

Provincial Legislature.

HOUSE OF ASSEMBLY.

THE BUDGET.

As soon as Mr. Davies reached Ottawa a flaming telegram appeared in the Patriot announcing that he (Mr. Davies) had exposed Sir John's trickery in reference to this Province. This was put in large capitals, and occupied the post of honor in that little daily. It read in this way:—

"Mr. Davies rose and severely criticised the premier's statement, and defied him to give the source of his information to parliament. He then taunted Sir John with his attempt to capture votes through giving a sham approval to the subway scheme, and when Mr. Davies said the premier's letter was only an election dodge and a sham, Sir John laughed approval, and the ministerial benches applauded it as a smart trick. Mr. Davies then challenged Sir John to deny that his leading supporters, during the campaign, stated and used for election purposes, a story that the Dominion premier had promised that half a million dollars should be set aside for provincial purposes."

"Sir John. I gave no such assurance. "Mr. Davies.—Then that statement of yours in denial will place many of your leading and most prominent supporters in P. E. Island in the position of having circulated a lie, for they professed that such assurances were given. The matter was then dropped and the House adjourned."

Sir John laughed approval. Mr. Davies seemed to know what significance is to be attached to a particular smile! Well, there were no comments by the Patriot on the matter on the day the telegram in question was received; but on the following Monday there was a leading article on THAT HALF MILLION AGAIN, as follows:—

"Sir John Macdonald's denial that he gave any assurance to our Island Government that he would place a half million dollars to the credit of this Province, is a serious matter for Sullivan & Co. Our telegram of Saturday, and the summary of the debate from the Halifax Chronicle, published in to-day's paper, plainly state that Sir John made the denial. An Ottawa newspaper correspondent sent the Patriot a despatch, received this morning, which says:—

"Mr. Davies remarked: 'I wonder if he (Sir John) is prepared to deny that he gave the members of the Local Government any assurance that half a million dollars would be placed at the credit of the Province.'"

"Sir John Macdonald at this juncture, amidst loud ministerial cheers, said emphatically, and in so reported in Hansard: 'I GAVE NO SUCH ASSURANCE.'"

"Mr. Davies then retorted: 'If he (Sir John) did not, his most prominent supporters in the Island will stand branded before the people as having been guilty of a wicked and most deliberate lie.'"

"This is strong language (says the Patriot) but Mr. Davies, in view of the use that has for several months been made here of Sir John's so-called promise respecting this half million, we cannot say that it is beyond bounds."

"That was the way in which Mr. Davies characterized the members of this Government when he was hundreds of miles away, and behind their backs. The quotation from the Halifax Chronicle is as follows:—

"Mr. Davies denied the Premier's statement respecting intimidation of civil service employees on the part of the Opposition, but the Government were at this moment prosecuting railway employees whom they suspected of voting for Liberal candidates. They had established a star chamber court, in the hope of finding evidence against these men. The government had tried to secure the support of the Island by wholesale bribery. A letter, signed by Sir John Macdonald, purporting to promise to build a subway, was scattered broadcast over the province."

"Sir John.—It was not a promise at all. "Mr. Davies said the people had been told that it was a promise, and, moreover, leading supporters of the government claimed to have assurances from the first minister that half a million dollars had been placed to the credit of the Island by his government. He would like to know if the premier had given any such assurance."

"Sir John.—I never gave a promise or assurance of any such thing. "Mr. Davies.—Then, if the first minister speaks the truth, he convicts some of his leading supporters in Prince Edward Island of wicked and wilful lying."

This is not quite similar to the Patriot telegram, having filtered through various channels. It is, I am sure, unnecessary to me to say that all these telegrams and acts of Mr. Davies, Sir John Macdonald is grossly misrepresented and belied. Now come down to this evening, and taking up the Patriot newspaper again I find there is no editorial comment but another telegram placed in a more obscure column of that paper, as follows, dated Ottawa, May 2nd:—

"To-day in the House, Sir Charles Tupper said the Government proposed to ask Parliament for a yearly grant of \$20,000 to Prince Edward Island."

So it would appear from this information that the Local Government were correct in their statements, and that the Patriot was wrong. All other information supplied to that paper was a pure fabrication on the part of Mr. Davies and the Patriot. I now come down to the question respecting the \$500,000. During the late Dominion election campaign, at a public meeting, some person said to me: "You promised in your budget speech last year that you would receive from the Dominion Government one-eighth of one million dollars and you now have five hundred thousand dollars; the country will be disappointed because you did not get the exact amount which you promised." Hon. members of the Opposition are no doubt of the same opinion as the person alluded to. I ought to state at this stage that the money has been secured to this Province notwithstanding all that has been stated by the Patriot to the contrary, and I have no doubt this will be received by hon. gentlemen opposite with great dissatisfaction and displeasure. I noticed that when a telegram appeared in the Patriot giving information adverse to the interests of the Province, those hon. members were very much pleased. And it was reported to-day that the Government had actually resigned and had allowed these distinguished gentlemen to walk in, take their places and find the sinews of war! Now, during the recess, a deputation from this Government proceeded to Ottawa and had a conference

with the Dominion Privy Council, during which it was conceded by the latter that an increased subsidy amounting to \$20,000 per year for all time to come is to be given to Prince Edward Island. That was agreed upon in December last. I made no statement to any person respecting this matter, nor did any of my colleagues, so far as I am aware. It will thus be seen that every statement made with regard to this matter by newspapers favorable to the Government was strictly correct. During the current year another delegation went to Ottawa to arrange some final details with the Dominion Government on this matter, and having come to a conclusion thereon, it was referred to a committee of the Privy Council. This committee was composed of Sir Hector Langevin and Messrs. McLellan and Foster. I do not know that they had time to make a report before the Dominion elections took place. Hon. Mr. McLellan was succeeded as Minister of Finance by Sir Charles Tupper. Owing to the change, and in order to arrange details, a deputation proceeded to Ottawa in March last. The matter was then finally settled, and on the 22nd of that month an order-in-council was passed in favor of this Province. So that, although the news only reached here this evening, it was no news to the Government since last December. The order-in-council, made on the 22nd March last, I now hold in my hand. The official correspondence will come before the House in the ordinary official way. As I do not wish to keep anything back from the House with reference to this matter, I shall now read the Order-in-Council. The report of the sub-committee was approved of the Dominion Privy Council on 22nd March last, and is as follows, viz:—

"The Committee of the Privy Council have had under consideration a memorial, dated 24th Sept. 1883, from the Government of Prince Edward Island, relative to the financial arrangements existing between that Province and the Dominion of Canada."

"The Sub-Committee of Council to whom the memorial was referred, state that they have fully considered the same and are of opinion that they have also had a conference on the subject with the Hon. W. W. Sullivan, the Premier of the Island Government, and after due consideration they beg to recommend a Council that for the reasons hereinafter set forth an additional annual subsidy of \$20,000 be granted to that Province, and that the authority necessary to carry this recommendation into effect, be obtained from Parliament at the coming session."

"The reasons which have led the sub-committee to make these recommendations of Council are as follows:— "1st. From the insular position of the Province they are of opinion that the construction of the Pacific Railway and of the Intercolonial Railway has not affected it to the same extent that it has the other provinces, and the Island has not had the benefit of the advantages which accrued to the other provinces from these lines, and on this ground it is entitled to some consideration."

"2nd. The sub-committee think also that consideration should be shown on account of the expenditure for the construction of the above named railways having been greater than was anticipated at the time these works were taken into contemplation, and the terms upon which Prince Edward Island entered the union having been in a great measure based upon the estimates then formed for the completion of these roads."

"3rd. The subsidies granted to the other provinces up to the present time in carrying out the railway policy of the Government, in the assistance to local railways, have not as yet been made applicable in any way to Prince Edward Island, and that Province has not received any benefit from the carrying out of the policy, whereas, on the contrary, the other provinces deriving the union have in this manner been largely benefited."

"The committee concurring in the reasons above set forth and the recommendation based thereon, advise that a grant be asked from Parliament of \$20,000 for the purpose above mentioned."

JOHN J. MCGEE, Clerk Privy Council. Now, this Order-in-Council sets forth very plainly what amount has been allotted to P. E. Island. Mr. Davies took a certain course, asking for information in a very indirect way, in order that he might get a negative reply to his question, and I dare say Sir John gave a reply to suit that question, as by his great tact he is enabled to do. In order to show that the Patriot is correct for once, in reference to this question, I may state that I received yesterday a telegram from Sir Charles Tupper, the Minister of Finance, which reads as follows:—

"To HON. W. W. SULLIVAN.— I have an honor in House of Commons to-day, that Parliament will be asked to grant additional subsidy of twenty thousand dollars to Prince Edward Island."

It will be seen from this that the Order of Council has been acted upon, and that Parliament has been asked to vote to this Province the sum of \$20,000 as a perpetual annual grant. This year we may receive from that source about \$30,000. Hon. members of this House and the public will now understand the position we occupy with regard to this money. And I think people outside will be slow to accept any statement made in future by the Patriot newspaper, with reference to any particular question. I think I can show that the Government of this Province have no claim kept their promises to the country. When I stated last year that we expected to receive one-eighth of one million of dollars from the Dominion Government, I was patently guilty in reference to the matter. When I now state that we shall receive four times that amount, I do so without reserve, and produce the proof. The Government have been told that they bartered away our claims in reference to winter communication, that they gave away our pier, and that every claim we ever had upon the General Government had been given up. Hon. members on the other side of the House would endeavor to make people believe that the Government have given away all our rights in order to obtain this money, and to tide over the alleged difficulties. But when these hon. gentlemen peruse the minute of the Privy Council on this subject, and notice the grounds upon which this money has been obtained from the Dominion Government, they will see no reference of that kind to the Terms of Confederation, nothing about the non-fulfillment of the Terms of Confederation, nothing about the construction of the Island railway, nothing about the balance due us for the pier. They will find that this money has been given us solely on account of the insular position of this Province preventing it from receiving that advantage to which it is entitled from the great public works of the Dominion, as stated in the reasons given in the minute of Council. I think this statement should satisfy the House, and all reasonable people in this country, and that instead of heaping abuse upon the Government our people ought to be exceedingly thankful that for five years they have not been required to pay any direct taxes to the Provincial Treasury. They will now see that the Government have been fighting the battles of the country and endeavoring to obtain from the General Government sums of money to which we are entitled from the Dominion Exchequer. Our opponents imposed taxation upon the people, when they held the reins of power; we have adopted this other mode of meeting the requirements of the country, and the result shows that the people are better satisfied with the conduct of the Government than with that of the Opposition, when the latter were in

power. The voice of the people was clearly shown at the last general election for the House of Assembly. The Government have been sustained every time they appealed to the people. Such a result is unknown in any of the other Provinces, and has few parallels. The people were satisfied that the Provincial Government would receive from the General Government the amounts to which we are entitled from that source, and acted accordingly. If hon. gentlemen opposite wish for further information respecting this matter they can have it. We make our statements clear and above board, openly and honestly. I have now come to the question as to how we propose to meet the estimates of expenditure now on the table of the House, amounting to \$265,481.22. That is a very important question. I will go over a few of the leading items, showing how we expect to receive our revenue for the present year. We expect from the Dominion as subsidy the sum of \$193,537.20. That is the ordinary subsidy with the \$20,000 added. Beside that we expect to receive from that source some other sums for various claims, which I hope to see in the estimates of the Dominion Government some of those days, and respecting which I expect some other questions asked by Mr. Davies, with the object of preventing this Province from receiving the money. The unpatriotic representatives of this Province in the House of Commons wish to prevent, if possible, the Dominion Government from giving us a vote for the sums actually due us. Mr. Davies was at one time so anxious to thwart the Government in voting money for our piers, that he asked that we do not do with regard to the piers and wharves of New Brunswick; and his question the other day was intended to excite the fears in the members for the Lower Provinces in reference to their interests. We expect to receive another addition to our returns from the Dominion Government to the extent of \$11,320.40. I will tell the Opposition what these claims are for. Immediately before and after Confederation we had a good deal of money to spare, but it was spent very unwisely, and the interests of the Province were not attended to as they should have been. Had it been otherwise, this Island would not be in the position it is in to-day. There is a provision in the British North America Act under which the Dominion Government are to assume the cost of all pensions. We had not many of these; we had but two when we entered Confederation. One of these was a pension payable to the late Sir R. Hodgson of \$650 per year, which the Government paid till that gentleman's decease. When we entered Confederation it became the duty of the Dominion Government to pay that pension, but as we paid it we shall obtain a refund of the whole amount paid. Beside that we have been paying the widow of the late Hon. E. Whelan some \$300 per year, which will also be refunded. The whole will amount to some three or four thousand dollars. It is not large, but we have a right to it; and the Dominion Government are quite willing to meet their obligations, under Confederation. The whole amount is claimed by us with interest thereon at five per cent. Besides that we shall be relieved from pensions now paid for all time to come. That money, it is expected will be received during the present year, and will, of course, increase our revenue to a certain extent. From public lands we expect to receive the sum of \$48,500, in fact we may receive \$50,000. Last year we received only \$47,378.19; but the people were not so prompt in paying the amounts due, owing to low prices for produce, and the receipts were not so large as they ought to have been. From the Prothonotary's office, we expect \$1,900; Provincial Secretary's office, \$350; Registrar of Deeds, \$5,300; County Courts, \$2,000; Hospital for Insane, \$1,200; and from other sources about \$14,000, making in all \$266,019.60. As the estimate of expenditure is \$265,481.22, we shall probably have a small surplus of nearly \$1,000 at the close of the year. I do not say that all these amounts will come out exactly as estimated at the end of the year. Having shown our estimated expenditure and revenue, I shall now direct attention to the financial position of the Province at the present time, and show how much better off we now are, than we were nine years ago, when the present Government came into power. From the public accounts hon. members will see that the amount in the Dominion Treasury at the close of 1878 was \$9,657,214. That was how the account stood when the present Government came into power in March, 1879. Since then they have purchased some small estates, reducing the amount to a considerable extent. Mr. Davies' account for legal services in connection with the land commission, amounting to thousands of dollars, was also paid by the present Government. On the 31st Dec., 1886, we had standing to our credit at Ottawa the large sum of \$1,127,896.19. It we add to that the sum of \$99,000.00, which represents \$20,000 per year to this Province, we have a total of \$1,627,896.19, which, with the capital increase of subsidy for population, will make the amount now in our hands at Ottawa over one million dollars more than when the present Government came into power. That has been the result of the financial arrangements of the present Government, and of the fair dealing of the Dominion Government in regard to this Province. Our subsidy has been largely increased and our people are not called upon to contribute any direct tax to the Public Treasury. I may be told that no provision has been made to pay of the indebtedness of the Province up to the 31st Dec., 1886. That sum appeared large owing to the way in which the accounts were made up. On the 1st January, 1887, we received nearly \$87,000 as subsidy from the Dominion, so that the balance against us was then very much reduced. The Opposition would meet our indebtedness by direct taxation of the people because they think it would make the Government unpopular in the country. We have been told that the Government cannot resort to direct taxation with out violating a pledge made by them that they would never do so. I now distinctly state that the Government never gave any such pledge to the people of this Province. We stated that we would administer the affairs of the country as economically as possible, and that if we found it necessary to resort to taxation, that form of taxation would be adopted which would be least burdensome and necessitate the least amount of expense for the collection of the taxes. We could draw from our funds at Ottawa, if we chose to do so, a sum sufficient to pay off our trifling indebtedness, and still leave there twice as large an amount as when we came into power. But we do not choose to pursue that course. We shall for the present carry forward our small indebtedness, bearing the low interest of five per cent. Hon. members of Opposition proposed to issue debentures bearing four per cent. interest to pay of the amount. But the cost of issuing those debentures would be equal to one per cent. more, so that nothing would be gained by pursuing that course. I think that by economy and good management of our public affairs, collecting the amounts due us from all sources, and following a prudent course we shall be able to wipe out this little indebtedness in a short time, and leave the country in a better state than when

we found it, if we choose to retire and leave public matters to our opponents. I think we can safely congratulate ourselves that this Province is in a better financial position to-day than ever before, history. I will now leave these figures and this subject in the hands of the House, feeling satisfied that the country will agree with the Government that the course pursued in the past will be the best course for the future, and that it will commend itself to our people generally. (Great applause.)

EVENING SESSION. WEDNESDAY, May 4.

Hon. Mr. Sullivan introduced the bill respecting the roadway to the park which was ordered to be read a second time to-morrow.

Mr. Blake presented the following resolution:—

Resolved, That the House of Assembly of Prince Edward Island having learned that the Imperial Parliament are about enacting a most stringent Coercion law for enforcement in Ireland, desire to express extreme regret at the introduction of such a measure and to represent that after many years endurance of the evils consequent upon a system of land tenure much more liberal than that which prevails in Ireland, the people of this Province as a self-governing community have made the tenants the owners of the soil, thereby rendering them prosperous and contented subjects of Her Majesty Our Gracious Queen. That we record this expression of our sympathy with the laudable efforts that are being made to give Ireland such a measure of self-government as the people of this Island, in common with their fellow subjects in all the Provinces of Canada enjoy; believing as we do that such a system of self-administration is the best calculated to promote the prosperity and happiness of the people of Ireland as well as the peace and welfare of the great empire of which Prince Edward Island is proud to form a part.

He supported the resolution in an able and eloquent speech. He regretted exceedingly that the Coercion Act had been introduced in the absence of crime or any other good cause therefor. He thought that the people needed remedial instead of coercive measures. One of the ablest statesmen of the day, Hon. Mr. Gladstone, in a recent speech in Parliament had referred to this coercion measure in language much stronger than he (Mr. B.) would care to use. He then took up the bill and after explaining its chief clauses to the House, designated it one of the most tyrannical measures ever submitted in any legislature—a measure which the people on this side of the Atlantic would not tolerate one hour. So cruel and revolting is it that it has aroused the indignation not only of the people of Ireland, but of the civilized world. Public meetings had been held throughout England and Scotland, as well as in the United States and Canada. At these meetings, strong condemnatory resolutions had been passed. The Pall Mall Gazette, a journal which is somewhat celebrated for its anti-Irish utterances, has also declared against the measure. He (Mr. B.) had been told that we were going beyond our sphere in discussing this matter in Parliament, and that we should leave the British Government to manage its own affairs. He need hardly say that he, himself, did not entertain any such opinion. The Dominion Parliament and the Parliaments of Ontario and Quebec had passed resolutions dealing with the subject and thus precedents had been established which he did not think it was wrong for us to follow. He expressed the hope that the resolution submitted would meet with the approval of the House and that the vote thereon would be unanimous. After furnishing some interesting statistics concerning evictions, etc., and referring at length to our own struggles for free land, he closed by expressing the hope that this, the jubilee year of Her Majesty the Queen, would pass without the granting of that boon, Home Rule, to the people of Ireland. (Applause.)

HON. NEIL McLEOD seconded the resolution because he thought that remedial and not coercive measures were what the people of Ireland most needed. In his opinion the tenant farmers had good reasons for agitating as they are for remedial legislation. He, however, doubted very much whether the British Parliament would grant the desired boon, as a majority of the members thereof were Irish landlords. He thought that until Ireland were given a parliament of her own the Irish people would not be relieved from the yoke of landlordism. He then referred briefly to the land agitation on the Island, and expressed the opinion that the basis upon which we settled our grievances was that best adapted for a settlement of the Irish land question. In concluding, he urged with the mover of the resolution in the hope that Ireland would shortly be granted Home Rule. (Applause.)

MR. KELLY supported the resolution. He thought it reflected great credit on the Island that we were among those moving in the matter of protesting against the enacting of coercive measures in Ireland and in extending the hand of sympathy to the people of that unhappy country. There was no doubt but that the land question was the great grievance in Ireland, and that it could be much better settled if Ireland had a parliament of her own. He thought the time was not far distant when she would obtain this boon, and the people of Ireland would be contented and prosperous. (Applause.)

MR. WISE said he did not know much about the matter, but thought that we should mind our own business and let the Mother Country mind hers.

The resolution was here put and carried. MR. BLAKE then moved the following resolution:—

Resolved, That copies of the foregoing resolution be forwarded by the Honorable the Speaker of the House to the Rt. Hon. the Marquis of Salisbury, to Right Hon. W. E. Gladstone and Mr. Charles Stewart Parnell.—Carried.

House then went into committee of supply, Mr. John McLean in the chair.

Five More Island Graduates. THE following Islanders graduated at McGill University, Montreal, this spring:—

M. J. McLeod, of Valleyfield, took the degree of B. A. after a very successful course in arts.

John A. Nicholson, of Elton, took the degree of B. A., first class honors in English language, literature, history and a special prize.

Leslie W. Gray, of Summerside, graduated with honors and the early English Text Society's Prize, taking the Philosophy Gold Medal.

Messrs. Palmer and Ball, of Charlottetown, graduated in applied science.

D. M. FERRY & Co's seed annual for 1887 is to hand, and we have also to acknowledge receipt of a choice assortment of seeds as put up by these celebrated seedsmen.

READY CASH. James Paton & Co.

BEG to announce that their buyer, when in England, bought part of Bollen & Tidwell's Bankrupt Stock and, in order to turn it into CASH, will offer the same at very low prices.

Public attention is directed to the fact that unlike many Dry Goods merchants, who apparently live by what they term Cheap Sales, Expiration of Lease Sales, &c., &c. we only advertise what we mean, and shall not attempt to deceive the public with grossly exaggerated quotations of prices, but confidently assert that all who favor us with their patronage will receive courtesy from clerks and employers alike, and none will be pressed to buy.

We also beg to state that our regular stock of SUMMER GOODS is open, with all the Latest Novelties.

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May 4—d & wky

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