights to a subsidy from the federal authorities. We therefore wish one of two things: either that the Dominion take over the Quebec, Montreal, Ottawa and Occidental Railway or that we be paid a subsidy per mile equal to that paid to the Canada Central. Those questions are now under consideration at Ottawa and we await a decision. My opinion, after careful deliberation, is that we are sure to succeed." And Mr. Robertson still further emphasized this demand in his speech of May 30, 1881:—

"I also said last year that the Quebec government had memorialized that of Ottawa that justice be rendered us in the matter of the provincial railway. It cannot be doubted that the sister Province of Ontario received from the federal government, at the expense of the other provinces, subsidies for the construction of railways which were not granted to Quebec. (Hear, hear.) In this respect we have not received justice from the federal gov-

ernment, and we are not disposed to leave the matter in its present unsatisfactory position. It may be recalled that the Hon. Mr. Mackenzie, when he was premier of the Dominion, replied to a deputation asking for the development of railways in Quebec the same subsidy that had been granted to Ontario, that our province ought to receive, and should receive, the desired aid."

#### ADMINISTRATION OF QUEBEC'S AFFAIRS.

And, since then, the federal government must have perceived that the Province of Quebec had no intention of allowing its rights to be sacrificed. There had been recrimination. Some had gone so far as to say that the province had no right to such an indemnity, because it had been too extravagant, because its governments had shown themselves unworthy of such assistance. I will not reply to personal questions addressed to administrations, but I will reply to those who say that the Province of Quebec has no right to that just claim. If Quebec's debt were due to maladministration, I would say that those reproaches were just and that its claim of indemnity ought not to be satisfied. But the contrary is the truth. With less resources, Quebec has been able to do more in the way of progress than any other province, and to-day, among the motives that should induce us to vote for the resolutions, it is well to recall that Lower Canada has always shown broad views and has never been animated by a sectional spirit.

#### CONDITIONS AT THE UNION OF 1840.

In 1840, with a population of 550,872 souls and a surplus on hand of \$189,306, it accepted the union on a footing of equality with Upper Canada which had a population of 427,441 souls and a debt of \$5,925,779. If I give these figures, Mr. Speaker, it is from no desire to discredit the Province of Ontario which has succeeded in gaining so enviable a position in the confederation. It is simply to make good my argument that the Province of Quebec has a right to expect, especially in the Province of Ontario, the liberality, the spirit of justice and the consideration which it deserves to have. The figures that I have given, Mr. Speaker, I will allow myself to support by a citation which, perhaps, will be new to some members of this house. In 1840 Lord Sydenham wrote these lines:—

"In the summer of 1839 Upper Canada was on the eve of bankruptcy. With an annual revenue of not more than £78,000, the interest on the debt amounted to £65,000 and the ordinary expenses of the government amount-

ed to £55,000, thus leaving an annual deficit of £42,000, while the absence of a seaport deprived it of the power of augmenting its revenues by the ordinary and less onerous means of imposing taxes."

In a letter, written in November, 1839, Lord Sydenham had said:

"The finances are still more dilapidated than is believed in England. The annual deficit is already £75,000, and exceeds the revenue. All the public works are suspended. The emigration from the province goes on rapidly and in great numbers. The union offers the only means of settling the finances, inasmuch as it will determine England to add Upper Canada to fill its empty treasury."

Such was the position in 1841, as described by the British governor, whose name I have just mentioned. It may be said, perhaps, that it is an old story, to say that Upper Canada in 1841 was in a deplorable financial condition, while Lower Canada was advantageously situated. But these facts cannot be effaced from our history, and are not to be condemned to oblivion because they are to our advantage. Since the union, it is the Province of Ontario that has the largest share in the sums expended for public works. Another matter to which it is well to draw attention, is that then, as to-day, almost all the funds — and they were considerable — that were expended for immigration were given to Ontario until within the last few years, and to the new provinces more recently. The Province of Quebec has hardly had any share in those grants. And yet Quebec has never dreamed of making a private grievance out of that partiality.

#### CONDITIONS OF QUEBEC'S GROWTH.

Less daring in business than the race beside which it lives, the French race has been impelled by its character in other directions of effort. It has somewhat neglected the material, but it has shown great judgment and political insight. Nor must we lose sight of the difficult conditions in which it was developed. At the conquest, the noblesse, all of them who could turn their property into money, and a considerable portion of the clergy returned to France, so that only a handful of Canadians, without much resources and almost without education, remained in the country. This population had to educate itself in a conquered country, receiving no more from the mother country the aliment of thought, and unable to receive this aliment from the new metropolis whose language it did not understand. Only one element of strength was left to the people, the few mem-

bers of the clergy who remained in Canada. But those true shepherds of men were equal to the task. They gathered together the scattered fragments of the decimated community and by their own efforts made and kept them compact and united. Those who speak of the ignorance in which the clergy has kept the Lower Canadians do not know what they say, for it was the clergy who, by dint of onerous sacrifices, founded and maintained our great classical institutions. It was a task, slow, painful, ungrateful, but it gave a sure direction to ideas and morals. Neither zeal nor good will was wanting to the Canadian clergy; what it suffered from was lack of means and men. As it was recruited from the population itself, education became general, and manners and ideas improved. Go into our country places where you will find peace and contentment, and if you consult the registers of the civil authorities you will see that, thanks to the action of the clergy, morality which, in other countries, Catholic as well as Protestant, seems to diminish with the progress of civilization, has followed an upward path, until to-day it has reached a point of remarkable purity. And now that the task of the clergy has attained such a success, and that we can boast of having joined with the sister provinces in the domain of education, it does not hesitate to throw itself into the movement of industrial progress in which the others have distanced it. Needless to say that I share with all my heart the praises accorded to that great promoter of railroads, to that apostle of colonization (as clergy and laity have united to call him), who has done so much for our province, *Charles Labelle*. This digression was necessary to establish my assertion that Quebec, instead of being in the rear, has always, in the domain of ideas, answered to the first appeal, and through a pure spirit of chivalry has defended the great projects with more energy than material interests.

#### LOWER CANADA AND CONFEDERATION.

During the crisis from 1860 to 1864, when the two great provinces were waging war against each other, Lower Canada had only to persist in order to win back her liberty of action by separation from Upper Canada. But it could only have obtained liberty at the expense of its own expansion, and so, setting aside the sectional spirit, it entered boldly into the confederation, notwith-

standing the dangers that might arise from a majority. With that majority it ventured to ally itself, though neither their language nor laws nor character were alike. The rage and struggle in Upper Canada against French domination might have its reaction on our part, exciting the prejudice of some and the fears of others. But Lower Canada, strong in its vitality, and having faith in its future, would not allow these sectional interests, however dear they might be, to be an obstacle to the formation of a great Canadian nationality. When the seat of government was decided to be fixed in Upper Canada there was scarcely a murmur. When the Intercolonial question came up, Lower Canada never thought of opposing a project that placed twenty millions at the disposal of the maritime provinces. The first cries in favour of the Pacific came from Lower Canada, although it was to cause the expenditure of scores of millions outside of the Province of Quebec, and although the road was to open up a territory that would soon be its formidable rival. The policy of protection originated in the Province of Quebec, at a time when almost all Ontario held the British views on the question. The Province of Quebec has, in fact, been the centre, the strength, the life of all the great ideas that have made the Canadian confederation prosperous. I mention these things to prove that the Province of Quebec has from the first understood the constitutional regime, that it is worthy of the confidence which the metropolis placed in it in granting the boon of responsible government, and that it has neither retarded the progress of the sister provinces nor been in any way a cause of regret to them. Its loyalty to the British crown has been unalterable. It defended the British flag in 1775 and in 1812, with all the more disinterestedness that it never received a cent for its services. If the other provinces are proud of their spirit of initiative, of their enterprise, Quebec may be proud of its ideas. Its public men have ever, before the adoption of a great scheme, given the keynote that indicated its possibility and expediency. They have been the pioneers of politics, as the missionaries have been the pioneers of exploration and civilization on the American continent. On the coasts of the Pacific, as in the far retreats of the West, from Louisiana to Alaska, you still find in the names of its lakes and rivers the old French names of bold adventurers who were first on the

ground; and, in like manner, in the region of politics, all the stages in the conquest of the liberty which we now enjoy have been marked by French Canadian names. Is it surprising that, with this chivalrous character, this abnegation, that has made it ever loth to claim its just share, this dominant breadth of view, so conspicuous in its whole career, Lower Canada, when inspired by the sudden desire for railway development should have thrown itself into the work of construction with characteristic ardour? The difficulties in which the province finds itself to-day prove nothing against its aptitudes. It was never favoured like Ontario.

#### ONTARIO AND QUEBEC IN 1867.

If the Province of Quebec had been in ordinary conditions, it would not have needed so many sacrifices, and it might have followed the other provinces without exhaustion as it did before 1841. From the conquest until that date, there had been spent in Upper Canada \$5,592,746 and in Lower Canada \$4,253,436. The works that were finished by the Canadian Government in Upper Canada from 1841 to 1867 cost a total of \$30,029,063; those of Lower Canada for the same period cost only \$20,335,353 making a difference in favour of Upper Canada of \$9,693,710. During the same period the other works constructed either by the imperial government or by other means amounted to \$84,828,450 in Upper Canada and to \$37,336,301 in Lower Canada, showing a difference against the latter of \$47,492,149. These authentic figures are taken from the sessional documents of 1867. To those statements we may add the following:—

Balance in hand in Lower Canada in 1841 .....	\$189,306
Debt of Upper Canada assumed by the Union .....	5,925,779
Total .....	\$6,115,085
I may say, therefore, without fear of contradiction, that in 1867 Upper Canada had over Lower Canada the following enormous advantages:—	
Surplus received from Lower Canada and debt of Upper Canada ..	\$6,115,085
Surplus of works completed in Upper Canada by the government ..	9,693,710
Surplus of works constructed by the imperial government or by private capital .....	47,492,149
Plus excess of works before 1841 ..	\$63,300,954
Plus excess of works before 1841 ..	1,339,310
Balance against Lower Canada ..	\$64,640,264

Such are the enormous advantages that in 1867 Upper Canada was found to have over Lower Canada.

#### EXPENDITURE SINCE CONFEDERATION.

Since Confederation there was spent by the government up to June, 1882 :

QUEBEC.	
Railways (Intercolonial).....	\$ 8,400,000
Canals.....	11,000,000
	<u>\$19,400,000</u>
ONTARIO.	
Railways.....	\$13,100,000
Canals.....	21,000,000
	<u>\$34,100,000</u>

Add since 1882.

Works on the Pacific in Ontario...\$ 2,500,000

Quebec.....\$36,600,000

Quebec.....19,400,000

Difference in favour of Ontario...\$17,200,000

Seventeen millions! An important factor in the financial economy of a young province!

#### COST OF ADMINISTRATION IN QUEBEC.

Mr. Speaker, the government has not in the ordinary management of its affairs been convicted of extravagance. Since confederation, in fact, with a subsidy of over three hundred thousand dollars less than that of Ontario, with an administration more efficient and more costly than Ontario, it has shown the following surpluses:—

1867-68.....	\$ 203,598
1868-69.....	350,915
1869-70.....	79,091
1870-71.....	57,979
1871-72.....	106,756
1872-73.....	168,104
1873-74.....	16,189

Making a total.....1,82,630

I might add to the amount the sum of \$625,000 which had remained of the federal subsidy itself in the hands of the Canadian Government and was paid into the provincial treasury as follows:—

Drawn by the Joly Government in 1878-79.....	\$500,000
And by the Chapleau government in 1879-80.....	125,000
	<u>\$625,000</u>

Never have the ordinary expenses exceeded the ordinary revenue in the Province of Quebec. On the contrary, there has always been a considerable balance on the side of receipts. I will have occasion later on to examine the circumstances which imposed a debt of \$19,000,000 on the province. I only

make allusion to it now in order to observe that, were it not for the obligation to pay interest on that debt, a charge which has nothing to do with ordinary expenses, the province would always have maintained a surplus. The four or five figures following show this to be the case:—

From 1867 to 1882—	
Expenses.....	\$33,068,412
Receipts.....	<u>33,594,297</u>

Apparent deficit.....	\$ 374,116
Interest on debt from 1875 to 1882.....	<u>1,897,738</u>

Real surplus.....\$ 1,523,623

#### RAILROADS IN QUEBEC AND ONTARIO.

The Province has incurred an onerous debt, because it stood in absolute need of railroads. It must not be forgotten that in 1867 however, Quebec had only the following lines:—

	Miles.
Grand Trunk from Riviere du Loup to Montreal.....	290.50
Richmond to the frontier.....	55.00
Montreal to Lancaster.....	44.00
Arthabasca to Donnet Landing.....	35.00
Montreal to frontier (via Caughnawaga).....	40.00
St. Lambert to Houses' Point.....	43.00
Carlton to Grenville.....	12.75
Joliette.....	12.00
Stanstead, Shefford and Chambly.....	43.00

Total.....575.25

Those were all the railroads that Quebec had at that time. As for the Province of Ontario, let us see what railways it had at the same date. On consulting the public documents for 1867 we find that Upper Canada had then of the Grand Trunk 481 miles, and 912 miles of the following lines through different portions of the province:—

Ottawa & Prescott.....	54.00
Brookville & Ottawa.....	86.50
Cobourg & Peterborough.....	28.00
Peterborough & Lake Huron.....	4.00
Port Hope, Lindsay & Beaverton.....	56.50
Northern.....	94.14
Erie & Ontario.....	17.00
Welland.....	25.00
Great Western.....	363.25
London & Port Stanley.....	25.00
Buffalo & Lake Huron.....	160.00

Total.....912.00

Thus we have in all a length of 1,393 miles of railway for Ontario, against the 575 miles Quebec possessed, giving a surplus of 818.14. It was in these circumstances that the Province of Quebec had to make sacrifices amounting to nearly \$19,000,000 for railways. My hon. friend the member for West Durham has quoted at random, it would seem, the sacrifices made by each province for its railways. He regretted not to have com-

erve  
in-  
oth-  
pro-  
sur-  
how

4,413  
2,297

4,115  
738  
3,623

debt,  
oads.  
ever,

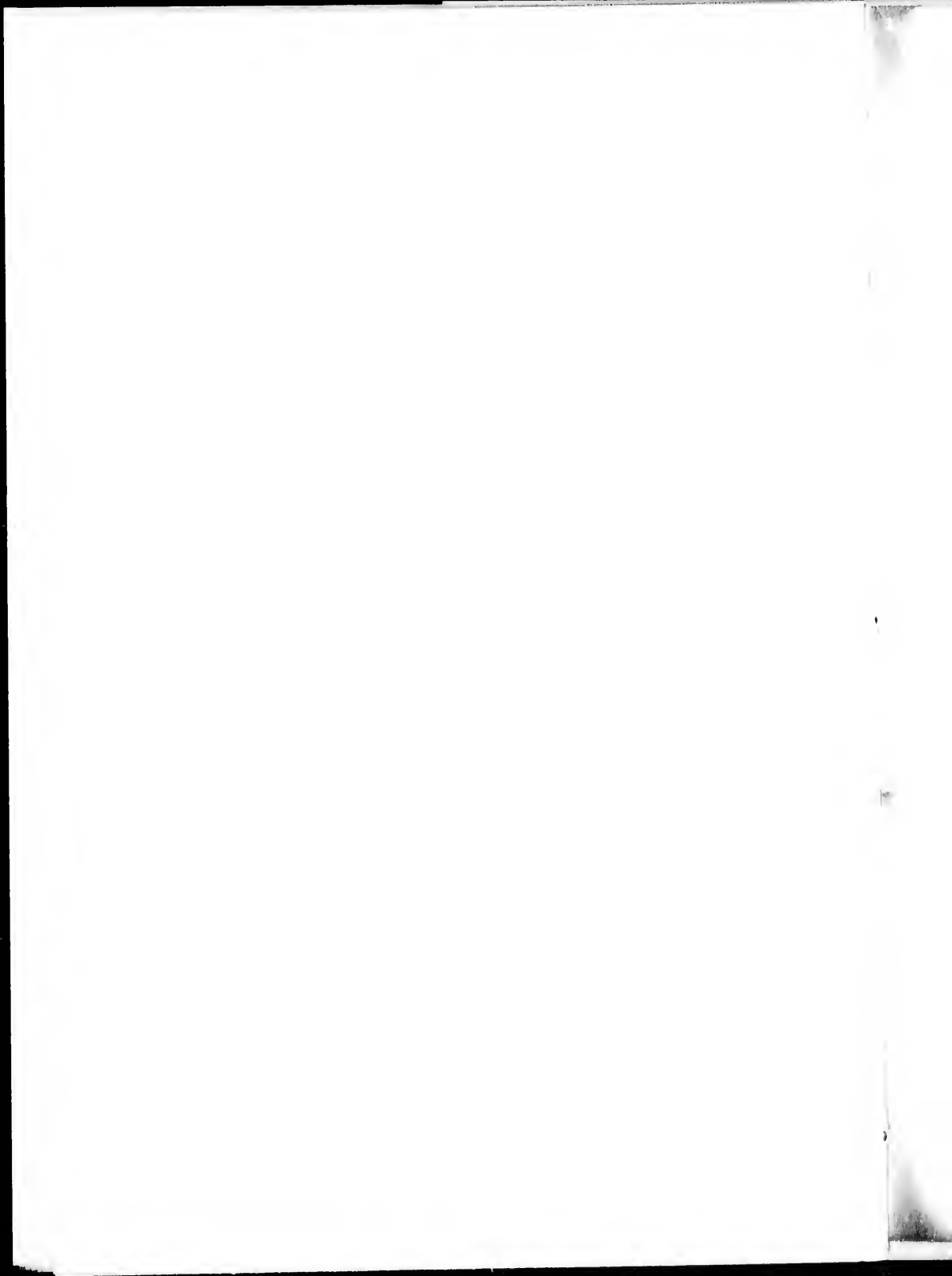
miles.

90.50  
55.00  
44.00  
35.00  
40.00  
43.00  
12.75  
12.00  
43.00

75 25  
had  
tario,  
same  
ments  
then  
miles  
t por-

54.00  
86.50  
28.00  
4.00  
56.50  
94.14  
17.00  
25.00  
363.25  
25.00  
160.00

012 00  
miles  
miles  
18.14.  
e Pro-  
mount-  
s. My  
nn has  
sacri-  
ts rail-  
com-



plete and exact statistics on the subject. I have endeavoured to supply the want as far as regards Quebec. During the fifteen years from July 1st, 1867, and July 1st, 1882, the Province of Quebec subsidised 1,678 miles of railway belonging to private companies, the total amounting to \$4,146,164.94 in money, and 5,829,000 acres of land. In estimating the value of those lands, on which my hon. friend would not put any estimate, at \$1 an acre—and that is certainly not exaggerated—the total of the subsidies granted by the province for the encouragement of railroad construction by private companies up to the 1st of July, 1882, amounted to \$9,987,038.99. At that date there had been paid of the subsidies in money a sum of \$2,410,441.54, so that there remained due to those subsidised companies \$1,757,597.45 in money and 5,829,000 acres of land. These statistics relate only to railways built by private companies. To those we must add the amount paid up to the 1st of July, 1882, for the construction of the Quebec, Montreal, Ottawa & Occidental, namely, \$12,537,980.48 (more than a quarter of a million has been added to that amount since then). As I have already said, on the 1st of July, 1882, there remained due of the subsidies granted to those companies \$1,757,597.45 in money and 5,829,000 acres of land, or, in all, a balance representing \$7,586,597.45. By adding these different sums, we shall find that at the above-mentioned date the amount of the debt contracted by the province of Quebec for the construction of railways, was, if one add the interest on the sums paid, a total of \$25,347,542.14, thus divided:—

Money really paid .....	\$17,769,944.69
Subsidies to pay .....	1,755,597.45
Making a total of .....	19,518,542.14
Land at \$1 an acre .....	5,829,000.00

Making in all .....

\$25,347,542.14  
These figures clearly prove that the different governments that have administered the affairs at Quebec since 1867 have not shrunk from sacrifices in order to place the province in a position worthy of itself, worthy of the rôle which it is called to play in the confederation, and to prevent it being left behind in the march of general progress. Those railways have, moreover, stimulated in a powerful manner the commerce and resources of the province, and to this cause is in a large measure due the progress and rapid increase of \$103,540,000 or 59 per

cent, in the value of property from 1867 to 1881. In the former year the figure was \$174,978,174 and this had increased to \$278,482,068 in 1881.

#### COMPARISON WITH OTHER PROVINCES.

In the summer of 1882, there were in the Province of Quebec 1812 miles of railroad, or one mile for every 164 square miles and every 750 inhabitants. The following table indicates the position occupied by Quebec in this respect compared with the other provinces of the Dominion:

	Superficies in sq. miles.	Pop.	Sq. miles per mile of rail'd.	Pop. per mile
Prince Edward Is. . .	2,033	108,991	10.75	549
Nova Scotia . . .	20,907	440,572	34.37	724
New Brunswick . . .	21,174	321,233	31.02	367
Province of Quebec . . .	188,688	1,359,027	104.13	750
Province of Ontario . . .	101,734	1,923,228	26.47	500
Brit. Columbia . . .	341,305	49,479	6,826.10	991
N. W. T. . . . .	2,665,252	56,446		

Dominion of  
Canada . . . 3,470,392 4,224,810 426.19 521

The proportion of the Province of Quebec compared with the other provinces was as follows: Prince Edward Island, 198 miles of railway; Nova Scotia, 608 miles; New Brunswick, 876 miles; Ontario, 3,843 miles; Quebec, 1,812 miles; Manitoba, 504 miles; British Columbia, 50 miles, and the Territories, 226 miles making at that date a total for the Dominion of Canada of 8,147 miles of railroad.

#### THE QUESTION OF TAXATION.

But, said my honourable friend, following those who spoke before him, why does not the Province of Quebec tax itself. Mr. Speaker, when Quebec entered the confederation it was not to make its position worse. It was, on the contrary, to be assured of its autonomy, institutions, language, laws, are not all that constitutes autonomy—the character and habits of the people make part of it. Direct taxation is then opposed to the feelings of the people of Quebec. Ill treated under their old French governors, who transplanted to those shores the absolutist monarchy of Europe, without the restraint which the kings there thought it their duty to impose upon it; later on taxed under the military regime and the half-constitutional regime that succeeded it, until 1841, our population imbibed such an aversion to taxation

that to-day it has become a part of their character. It has been said that we should, as they do in Upper Canada, tax the municipalities for

## EXPENSES OF JUSTICE.

Why adopt a plan which would leave the impression that confederation had made our position more intolerable than it was before? In 1866, before confederation, Upper Canada had for the expenses of justice, with its excess of population, only \$336,257; Lower Canada had already \$413,903. The administration was common to both provinces which formed the united province of Canada; and still the expenses of administering justice in Lower Canada were much more considerable. It was concluded that circumstances or the nature of our organization rendered the administration of justice more costly. The reason is not far to seek. There is first the collection of the population and of capital in the large cities and in the seaports, which tend to considerably increase such expenses. Although the population of Ontario is larger than that of Quebec, circumstances multiply business in the latter province in a manner out of proportion to its population. Almost all the commerce of Ontario has to pass through the Province of Quebec, and to stop on the way at Montreal or Quebec. The consequence is a series of transactions, assurances, transports, storage and other business movements tending to cause disagreements and judiciary expenses. And, independently of these transitory causes of lawsuits, there is the amount of imports and exports in each province. The imports of Quebec, according to recent returns, were \$53,195,257, and of Ontario, \$41,690,760. The exports from Quebec were \$38,972,121, and those of Ontario, \$40,765,921, making a total for Quebec of \$92,077,378, and for Ontario of \$82,456,681, a surplus in favour of Quebec of \$9,620,697. The capital embarked in oceanic navigation, consisting of from thirteen to fourteen lines of steamships, and which is almost exclusively centred in Montreal, and to some extent at Quebec, amounts to at least \$15,000,000 and creates a business of at least \$10,000,000 a year, the freight alone amounting to \$1,000,000 per annum. The capital of the banks imposes on the Province of Quebec another class of business in the courts of considerable importance as may be seen by the following statement:—

## QUEBEC.

Capital of banks and reserve fund.	\$45,000,000
Bank deposits.	55,000,000
Discount and loans.	\$1,000,000

## ONTARIO.

Capital of banks and reserve fund.	\$25,000,000
Bank deposits.	40,000,000
Discount and loans.	62,000,000

## SURPLUS.

Capital of banks and reserve fund.	\$20,000,000
Bank deposits.	15,000,000
Discount and loans.	19,000,000

We obtain, therefore, on these points alone the following statement of business which Ontario has nothing to meet and which creates considerable judiciary expenses:—

Surplus of imports and exports.	\$10,000,000
Capital and business of ocean steamship companies.	10,000,000
Banking business.	19,000,000
	\$39,000,000

## GENERAL EXPENDITURES QUEBEC.

Thus, Mr. Speaker, the general expenses of the Province of Quebec are necessarily greater than in the other provinces and it is not surprising if it is not in the same financial condition as the other provinces are. We must also bear in mind that Quebec is inhabited by a mixed population and that there is thus occasion for more considerable general expenses in order to satisfy the minority:—

We have,

For the Legislative Council from 1867 to 1882.	\$650,000
For the same period for parliamentary translations, printing in both languages, double subsidies to education and charity (the last from 1867 to 1883).	\$700,000
Total.	\$1,350,000

## THE RESULTS OF THE ARBITRATION.

I will not speak here, Mr. Speaker, of the portion which we assumed by arbitration after 1867. In fact, on the division of the assets and liabilities in 1867, it would seem that the least that should have been done was to give us each in the same proportion. Far from that, however, our proportion of assets was augmented, so that our debts, the assets being deducted, stood thus:—

Quebec.	\$4,193,520
Ontario.	\$3,107,432

When the federal government assumed our debts in 1876 it allowed :

For Ontario's debt.....	\$5,013,608
Amount due.....	3,107,432
<b>Surplus of assets for Ontario.....</b>	<b>\$1,906,180</b>
For Quebec's debt.....	\$4,487,179
Amount due.....	4,193,520
<b>Surplus of assets for Quebec.....</b>	<b>\$ 293,659</b>
Difference in favour of Ontario.....	\$1,612,527

Then, Quebec receives only \$1,014,712 of subsidy against \$1,333,568 which Ontario receives, or a difference of \$318,000 a year. Now, the expenses of administration are the same. The expenses of government do not increase in exact ratio to the increase of population. We have, therefore, to contend with three disadvantages : surplus necessary for the administration of justice, \$100,000 ; surplus for the Legislative Council and expenses necessitated by the use of two languages in parliamentary procedure, \$85,000. If we add the difference in the subsidy \$318,000, we have every year in the Province of Quebec for the carrying on of the government and the working of our institutions an excess of expense of over \$503,000. This amount is sufficient to show that in the respective situation of Ontario and Quebec since confederation, our province has been placed in a position of inferiority which gives it a right to look for the good will if not the liberality of the other provinces.

#### THE PROVINCIAL DEBT.

The debt contracted in the Province of Quebec during the period from 1873 to 1883 is here set forth :—

Loan of 1874.....	\$5,893,333
" 1876.....	4,185,335
" 1878.....	3,000,000
" 1880.....	4,275,853
" 1882.....	3,000,000
" 1883.....	500,000
	<b>\$18,854,521</b>

The dates indicate the obvious responsibility of each government. The government of M. DeBoucherville augmented the debt by \$8,078,668 ; the government of Mr. Joly, \$3,000,000, and that of which I had the direction by \$7,775,853. Such is the responsibility of the DeBoucherville, Joly and Chapleau governments respectively, in regard of the railway debt. The following sums were paid for the Quebec, Montreal, Ottawa and Occidental Railway by the governments specified :—

#### The DeBoucherville Government—

1875.....	\$ 450,700
1876.....	1,322,055
1877.....	3,203,130
1878.....	2,146,108
	<b>\$7,321,999</b>

#### Joly Government—

1878.....	\$ 86,786
1879.....	1,900,980
1880.....	200,000
	<b>\$2,187,766</b>

The total expended for the year ending June 30, 1880, was \$268,129, but there was a sum of \$68,129 chargeable to the Chapleau Government, which came into power at close of 1879 :

#### Chapleau Government—

1880.....	\$ 68,129
1881.....	2,206,328
1882.....	857,391
	<b>\$3,958,727</b>

I have not to justify the administrations of Messrs. de Boucherville and Joly, which are not attacked, but I may justify myself against the attacks that have been made on me, and which have served as a pretext for those who are really opposed to granting Quebec her claims. The expenses of the administration of which I had the direction, the employment of all the sums that were borrowed under it, have been verified dollar for dollar. Besides, the accounts and statements of these expenses are at Quebec and accessible to everyone. I defy any person to point out the expenditure of a cent that was not legitimate and profitable. But I will spare this house the enumeration of figures that would weary it. Nevertheless, I had thought it proper to bring them together in such a way as to be able to give any desired information in the most complete manner possible. I will for the present content myself with a mere recapitulation. There was paid for the railroad :

By Mr. DeBoucherville.....	\$7,321,999
By Mr. Joly.....	2,187,767
By Mr. Chapleau.....	3,958,727
Mr. DeBoucherville contracted the first obligation and spent.....	7,321,000
Estimated expenses for completion and for engagements incurred at.....	2,516,955
	<b>\$9,838,974</b>
Mr. Joly, on assuming charge of the road, spent.....	\$2,187,765
Left engagements incurred for.....	2,113,314
	<b>\$4,301,081</b>
Mr. Chapleau completed the road for.....	\$3,958,727
Less engagements left by Mr. Joly.....	2,113,314
Responsibility of the Chapleau government.....	<b>\$1,845,413</b>

For completing the works, for rolling stock and furnishings (the last having added \$1,200,000 to the value of the road, that valuation having been accepted by the Pacific company.)

#### THE SALE OF THE RAILWAY.

Mr. Speaker—The cabinet of which I was head has been blamed for having sold the railroad, and the hon. member for West Durham has said that the Quebec government had robbed the road between Quebec and Montreal of its character as part of the Pacific Railroad by selling it to another company. Moreover, I have been accused of having sold the road on terms disadvantageous to the province.

#### MOTIVE FOR CONSTRUCTING RAILWAYS.

Let us first discuss the former charge. I must say, Mr. Speaker, that from the very beginning of my parliamentary career, since my earliest utterances in the Legislative Assembly, I have had two objects in view: I made up my mind that the Province of Quebec should be a manufacturing as well as an agricultural community. A country which for five months in the year is covered with snow can not be exclusively agricultural. Agriculture should always have the first place, for the returns of the soil are the surest and the most considerable, and their abundance or their scarcity determines whether the year shall be one of prosperity or of general crisis. But I always said that in the province of Quebec the efforts of legislation should be turned towards the development of its industrial and manufacturing wealth. We have a country of splendid water powers. In the advantages which it thus offers for industrial operations, it is second to none. All that it needed was railways, and these it behooved us to give it at any cost. Another object that I had in view was that the region north of the St. Lawrence, even as far as the Laurentides, a region which if ever evil days should come again, may be the bulwark of our liberties, should be developed and connected with the great centres of population. For that end it was necessary to build a railway from Quebec to Ottawa, along the north shore of the great rivers St. Lawrence and Ottawa, with branches towards the interior. I differed, however, from those who thought that the Government of Quebec should undertake that work.

#### POLICY OF GOVERNMENT OWNING RAILWAYS.

When in 1875 the Hon. Mr. DeBoucherville undertook the construction of the Quebec, Montreal, Ottawa and Occidental Railway, I thought, with one of the companies that commenced that enterprise, that the Quebec government ought not to assume charge of it. At the time I wrote an article, which I have since had occasion to quote in the house, asking that the construction of the road should be left to the Northern Colonization Railroad Company, of which Sir Hugh Allan was president. The Hon. Louis Beaubien, who has changed his mind, was then of the same opinion as I was. We asked the government to give an additional subsidy of \$1,000,000 to each company rather than undertake the construction of the road itself. I do not mention this to exonerate myself from the responsibility resting on the De Boucherville and succeeding government. My advice was not followed, and then, seeing the generous effort made for the construction of the road, I supported the De Boucherville administration, and to-day I take, as I took then, upon me, both by vote and utterance, all the responsibility of the construction of the line. When the question of the advisability of keeping and operating the road came before my government, I said, as I still say, that it was better to sell it. I declared that a government could not administer a road so as to make the income proportionate to the capital spent in its construction. In the general elections of 1888 I enunciated these views, saying that the road should be sold, and that the government should sell it. I described the method by which I thought the sale should be effected, and stated what price I would accept. As soon as the legislature met I submitted my plan for the sale, and a discussion arose in the press which is not yet ended, and on which more of passion than of reason is brought to bear in the argument against my policy. I will not go back to those struggles of the past. It is not my desire to recriminate against those who have wrongly interpreted my policy, my words and my acts. Nor will I weary this house with the recital of all the charges, more or less malevolent, of which I have been the aim. Jealousy and animosity bore their natural fruit, but I would forget all that. A statesman who would serve his country must not bear rancour for the contests of yesterday. A politician who cannot

stifle his resentments is unworthy of his position. Let it suffice for him that he has the consciousness of having done his duty. There is one remark I would like to make in defense of the course which has called forth such bitter comments. It is this: the sale of the road which I was able to make—one portion to the Pacific Company, another to a syndicate, was made on conditions not only advantageous, but such as could only occur at the time when the sale was effected, I may say without vain glory that I had the good fortune to complete that transaction just at the moment when all the American railway companies were quoted at their highest figures—at a moment when rival companies believed the acquisition of a line to be a fortune for the shareholders who acquired it. Three months after the sale the members of the syndicate that bought the east end of the line and had invested some thousand dollars in the enterprise withdrew from it with all haste, fearing a total loss. I regret that the hon. member for Montreal West is not in his seat, as he could edify us on this point. I said that the Pacific people had refused to buy more than the portion between Montreal and Ottawa. It was a great mistake on their part, and, if I were to avail myself of expressions of the hon. premier, I would say that it was not only a mistake but a blunder. We see some of its consequences to-day. Mr. Spenker, I told those who attacked my administration, those who imputed bad motives to me, those who condemned my sale, that I would defy them, as I do now, to find a man acquainted with the administration and value of railroads who will say that our road did not bring its full value.

#### THE SALE OF THE NORTH SHORE.

Some have retorted that if the east side from Montreal to Quebec had been sold for \$4,500,000—\$4,000,000 in money, and \$500,000 in works to be completed—how is it that the purchasers re-sold it to the Grand Trunk with an evident profit of a million of dollars. I must ask the house to pardon me this digression which is of a personal nature. I am obliged to establish my position before this house and before the country, and I do so to-day because it is the first opportunity that I have had. When it was said that the part of the road between Quebec and Montreal was sold for \$4,000,000 by the government, and that the purchasers re-sold it for \$5,000,000, one thing is lost sight of, and

that is that after the sale the purchasers had finished works at Montreal valued at over \$100,000, on the road for over \$75,000, while at Quebec they had spent \$250,000 to change the route and transfer it by getting along the St. Charles. Nor did the objectors state that the purchasing company made the acquisition at the City of Quebec of 600,000 feet of land that had been offered to my government at the rate of a dollar a foot. It is not surprising, then, that all those acquisitions and improvements should have increased the value of the road, and that the owners made their estimate in accordance with the fact. Besides, the profit, if it exists, is not a profit in money on the price of the re-sale, but the amount of debentures issued on the road—debentures whose realization will greatly depend on the state of the market of railway property—debentures, moreover, foreseen in the legislation act authorizing the sales, and the profit of which was to serve for the completion of the road. In fact, there was no re-sale of the road. Those who control it to-day have only assumed the responsibilities of the debt of the first acquirers towards the government. They have given, it is true, their guarantees to the debentures authorized by the act, and have assumed the interest by means of a new traffic, augmenting by so much the productive value of the road. In vain has prejudice tried to play upon the popular credulity. It was well enough that the holders of the bonds, eager to find buyers in the European markets, would not contradict the fabulous value ascribed to them. Once more I repeat, I defy my detractors to find a man competent in railway business to say that the road did not receive the highest price the government could then obtain, and higher than could be got to-day if the road were in the same condition as when it was sold to the syndicate.

#### REASONS FOR THE EXPLANATIONS.

If I take so much time in explaining this matter, it is because circumstances have associated me with the financial destinies of the province, and that my past share in its affairs identifies me in a manner with its present condition. It would have been well nigh impossible for me to explain the situation of the province without occasional reference to the administration which I had the honour to lead before being called to the post which I occupy at present. It must be well known

that in all the attacks directed against the province of Quebec it is the period of my administration especially that is in question, and I whom they charge with being responsible for the deficits in the provincial budget. In fact it is with this false pretence that my enemies tried to destroy my reputation and to ruin me in the parliament where I had obtained a seat. I thought, therefore, Mr. Speaker, that I would not be abusing your good will and that of my fellow-members in this house if I profited by this occasion to vindicate my personal honour and political credit in the country. I have nothing to conceal; nothing to fear. I never looked for the approbation of every one. In the numerous and eager political frays of which our province has been the theatre, we had to take blows as well as give them. I have had my share of wounds, but the only ones that rankled were those inflicted by my own friends. It was my ill-fortune to be attacked in my own camp. I deplore and still regret this division. But I declare that in spite of those attacks, in spite of the natural impatience which they have caused me, there remains in my mind neither bitterness nor resentment. Having never acted through passion, I can speak without bitterness, and it is with the desire and the hope of bringing those who combat me to sentiments more just regarding me that I have entered so minutely into the details of that railway policy on which they have based their attacks.

#### SUMMARY OF THE ARGUMENT.

So much for the railway policy of the Quebec administration of which I was the head, and so much for the position of the Province of Quebec on that question. I have showed that the Province of Quebec in making that sacrifice did so to place itself on a level with Ontario to which the treasurer of United Canada had been so lavish, while it forgot Quebec. The railway policy of our province was a federal rather than a provincial work. Its debt, as shown by the figures which I have laid before the house, was not caused by its bad administration, for, notwithstanding the difficulties under which it laboured with its more costly administration consequent on the use of two languages, the ordinary expenses have generally been balanced by the receipts. Its debt grew to \$15,000,000 in the space of ten years by the construction of railways, which give benefit to the commerce of entire Canada

and yield revenues to the Canadian government, without any compensation for the provincial treasury. Every piece of iron purchased, every instrument imported, every man brought to the Province of Quebec to build that railway was a profit to the Canadian government and an expense to Quebec. In such circumstances the Province of Quebec asks only one thing. It asks the federal authorities to relieve Quebec of the burden of that part of its debt which was contracted in the execution of an undertaking essentially federal in its character. Mr. Speaker, I have no hesitation in saying that, in consideration of what the Quebec government has done for the Dominion, it merits the indemnity which is offered to it by to-day's measure.

#### THE CANADA CENTRAL SUBSIDY.

My honourable friend, the member for West Durham, tries to maintain that the subsidy given the railroad from Pembroke to Lake Nipissing represents an expenditure in favour of Quebec, the equivalent of which was devoted a couple of years ago and last year to the building of the Gravenhurst and Callander line, which is intended to direct the commerce of the West by the Pacific into the Province of Ontario. I beg to differ from my honourable friend. What was spent on the road from Lake Nipissing to Pembroke was spent in Ontario and serves the local traffic of that province. According to the argument of the hon. member the harbour of Montreal would be no profit to the Province of Quebec because its immense trade is to a great extent that of an *entrepôt*. But no, the geographical position is what should guide us in the distribution of public improvements. Moreover, if the territory in dispute between Ontario and Ottawa falls ultimately to Ontario, the portion of the Pacific built in that province will be doubled and its local trade benefited in the same proportion. Even if an indemnity of \$12,000 a mile had been given to the province on the line from Quebec to Montreal, it would not have been unjust. The government, in its solicitude, would have given a portion of that subsidy, under the form of useful works, to the part of the province that extends from Montreal to the port of Quebec, with the assurance that in a near future the latter would be the terminus of the Pacific. It is not for me to reproach Ontario for its demeanour in dealing with this part of the question. I have only tried to appeal to the sense of jus-

tice of the members of that province. I am glad to say that that great province deserves our admiration and our praise for the immense progress that it has achieved, both to its own credit and to the profit of the whole Dominion. And I am sure that my appeal will not have been made in vain, that we may rely on the good will, the spirit of equity and liberality of those members. And now, Mr. Speaker, I draw to a close with the remark that the motion of the hon. member for West Durham is one that ought to be rejected by the Ontario members, to whom especially it is addressed. As for the maritime provinces, the government has shown them liberality. Ontario, richer, and better endowed with the fostering help of the last half century, would be lacking in justice if it now told the government that it would not support its policy unless it received an equivalent to Quebec's subsidy. That province is wealthy, its treasury is well filled, and no

one is jealous of its prosperity. But every one has a right to demand that Ontario shall deal in no mean and jealous spirit with the claims of a province which begs no favours but only seeks what it is fully justified in seeking. My honourable friend, unless I am mistaken, will not find his sentiments echoed in this house. His proposal may be a good stroke of party management, but it cannot command the sympathy of those who regard the question from the lofty standpoint of a generous and enlightened patriotism. That motion was meant to allure public opinion by raising sectional prejudices under the disguise of equity. It is essentially unjust in its character. And for that very reason it will be rejected by this house in favour of the equitable resolutions which are now submitted. The hon. gentleman was frequently applauded during the delivery of his speech, and resumed his seat amid enthusiastic applause.

